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# **BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**

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## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2018



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**

**LAKESIDE, ARIZONA**

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

Issued by:  
Business and Finance Department

# **BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**

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## **INTRODUCTORY SECTION**



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January 26, 2019

Citizens and Governing Board  
Blue Ridge Unified School District No. 32  
1200 W. White Mountain Blvd.  
Lakeside, AZ 85929

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Blue Ridge Unified School District No. 32 (District) for the fiscal year ended June 30, 2018.

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

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

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit as required by the provisions of the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

## **PROFILE OF THE DISTRICT**

The Blue Ridge District is located in the community of Lakeside-Pinetop, part of the scenic White Mountains, an area well-known for its outdoor activities, including hiking, hunting, fishing and skiing. There are approximately 5,000 year-round residents. The local community's economy is hospitality-based, relying most on tourism, especially during the summer and winter seasons. The population of the area swell in the summer months to over 35,000 to 40,000 people.

Blue Ridge Unified School District No. 32 was established in 1963 and is one of 22 public school districts located in Navajo County, Arizona. Our three schools provide public education programs for approximately 2,084 students grades K-12 (475 of which are from the communities of Concho, McNary and Whiteriver). Blue Ridge Elementary supports approximately 1,000 students, grades K-6. The junior high and high schools serve 375 and 775 students, respectively. Projected enrollment for 2017-18 is 2,089 students.

Students in grades 7-12 enjoy a wide range of curricular, co-curricular and extracurricular activities. Blue Ridge High School also provides opportunities for its students to participate in Career and Technology Education, CTE programs both onsite and through our association with Northern Arizona Vocational Institute of Technology (NAVIT). Northern Pioneer College provides concurrent enrollment opportunity for our high school students, enabling them to receive college credit while attending high school. Our academic, fine arts and athletic programs have longstanding traditions of excellence and high achievement.

A few large retailers such as Walmart, Summit Health Care, Home Depot and Lowes combined employ several hundred full-time employees. The Blue Ridge Unified School District employs about 250 people, making it one of the largest employers in the immediate area.

Property valuations have begun to improve over the last 24 months. However, while the real estate locally has experienced an increase in value, the construction industry has not approached pre-recession levels, nor is it expected to do so. Most new construction is targeted to second home owners and retirees. There are no immediate plans for building large-scale single-family home projects. The District does not anticipate experiencing any significant growth over the next several years. However, it has consolidated its facilities to position itself in the event it experiences either rapid growth or declining enrollment. The average age of school buildings is 38 years old.

Arizona public school districts are supported on a current year funding basis which has further complicated school funding. Student enrollment drives district financial resources based on average daily membership (ADM), or student count. This reality makes long-term financial planning difficult for school districts statewide. The ability to maintain the current level of educational and extracurricular programs will be based largely on the District's ability to successfully pass future override initiatives. The current level of educational and extracurricular programming cannot be maintained past 2019 without additional override or state-funded support.

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 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 governance 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 body 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 with a separately elected governing body, is legally distinct, 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. Furthermore, component units combined with the District for financial statement purposes and the District are not included in any other governmental entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, and extracurricular functions including music and athletic programs.

Blue Ridge Schools passed an override election November 2014 providing an increase of 15 percent to its budget capacity. If another override is not approved by November 2019, the District's maintenance and operations budget will be reduced by five percent annual until the override's expiration in 2022.

The District has outstanding bond obligations in the amount of \$29.2 million against a total bonding capacity of \$48.5 million. It is important to note that Proposition 301 monies were set to expire in 2021 but were extended for another 20 years. These dollars provide much needed salary increases for instructional staff.

Capital funding for all public school districts remains woefully short of meeting operational needs. A lawsuit against the state has been seen and full restoration should occur the next five years.

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

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** The single most influential driver of our local economy is tourism. The town of Pinetop-Lakeside serves as a destination location for summer, fall and winter tourists. Hiking, fishing, hunting, and skiing draw considerable numbers of tourists each year. Wildfires and dry winter months present significant financial risks to the local economy.

Local business consist mostly of retail, restaurant, and lodging operations. Summit Health Care is the anchor for the community's medical facilities. The region has suffered a reduction in high paying jobs at three power plants operated by Tucson Electric, Arizona Public Service and the Salt River Project over the last several years. Each of these organizations is slowly scaling back their respective business operations locally in the coming years.

The District's growth in its free and reduced lunch programs demonstrates an increase in residents living at or below the poverty level. Since the recession of 2008, unemployment in the broader region has remained higher than statewide levels. The surrounding communities generally have lower property values, driving a lower cost of living, which seems to attract young families to neighboring communities.

### **Long-term Financial Planning.**

Funding for Arizona public schools is driven by average daily membership (ADM), or student count. Recently, the Arizona Legislature changed the way in which school districts receive funding. Until just recently, funding was based upon prior year's student population. This approach enabled school districts to estimate their financial resources for future planning. The new funding mechanism, (current year) forces districts to adjust their staffing and programming immediately to achieve operational alignment with allocated resources (as determined by current student populations). Strategic planning is made difficult in the absence of certainty of financial resources. Therefore, schools are forced to take a more reactive approach within their planning and operations.

In March 2015, the Governing School Board authorized its superintendent to implement a District-wide strategic plan which, among other things, called for an evaluation of the District's people, programs and future budget recommendations. As a result, by the end of the 2015 school year, several changes were made impacting both personnel and programs.

By the beginning of the 2016-17 school year, the District had consolidated a number of administrative positions, reducing its administrative costs by \$463,000 dollars. Additional operational changes were made to increase efficiency while reducing costs.

In the spring 2016, the superintendent formed a committee represented by all key educational stakeholders to evaluate the condition of the District's existing facilities and educational supports. Discovered by the Committee was the impact of years of deferred maintenance resulting from deep and lasting cuts to the District's capital funding. Subsequently, many of the District's facilities and assets were found in a state of disrepair. After a series of community hearings and committee meetings, the Board approved a \$15 million bond election. The bond was approved during the November 2016 presidential election, followed by a successful bond sale in December of that same year. Since that time, over \$10 million has been invested in busses, computers, facilities and buildings. The bond dollars also funded the consolidation of the elementary and middle schools, and the relocation of the junior high. In addition, the District strategically relocated students to our newest, most energy efficient campus, while restoring and reopening a school closed for seven years. The consolidation also repurposed our oldest, least efficient school building by leasing a good portion of it to a local church. The remaining portion services our pre-K programs.

The District will implement its Education Master Plan prior to the start of the 2018-19 school year. This plan considers immediate and future operational and educational needs District-wide from 2018-21. The financial resources required to support identified needs will be incorporated within the plan. In addition, future planning will include the operational adjustments required to respond to both student growth and declining enrollment.

## **AWARDS AND ACKNOWLEDGMENT**

**Awards.** The Association of School Business Officials International (ASBO) has a Certificate of Excellence in Financial Reporting and the Government Finance Officers Association (GFOA) has a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report.

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

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

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael Wright E.D.", with a stylized, cursive script.

Michael L. Wright  
Superintendent of Schools

A handwritten signature in blue ink, appearing to read "Brenda Thomas-Martinez", with a stylized, cursive script.

Brenda Thomas-Martinez  
Director of Finance and Business Operations



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Blue Ridge Unified School District No. 32**

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

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



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

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

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

John D. Musso, CAE  
Executive Director





Government Finance Officers Association

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

Presented to

**Blue Ridge  
Unified School District No. 32  
Arizona**

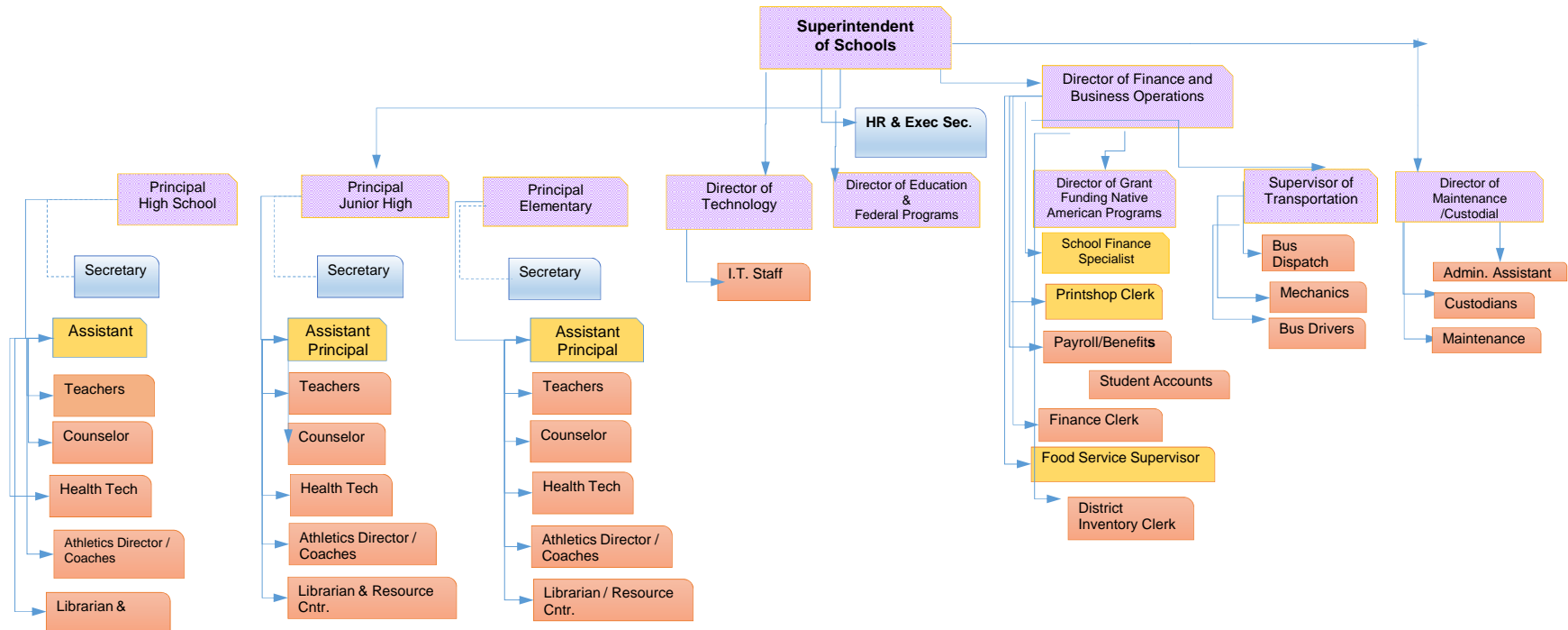
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO

## Blue Ridge Unified School District Organization Chart 2017-2018



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

David Merrill, Board President

Margaret Gabe, Board Vice President

Diana Butler, Board Member

Jennifer Brimhall, Board Member

Chuck Waldo, Board Member

**ADMINISTRATIVE STAFF**

Michael L. Wright, Superintendent of Schools

Brenda Thomas-Martinez, Director of Finance and Business Operations

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Blue Ridge Unified School District No. 32

### **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 Blue Ridge Unified School District No. 32 (District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Blue Ridge Unified School District No. 32, as of June 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

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

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2019, on our consideration of Blue Ridge Unified School District No. 32's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Blue Ridge Unified School District No. 32's internal control over financial reporting and compliance.

*Heinfeld, Meech & Co., P.C.*

Heinfeld, Meech & Co., P.C.  
Flagstaff, Arizona  
January 26, 2019

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



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**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

As management of the Blue Ridge Unified School District No. 32 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

**FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities increased \$3.3 million which represents an 23 percent increase from the prior fiscal year as a result of an increase in property taxes, due to an increase to the secondary tax rate, and operating grants and contributions, due to additional Title I Grants and Special Education Grants funding.
- General revenues accounted for \$19.6 million in revenue, or 75 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$6.4 million or 25 percent of total current fiscal year revenues.
- The District had approximately \$22.6 million in expenses related to governmental activities, an increase of nine percent from the prior fiscal year as a result of an increase in the cost of both telecommunications and property insurance.
- Among major funds, the General Fund had \$15.1 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$14.2 million in expenditures. The General Fund's fund balance increase from \$1.3 million at the prior fiscal year end to \$2.0 million at the end of the current fiscal year was primarily due to excess revenues over expenditures due to conservative spending.

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

## **OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Funds 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 \$17.8 million at the current fiscal year end.

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

	As of June 30, 2018	As of June 30, 2017
Current and other assets	\$ 10,301,993	\$ 16,677,053
Capital assets, net	56,679,806	51,580,696
Total assets	<u>66,981,799</u>	<u>68,257,749</u>
Deferred outflows	<u>3,393,255</u>	<u>3,823,795</u>
Current and other liabilities	4,734,788	5,976,210
Long-term liabilities	46,810,216	49,162,973
Total liabilities	<u>51,545,004</u>	<u>55,139,183</u>
Deferred inflows	<u>1,049,879</u>	<u>2,780,480</u>
Net position:		
Net investment in capital assets	27,214,069	26,346,316
Restricted	2,379,707	1,402,955
Unrestricted	<u>(11,813,605)</u>	<u>(13,587,390)</u>
Total net position	<u>\$ 17,780,171</u>	<u>\$ 14,161,881</u>

At the end of 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 \$11.8 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.

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

- The net increase of accumulated depreciation of \$955,014 through depreciation expense.
- The principal retirement of \$2.4 million of bonds.
- The net increase in capital assets of \$5.7 million primarily due to various land and building improvements, such as weatherization projects, and the addition of vehicles, furniture, and equipment.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

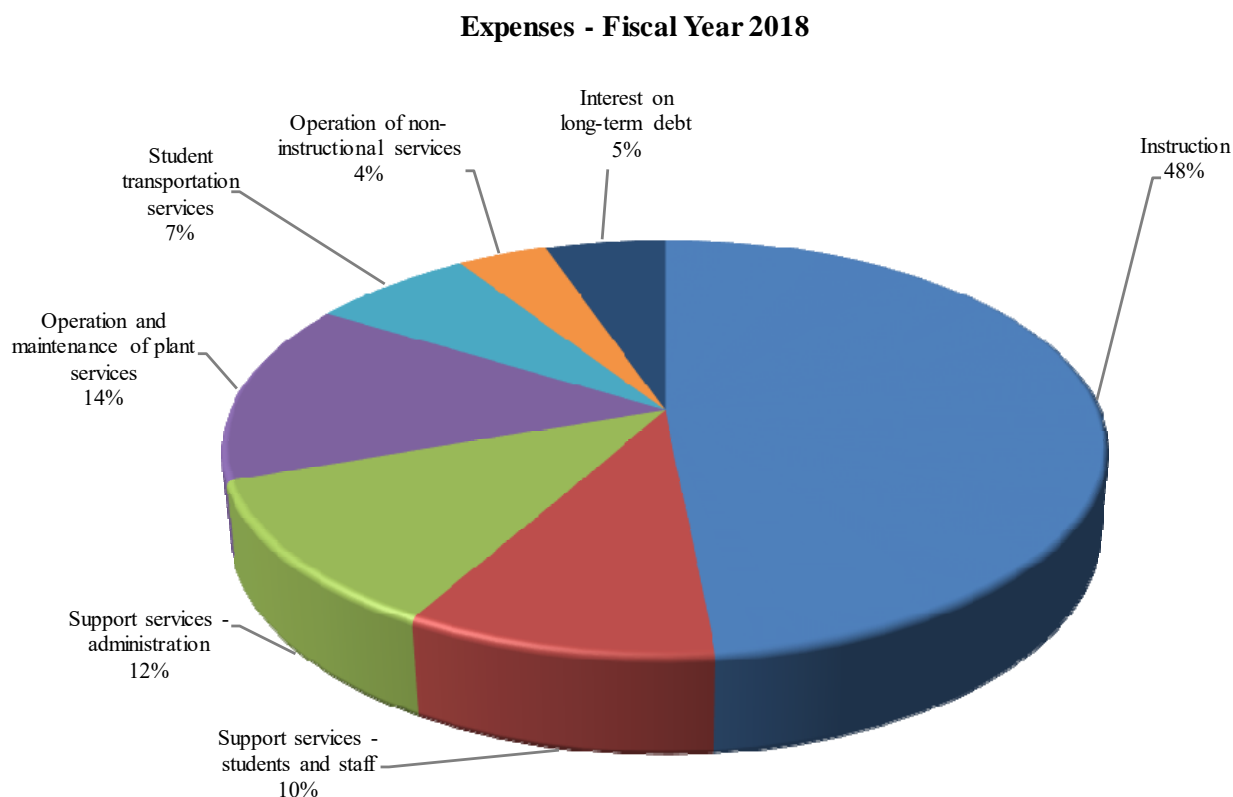
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$25.9 million. The total cost of all programs and services was \$22.6 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2018 and June 30, 2017.

	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 1,292,353	\$ 1,349,787
Operating grants and contributions	2,791,382	1,669,646
Capital grants and contributions	2,277,835	364,919
General revenues:		
Property taxes	13,804,930	11,647,544
Investment income	59,734	17,067
Unrestricted county aid	133,096	92,433
Unrestricted state aid	4,599,953	4,291,643
Unrestricted federal aid	978,589	625,022
<b>Total revenues</b>	<u>25,937,872</u>	<u>20,058,061</u>
<b>Expenses:</b>		
Instruction	10,969,811	11,023,676
Support services - students and staff	2,186,695	2,323,791
Support services - administration	2,627,419	2,106,545
Operation and maintenance of plant services	3,182,029	2,657,052
Student transportation services	1,600,009	1,184,515
Operation of non-instructional services	883,865	819,480
Interest on long-term debt	1,181,619	650,421
<b>Total expenses</b>	<u>22,631,447</u>	<u>20,765,480</u>
<b>Changes in net position</b>	<u>3,306,425</u>	<u>(707,419)</u>
<b>Net position, beginning</b>	14,161,881	
<b>Net effect of prior period adjustments</b>	311,865	
<b>Net position, beginning restated</b>	<u>14,473,746</u>	<u>14,869,300</u>
<b>Net position, ending</b>	<u>\$ 17,780,171</u>	<u>\$ 14,161,881</u>

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2018**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- Property taxes increased \$2.2 million primarily as a result of an increase to the secondary tax rate.
- Operating grants and contributions increased \$1.1 million primarily due to increased Title I and Special Education Grants funding.
- Operation and maintenance of plant services expenses increased \$524,977 as a result of an increase in the cost of both telecommunications and property insurance.

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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2018		Year Ended June 30, 2017	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 10,969,811	\$ (7,047,131)	\$ 11,023,676	\$ (9,295,310)
Support services - students and staff	2,186,695	(1,471,516)	2,323,791	(2,009,153)
Support services - administration	2,627,419	(2,313,898)	2,106,545	(2,039,820)
Operation and maintenance of plant services	3,182,029	(2,550,421)	2,657,052	(2,143,892)
Student transportation services	1,600,009	(1,600,009)	1,184,515	(1,184,515)
Operation of non-instructional services	883,865	(105,283)	819,480	(58,017)
Interest on long-term debt	1,181,619	(1,181,619)	650,421	(650,421)
Total	<u>\$ 22,631,447</u>	<u>\$ (16,269,877)</u>	<u>\$ 20,765,480</u>	<u>\$ (17,381,128)</u>

- The cost of all governmental activities this year was \$22.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$6.4 million.
- Net cost of governmental activities of \$16.3 million was financed by general revenues, which are made up of primarily property taxes of \$13.8 million and state and county aid of \$4.7 million.

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

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$3.9 million, a decrease of \$6.0 million due primarily to the District utilizing bond proceeds to fund capital improvement projects.



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

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

The General Fund comprises 51 percent of the total fund balance. Approximately \$2.0 million, or 97 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$722,523 to \$2.0 million as of fiscal year end was primarily a result of excess revenues over expenditures due to conservative spending. General Fund revenues increased \$409,985 as a result of increased Impact Aid grant funding due to changes in the eligible student count, while expenditures increased \$254,954.

The Bond Building Fund's fund balance decreased \$7.0 million to \$1.3 million, primarily due to the District utilizing bond proceeds to fund capital improvement projects.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in student enrollment counts and estimated costs of purchased services and supplies. The difference between the original budget and the final amended budget was a \$127,118 increase, or one percent.

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

- The favorable variance of \$169,336 in instruction expenditures was a result of lower than anticipated costs of employee benefits.
- The unfavorable variance of \$195,283 in operating and maintenance of plant services expenditures was a result of higher than anticipated costs of telecommunications and property insurance.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$95.4 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 \$5.7 million from the prior fiscal year, primarily due to land and building improvements. Total depreciation expense for the current fiscal year was \$2.1 million.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2018**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

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

	As of June 30, 2018	As of June 30, 2017, as restated
Capital assets - non-depreciable	\$ 2,111,149	\$ 4,292,524
Capital assets - depreciable, net	54,568,657	47,597,802
Total	<u>\$ 56,679,806</u>	<u>\$ 51,890,326</u>

The estimated cost to complete current construction projects is \$1.3 million.

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

**Debt Administration.** At year end, the District had \$31.3 million in long-term debt outstanding, \$2.8 million due within one year.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total 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 \$75.7 million and the Class B debt limit is \$50.5 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 9 through 11.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

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

- District student population (estimated 2,042).
- Employee salaries (estimated \$8.5 million).

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2018**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

Budgeted expenditures in the General Fund increased three percent to \$13.8 million in fiscal year 2018-19. Additional per pupil funding is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2018-19 budget.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Blue Ridge Unified School District No. 32, 1200 West White Mountain Boulevard, Lakeside, Arizona, 85929.

## **BASIC FINANCIAL STATEMENTS**

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 5,877,397
Property taxes receivable	427,265
Accounts receivable	67,530
Due from governmental entities	3,851,867
Inventory	26,434
Total current assets	<u>10,250,493</u>
Noncurrent assets:	
Net other postemployment benefit assets	51,500
Capital assets not being depreciated	2,111,149
Capital assets, net of accumulated depreciation	54,568,657
Total noncurrent assets	<u>56,731,306</u>
<b>Total assets</b>	<u><b>66,981,799</b></u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	535,456
Pension and other postemployment benefit plan items	2,857,799
<b>Total deferred outflows of resources</b>	<u><b>3,393,255</b></u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	303,784
Construction contracts payable	2,407,867
Due to governmental entities	1,817,032
Accrued payroll and employee benefits	187,768
Compensated absences payable	389,207
Unearned revenues	18,337
Obligations under capital leases	210,654
Bonds payable	2,615,000
Total current liabilities	<u>7,949,649</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	43,595,355
Total noncurrent liabilities	<u>43,595,355</u>
<b>Total liabilities</b>	<u><b>51,545,004</b></u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	1,049,879
<b><u>NET POSITION</u></b>	
Net investment in capital assets	27,214,069
Restricted for:	
Voter approved initiatives	157,393
Community school	48,870
Extracurricular activities	206,416
Joint technical education	187,835
Other local initiatives	20,622
Debt service	313,089
Capital outlay	1,445,482
Unrestricted	(11,813,605)
<b>Total net position</b>	<u><b>\$ 17,780,171</b></u>

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 10,969,811	\$ 893,814	\$ 1,315,821	\$ 1,713,045	\$ (7,047,131)
Support services - students and staff	2,186,695	192,568	522,611		(1,471,516)
Support services - administration	2,627,419		313,521		(2,313,898)
Operation and maintenance of plant services	3,182,029	66,818		564,790	(2,550,421)
Student transportation services	1,600,009				(1,600,009)
Operation of non-instructional services	883,865	139,153	639,429		(105,283)
Interest on long-term debt	1,181,619				(1,181,619)
<b>Total governmental activities</b>	<u>\$ 22,631,447</u>	<u>\$ 1,292,353</u>	<u>\$ 2,791,382</u>	<u>\$ 2,277,835</u>	<u>(16,269,877)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	9,805,614
Property taxes, levied for debt service	3,513,956
Property taxes, levied for capital outlay	485,360
Investment income	59,734
Unrestricted county aid	133,096
Unrestricted state aid	4,599,953
Unrestricted federal aid	978,589
<b>Total general revenues</b>	<u>19,576,302</u>

**Changes in net position** 3,306,425

**Net position, beginning of year, as restated** 14,473,746

**Net position, end of year** \$ 17,780,171

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



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## **FUND FINANCIAL STATEMENTS**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2018**

	<u>General</u>	<u>Title I Grants</u>	<u>Special Education Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,241,230	\$	\$
Property taxes receivable	304,401		
Accounts receivable			
Due from governmental entities	1,011,341	611,644	425,094
Inventory			
<b>Total assets</b>	<u><u>\$ 2,556,972</u></u>	<u><u>\$ 611,644</u></u>	<u><u>\$ 425,094</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 181,038	\$ 4,737	\$ 2,661
Construction contracts payable			
Due to governmental entities		596,874	422,433
Accrued payroll and employee benefits	151,042	10,033	
Unearned revenues			
<b>Total liabilities</b>	<u>332,080</u>	<u>611,644</u>	<u>425,094</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	221,409		
Unavailable revenues - intergovernmental		45,419	425,094
<b>Total deferred inflows of resources</b>	<u>221,409</u>	<u>45,419</u>	<u>425,094</u>
Fund balances (deficits):			
Nonspendable			
Restricted	50,898		
Unassigned	1,952,585	(45,419)	(425,094)
<b>Total fund balances</b>	<u>2,003,483</u>	<u>(45,419)</u>	<u>(425,094)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 2,556,972</u></u>	<u><u>\$ 611,644</u></u>	<u><u>\$ 425,094</u></u>

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

<u>Debt Service</u>	<u>Bond Building</u>	<u>Building Renewal Grant</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 205,368	\$ 2,994,228	\$	\$ 1,436,571	\$ 5,877,397
107,721			15,143	427,265
			67,530	67,530
		1,338,731	465,057	3,851,867
			26,434	26,434
<u>\$ 313,089</u>	<u>\$ 2,994,228</u>	<u>\$ 1,338,731</u>	<u>\$ 2,010,735</u>	<u>\$ 10,250,493</u>
\$	\$	\$	\$	\$
	1,674,748	615,048	115,348	303,784
		131,138	118,071	2,407,867
			666,587	1,817,032
			26,693	187,768
			18,337	18,337
	<u>1,674,748</u>	<u>746,186</u>	<u>945,036</u>	<u>4,734,788</u>
77,846			11,112	310,367
		695,840	128,190	1,294,543
<u>77,846</u>		<u>695,840</u>	<u>139,302</u>	<u>1,604,910</u>
			26,434	26,434
235,243	1,319,480		1,412,063	3,017,684
		(103,295)	(512,100)	866,677
<u>235,243</u>	<u>1,319,480</u>	<u>(103,295)</u>	<u>926,397</u>	<u>3,910,795</u>
<u>\$ 313,089</u>	<u>\$ 2,994,228</u>	<u>\$ 1,338,731</u>	<u>\$ 2,010,735</u>	<u>\$ 10,250,493</u>

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**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2018**

<b>Total governmental fund balances</b>	<b>\$</b>	<b>3,910,795</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	\$ 95,389,006	
Less accumulated depreciation	<u>(38,709,200)</u>	56,679,806

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

Property taxes	310,367	
Intergovernmental	<u>1,294,543</u>	1,604,910

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.	535,456
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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	2,857,799	
Deferred inflows of resources related to pensions/OPEB	<u>(1,049,879)</u>	1,807,920

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.	51,500
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(418,981)	
Obligations under capital leases	(2,558,327)	
Net OPEB liability	(34,627)	
Net pension liability	(15,035,935)	
Bonds payable	<u>(28,762,346)</u>	<u>(46,810,216)</u>

<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>17,780,171</u></b>
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**The notes to the basic financial statements are an integral part of this statement.**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	<u>General</u>	<u>Title I Grants</u>	<u>Special Education Grants</u>
<b>Revenues:</b>			
Other local	\$ 735,424	\$	\$
Property taxes	9,786,759		
State aid and grants	3,431,857		
Federal aid, grants and reimbursements	1,131,967	1,095,950	416,365
<b>Total revenues</b>	<u>15,086,007</u>	<u>1,095,950</u>	<u>416,365</u>
<b>Expenditures:</b>			
Current -			
Instruction	6,859,450	559,316	229,314
Support services - students and staff	1,635,806	79,582	190,492
Support services - administration	2,024,178	239,067	997
Operation and maintenance of plant services	2,445,927		
Student transportation services	941,258		
Operation of non-instructional services	34,566		
Capital outlay	209,637	227,282	343
Debt service -			
Principal retirement	47,486		
Interest and fiscal charges	5,361		
<b>Total expenditures</b>	<u>14,203,669</u>	<u>1,105,247</u>	<u>421,146</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>882,338</u>	<u>(9,297)</u>	<u>(4,781)</u>
<b>Other financing sources (uses):</b>			
Transfers in	52,200		
Transfers out	(212,015)	(36,122)	(10,528)
Capital lease agreements			
<b>Total other financing sources (uses)</b>	<u>(159,815)</u>	<u>(36,122)</u>	<u>(10,528)</u>
<b>Changes in fund balances</b>	<u>722,523</u>	<u>(45,419)</u>	<u>(15,309)</u>
<b>Fund balances (deficits), beginning of year</b>	1,280,960		(409,785)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ 2,003,483</u>	<u>\$ (45,419)</u>	<u>\$ (425,094)</u>

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

<u>Debt Service</u>	<u>Bond Building</u>	<u>Building Renewal Grant</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 37,289	\$ 42,588	\$ 3,118	\$ 804,564	\$ 1,622,983
3,476,202			485,866	13,748,827
		1,270,249	1,214,344	5,916,450
			785,734	3,430,016
<u>3,513,491</u>	<u>42,588</u>	<u>1,273,367</u>	<u>3,290,508</u>	<u>24,718,276</u>
			1,562,669	9,210,749
			268,682	2,174,562
			34,883	2,299,125
				2,445,927
			6,228	947,486
			751,963	786,529
	6,744,342	1,243,498	506,408	8,931,510
2,385,000	243,380		155,123	2,830,989
1,081,022	8,092		78,280	1,172,755
<u>3,466,022</u>	<u>6,995,814</u>	<u>1,243,498</u>	<u>3,364,236</u>	<u>30,799,632</u>
<u>47,469</u>	<u>(6,953,226)</u>	<u>29,869</u>	<u>(73,728)</u>	<u>(6,081,356)</u>
8,178			212,015	272,393
	(8,178)		(5,550)	(272,393)
			92,078	92,078
<u>8,178</u>	<u>(8,178)</u>		<u>298,543</u>	<u>92,078</u>
<u>55,647</u>	<u>(6,961,404)</u>	<u>29,869</u>	<u>224,815</u>	<u>(5,989,278)</u>
179,596	8,280,884	(133,164)	707,253	9,905,744
			(5,671)	(5,671)
<u>\$ 235,243</u>	<u>\$ 1,319,480</u>	<u>\$ (103,295)</u>	<u>\$ 926,397</u>	<u>\$ 3,910,795</u>



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2018**

**Changes in fund balances - total governmental funds** **\$ (5,989,278)**

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	\$ 6,864,184	
Less current year depreciation	<u>(2,074,704)</u>	4,789,480

Issuance of obligations under capital leases provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.		(92,078)
---	--	----------

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

Property taxes	56,103	
Intergovernmental	<u>1,163,493</u>	1,219,596

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

Capital lease principal retirement	445,989	
Bond principal retirement	<u>2,385,000</u>	2,830,989

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

Current year pension/OPEB contributions	1,127,826	
Pension/OPEB expense	<u>(560,217)</u>	567,609

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	(5,671)	
Deferred charges on issuance of debt	(76,494)	
Amortization of deferred bond items	67,630	
Compensated absences	<u>(5,358)</u>	<u>(19,893)</u>

**Changes in net position in governmental activities** **\$ 3,306,425**

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2018**

	<u>Agency</u>
<b><u>ASSETS</u></b>	
Cash and investments	\$ 191,611
<b>Total assets</b>	<u>\$ 191,611</u>
<b><u>LIABILITIES</u></b>	
Due to student groups	\$ 191,611
<b>Total liabilities</b>	<u>\$ 191,611</u>

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

The financial statements of the Blue Ridge Unified School District No. 32 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**A. Reporting Entity**

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

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

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

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

The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore and athletic functions.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

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

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

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

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

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

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

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

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

The District reports the following major governmental funds:

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

Title I Grants Fund – The Title I Grants Fund accounts 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.

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

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

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

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

Additionally, the District reports the following fund type:

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

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

**D. Cash and Investments**

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

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

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

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

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

**E. Investment Income**

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

**F. Receivables and Payables**

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

**G. Property Tax Calendar**

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

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

**H. Inventory**

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

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

**I. Prepaid Items**

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

**J. Capital Assets**

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



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

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	15 – 25 years
Buildings and improvements	10 – 75 years
Vehicles, furniture and equipment	5 – 20 years

**K. Deferred Outflows/Inflows of Resources**

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

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

**L. Compensated Absences**

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

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

**M. Pensions and Other Postemployment Benefits**

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

**N. Long-term Obligations**

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

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

**O. Interfund Activity**

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

**P. Net Position Flow Assumption**

In the government-wide 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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	General Fund	Title I Grants Fund	Special Education Grants Fund	Debt Service Fund	Bond Building Fund	Building Renewal Grant Fund	Non-Major Governmental Funds
Fund Balances:							
Nonspendable:							
Inventory	\$	\$	\$	\$	\$	\$	\$ 26,434
Restricted:							
Debt service				235,243			
Capital projects	45,301						796,524
Bond building projects					1,319,480		
Voter approved initiatives							157,393
Community school							48,870
Extracurricular activities							206,416
Joint technical education							187,835
Other purposes	5,597						15,025
Unassigned	1,952,585	(45,419)	(425,094)			(103,295)	(512,100)
Total fund balances	<u>\$ 2,003,483</u>	<u>\$ (45,419)</u>	<u>\$ (425,094)</u>	<u>\$ 235,243</u>	<u>\$ 1,319,480</u>	<u>\$ (103,295)</u>	<u>\$ 926,397</u>

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

	Deficit
Major Funds:	
Title I Grants	\$ (45,419)
Special Education Grants	(425,094)
Building Renewal Grant	(103,295)
Non-Major Governmental Funds:	
Structured English Immersion	(975)
Limited English and Immigrant Studies	(199)
Vocational Education	(503)
Other Federal Projects	(210,715)
Other State Projects	(1,021)
Food Service	(183,526)
Civic Center	(49,037)
New School Facilities	(39,690)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The deficits arose because of operations during both the current and prior fiscal years and/or because of pending grant reimbursements. Additional revenues received in future fiscal years 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.

	<u>Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Major Fund:			
Title I Grants	\$ 875,986	\$ 1,105,247	\$ (229,261)

**NOTE 4 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$500,718 and the bank balance was \$522,695. At year end, \$272,695 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

*Valuation Techniques.* Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities.

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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 4 – CASH AND INVESTMENTS**

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. At year end, the District's investments consisted of the following:

Investment Type	Category	Fair Value	Investment Maturities (in Years)
			Less than 1 year
Certificates of Deposit	Level 1	\$ 46,189	\$ 46,189
			<u>\$ 46,189</u>
Arizona School Risk Retention Trust investment pool	Not applicable	16,987	1.46 years average maturities
County Treasurer's investment pool	Not applicable	<u>5,505,114</u>	362 days average maturities
Total		<u>\$ 5,568,290</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. All investments held in the Arizona School Risk Retention Trust investment pool were rated between A and A++ by Standard and Poor's at year end.

*Custodial Credit Risk – Investments.* The District's investments in the County Treasurer's investment pool and the Arizona School Risk Retention Trust investment pool represent 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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 5 – RECEIVABLES**

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

	General Fund	Title I Grants Fund	Special Education Grants Fund	Building Renewal Grant Fund	Non-Major Governmental Funds
Due from other governmental entities:					
Due from federal government	\$ 27,224	\$ 611,644	\$ 425,094	\$	\$ 215,891
Due from state government	984,117			1,338,731	139,964
Due from other districts					109,202
Net due from governmental entities	<u>\$ 1,011,341</u>	<u>\$ 611,644</u>	<u>\$ 425,094</u>	<u>\$ 1,338,731</u>	<u>\$ 465,057</u>

**NOTE 6 – CAPITAL ASSETS**

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

Governmental Activities	Beginning Balance (as restated)	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 1,002,238	\$	\$	\$ 1,002,238
Construction in progress	3,290,286	1,114,153	3,295,528	1,108,911
Total capital assets, not being depreciated	<u>4,292,524</u>	<u>1,114,153</u>	<u>3,295,528</u>	<u>2,111,149</u>
Capital assets, being depreciated:				
Land improvements	3,024,601	1,651,427		4,676,028
Buildings and improvements	74,348,836	7,245,236		81,594,072
Vehicles, furniture and equipment	7,978,551	148,896	1,119,690	7,007,757
Total capital assets being depreciated	<u>85,351,988</u>	<u>9,045,559</u>	<u>1,119,690</u>	<u>93,277,857</u>
Less accumulated depreciation for:				
Land improvements	(2,056,384)	(186,147)		(2,242,531)
Buildings and improvements	(31,081,735)	(1,437,476)		(32,519,211)
Vehicles, furniture and equipment	(4,616,067)	(451,081)	(1,119,690)	(3,947,458)
Total accumulated depreciation	<u>(37,754,186)</u>	<u>(2,074,704)</u>	<u>(1,119,690)</u>	<u>(38,709,200)</u>
Total capital assets, being depreciated, net	<u>47,597,802</u>	<u>6,970,855</u>		<u>54,568,657</u>
Governmental activities capital assets, net	<u>\$ 51,890,326</u>	<u>\$ 8,085,008</u>	<u>\$3,295,528</u>	<u>\$ 56,679,806</u>

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 6 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,148,752
Support services – students and staff	1,660
Support services – administration	5,235
Operation and maintenance of plant services	625,421
Student transportation services	282,702
Operation of non-instructional services	10,934
Total depreciation expense – governmental activities	<u>\$ 2,074,704</u>

**Construction Commitments** – At year end, the District had contractual commitments related to various capital projects for the construction of various building renovations. At year end the District had spent \$1.1 million on the projects and had estimated remaining contractual commitments of \$1.3 million. These projects are being funded with bond proceeds.

**NOTE 7 – DUE TO COUNTY TREASURER**

At year end, several funds had a negative cash balance in the Treasurer’s pooled cash accounts, resulting in a payable due to the County Treasurer in the amount of \$1,817,032. Fiscal year 2018-19 revenues will be used to eliminate the payable.

	Title I Grants Fund	Special Education Grants Fund	Building Renewal Grant Fund	Non-Major Governmental Funds	Total
Due to County Treasurer	<u>\$ 596,874</u>	<u>\$ 422,433</u>	<u>\$ 131,138</u>	<u>\$ 666,587</u>	<u>\$1,817,032</u>

**NOTE 8 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT**

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	<u>\$</u>	<u>\$ 4,187,000</u>	<u>\$ 4,187,000</u>	<u>\$</u>



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 9 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired buses, technology infrastructure, copiers, and energy savings retrofits under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund and the Energy Water Savings Fund, both non-major governmental funds, General Fund, and the Bond Building Fund are used to pay the capital lease obligations. Revenues from the General Fund are transferred to the Energy and Water Savings Fund to pay the capital lease obligations when due. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	Governmental Activities
Asset:	
Building improvements	\$ 2,181,427
Vehicles, furniture and equipment	345,294
Less: Accumulated depreciation	433,328
Total	<u>\$ 2,093,393</u>

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

Year Ending June 30:	Governmental Activities
2019	\$ 291,567
2020	297,009
2021	302,581
2022	251,543
2023	237,500
2024-28	1,280,051
2029-30	415,033
Total minimum lease payments	<u>3,075,284</u>
Less: amount representing interest	<u>516,957</u>
Present value of minimum lease payments	<u>2,558,327</u>
Due within one year	<u>\$ 210,654</u>

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE**

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

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2018</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
School Improvement Bonds, Series A (2007) (Class B)	\$ 5,000,000	4.25%	7/1/19	\$ 180,000	\$ 180,000
Refunding Bonds, Series 2015	15,660,000	2.50%	7/1/19-25	14,380,000	1,760,000
School Improvement Bonds, Series 2017	13,920,000	2.50- 3.90%	7/1/19-36	12,985,000	675,000
Total				<u>\$ 27,545,000</u>	<u>\$ 2,615,000</u>

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

Year ending June 30:		<u>Governmental Activities</u>	
		<u>Principal</u>	<u>Interest</u>
	2019	\$ 2,615,000	\$ 901,900
	2020	2,710,000	830,000
	2021	2,790,000	758,625
	2022	2,870,000	685,050
	2023	2,345,000	613,301
	2024-28	8,625,000	2,124,880
	2029-33	3,850,000	749,580
	2034-36	1,740,000	131,952
Total		<u>\$ 27,545,000</u>	<u>\$ 6,795,288</u>

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 11 – CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance (as restated)	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 29,930,000	\$	\$ 2,385,000	\$ 27,545,000	\$ 2,615,000
Premium	1,284,976		67,630	1,217,346	
Total bonds payable	31,214,976		2,452,630	28,762,346	2,615,000
Obligations under capital leases	2,912,238	92,078	445,989	2,558,327	210,654
Net OPEB liability	21,338	13,289		34,627	
Net pension liability	14,622,136	413,799		15,035,935	
Compensated absences payable	413,623	222,621	217,263	418,981	389,207
Governmental activity long-term liabilities	<u>\$ 49,184,311</u>	<u>\$ 741,787</u>	<u>\$ 3,115,882</u>	<u>\$ 46,810,216</u>	<u>\$ 3,214,861</u>

**NOTE 12 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end, interfund balances were as follows:

**Interfund transfers:**

Transfers out	Transfers in			Total
	General Fund	Debt Service Fund	Non-Major Governmental Funds	
General Fund	\$	\$	\$ 212,015	\$ 212,015
Title I Grants Fund	36,122			36,122
Special Education Grants Fund	10,528			10,528
Bond Building Fund		8,178		8,178
Non-Major Governmental Funds	5,550			5,550
Total	<u>\$ 52,200</u>	<u>\$ 8,178</u>	<u>\$ 212,015</u>	<u>\$ 272,393</u>

Transfers between funds were used to (1) transfer energy savings from the General Fund to the Energy and Water Savings Fund, a non-major governmental fund, as allowed by statute, (2) to move federal grant funds restricted for indirect costs, 3) to reduce taxes in the Unrestricted Capital Outlay Fund, a non-major governmental fund and 4) move investment income earned in the Bond Building Fund.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 13 – CONTINGENT LIABILITIES**

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

**NOTE 14 – RISK MANAGEMENT**

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

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

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

The District was unable to obtain health coverage at a cost it considered to be economically justifiable. Therefore, the District joined the Mountain Public Employee Benefit Trust (MPEBT) for risks of loss related to employee health and accident claims. MPEBT is a public entity risk pool currently operating as a common risk management and insurance program for several school districts. The District pays a monthly premium to MPEBT for employee health and accident insurance coverage. The agreement provides that MPEBT will be self-sustaining through member premiums and will reimburse through commercial companies for claims in excess of specific amounts.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

	Pension	OPEB
Net assets	\$	\$ (51,500)
Net liability	15,035,935	34,627
Deferred outflows of resources	2,798,957	58,842
Deferred inflows of resources	986,644	63,235
Expense	511,620	48,597
Contributions	1,068,984	58,842

**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	

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

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

	<u>Contributions</u>
Pension	\$ 1,068,984
Health Insurance Premium	43,151
Long-Term Disability	15,691

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

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

	Net (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 15,035,935	0.097	0.006
Health Insurance Premium	(51,500)	0.095	
Long-Term Disability	34,627	0.096	

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

	Expense
Pension	\$ 511,620
Health Insurance Premium	30,123
Long-Term Disability	18,474

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$	\$	\$
Changes of assumptions or other inputs	653,045		
Net difference between projected and actual earnings on pension investments	107,948		
Changes in proportion and differences between contributions and proportionate share of contributions	968,980		
Contributions subsequent to the measurement date	1,068,984	43,151	15,691
Total	<u>\$ 2,798,957</u>	<u>\$ 43,151</u>	<u>\$ 15,691</u>

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 450,860	\$	\$
Changes of assumptions or other inputs	449,601		
Net difference between projected and actual earnings on pension investments		57,987	5,180
Changes in proportion and differences between contributions and proportionate share of contributions	86,183	63	5
Total	<u>\$ 986,644</u>	<u>\$ 58,050</u>	<u>\$ 5,185</u>



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2019	\$ (132,850)	\$ (14,510)	\$ (1,296)
2020	977,654	(14,510)	(1,296)
2021	244,396	(14,510)	(1,296)
2022	(345,871)	(14,510)	(1,296)
2023		(11)	(1)

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**NOTE 15 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	7.0%	8.0%	9.0%
Pension	\$ 19,298,883	\$ 15,035,935	\$ 11,473,876
Health Insurance Premium	85,527	(51,500)	(167,950)
Long-Term Disability	41,406	34,627	28,880

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

**NOTE 16 – PRIOR PERIOD ADJUSTMENTS**

The July 1, 2017, government-wide net position does not agree to the prior year financial statements due to the implementation of GASB Statement No. 75 and the correction of an error related to capital assets. The implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, represents a change in accounting principle. Net position as of July 1, 2017, has been restated as follows for this change in accounting principle:

	Statement of Activities
Net position, June 30, 2017, as previously reported	\$ 14,161,881
Capital assets not previously reported	309,630
Net OPEB asset	23,573
Net OPEB liability	(21,338)
Net position, July 1, 2017, as restated	<u>\$ 14,473,746</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 479,760	\$ 479,760
Property taxes			9,786,759	9,786,759
State aid and grants			3,408,787	3,408,787
<b>Total revenues</b>			<u>13,675,306</u>	<u>13,675,306</u>
<b>Expenditures:</b>				
Current -				
Instruction	6,934,175	6,802,564	6,633,198	169,366
Support services - students and staff	1,449,270	1,497,679	1,446,458	51,221
Support services - administration	1,671,400	1,873,842	1,838,191	35,651
Operation and maintenance of plant services	2,231,533	2,210,771	2,406,054	(195,283)
Student transportation services	998,815	1,027,454	928,228	99,226
Operation of non-instructional services	34,826	34,827	32,523	2,304
<b>Total expenditures</b>	<u>13,320,019</u>	<u>13,447,137</u>	<u>13,284,652</u>	<u>162,485</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(13,320,019)</u>	<u>(13,447,137)</u>	<u>390,654</u>	<u>13,837,791</u>
<b>Other financing sources (uses):</b>				
Transfers out			(212,015)	(212,015)
<b>Total other financing sources (uses)</b>			<u>(212,015)</u>	<u>(212,015)</u>
<b>Changes in fund balances</b>	<u>(13,320,019)</u>	<u>(13,447,137)</u>	<u>178,639</u>	<u>13,625,776</u>
<b>Fund balances, beginning of year</b>			700,511	700,511
<b>Fund balances (deficits), end of year</b>	<u>\$ (13,320,019)</u>	<u>\$ (13,447,137)</u>	<u>\$ 879,150</u>	<u>\$ 14,326,287</u>

See accompanying notes to this schedule.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**TITLE I GRANTS**  
**YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Federal aid, grants and reimbursements	\$	\$	\$ 1,095,950	\$ 1,095,950
<b>Total revenues</b>			<u>1,095,950</u>	<u>1,095,950</u>
<b>Expenditures:</b>				
Current -				
Instruction	1,329,037	875,986	559,316	316,670
Support services - students and staff			79,582	(79,582)
Support services - administration			239,067	(239,067)
Capital outlay			227,282	(227,282)
<b>Total expenditures</b>	<u>1,329,037</u>	<u>875,986</u>	<u>1,105,247</u>	<u>(229,261)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,329,037)</u>	<u>(875,986)</u>	<u>(9,297)</u>	<u>866,689</u>
<b>Other financing sources (uses):</b>				
Transfers out			(36,122)	(36,122)
<b>Total other financing sources (uses)</b>			<u>(36,122)</u>	<u>(36,122)</u>
<b>Changes in fund balances</b>	<u>(1,329,037)</u>	<u>(875,986)</u>	<u>(45,419)</u>	<u>830,567</u>
<b>Fund balances, beginning of year</b>				
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,329,037)</u>	<u>\$ (875,986)</u>	<u>\$ (45,419)</u>	<u>\$ 830,567</u>

See accompanying notes to this schedule.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**SPECIAL EDUCATION GRANTS**  
**YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues:</b>				
Federal aid, grants and reimbursements	\$	\$	\$ 416,365	\$ 416,365
<b>Total revenues</b>			<u>416,365</u>	<u>416,365</u>
<b>Expenditures:</b>				
Current -				
Instruction	450,813	427,755	229,314	198,441
Support services - students and staff			190,492	(190,492)
Support services - administration			997	(997)
Capital outlay			343	(343)
<b>Total expenditures</b>	<u>450,813</u>	<u>427,755</u>	<u>421,146</u>	<u>6,609</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(450,813)</u>	<u>(427,755)</u>	<u>(4,781)</u>	<u>422,974</u>
<b>Other financing sources (uses):</b>				
Transfers out			(10,528)	(10,528)
<b>Total other financing sources (uses)</b>			<u>(10,528)</u>	<u>(10,528)</u>
<b>Changes in fund balances</b>	<u>(450,813)</u>	<u>(427,755)</u>	<u>(15,309)</u>	<u>412,446</u>
<b>Fund balances (deficits), beginning of year</b>			(409,785)	(409,785)
<b>Fund balances (deficits), end of year</b>	<u>\$ (450,813)</u>	<u>\$ (427,755)</u>	<u>\$ (425,094)</u>	<u>\$ 2,661</u>

See accompanying notes to this schedule.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST FOUR FISCAL YEARS**

	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.10%	0.09%	0.09%	0.09%
District's proportionate share of the net pension (assets) liability	\$ 15,035,935	\$ 14,622,136	\$ 13,335,569	\$ 13,893,380
District's covered payroll	\$ 9,045,371	\$ 8,094,258	\$ 7,360,073	\$ 8,275,299
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	166.23%	180.65%	181.19%	167.89%
Plan fiduciary net position as a percentage of the total pension liability	69.92%	67.06%	68.35%	69.49%

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

	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Actuarially determined contribution	\$ 1,068,984	\$ 975,091	\$ 878,227	\$ 801,511
Contributions in relation to the actuarially determined contribution	<u>1,068,984</u>	<u>975,091</u>	<u>878,227</u>	<u>801,511</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 9,807,193	\$ 9,045,371	\$ 8,094,258	\$ 7,360,073
Contributions as a percentage of covered payroll	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**JUNE 30, 2018**

**2018**

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.10%
District's proportionate share of the net OPEB (assets) liability	\$ (51,500)
District's covered payroll	\$ 9,045,371
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	-0.57%
Plan fiduciary net position as a percentage of the total OPEB liability	103.57%

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

**2018**

Actuarially determined contribution	\$ 43,151
Contributions in relation to the actuarially determined contribution	<u>43,151</u>
Contribution deficiency (excess)	<u>\$</u>
District's covered payroll	\$ 9,807,193
Contributions as a percentage of covered payroll	0.44%

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

See accompanying notes to this schedule.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY**  
**JUNE 30, 2018**

**2018**

Measurement date	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.10%
District's proportionate share of the net OPEB (assets) liability	\$ 34,627
District's covered payroll	\$ 9,045,371
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.38%
Plan fiduciary net position as a percentage of the total OPEB liability	84.44%

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

**2018**

Actuarially determined contribution	\$ 15,691
Contributions in relation to the actuarially determined contribution	<u>15,691</u>
Contribution deficiency (excess)	<u>\$</u>
District's covered payroll	\$ 9,807,193
Contributions as a percentage of covered payroll	0.16%

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

See accompanying notes to this schedule.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2018**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

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

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

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 14,203,669	\$ 2,003,483
Activity budgeted as special revenue funds	(918,081)	(1,029,969)
Activity budgeted as capital projects funds	<u>(936)</u>	<u>(94,364)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 13,284,652</u>	<u>\$ 879,150</u>

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

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

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

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

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## **GOVERNMENTAL FUNDS**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2018**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 526,007	\$ 910,564	\$ 1,436,571
Property taxes receivable		15,143	15,143
Accounts receivable	67,530		67,530
Due from governmental entities	454,435	10,622	465,057
Inventory	26,434		26,434
<b>Total assets</b>	<u>\$ 1,074,406</u>	<u>\$ 936,329</u>	<u>\$ 2,010,735</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 115,348	\$	\$ 115,348
Construction contracts payable		118,071	118,071
Due to governmental entities	616,275	50,312	666,587
Accrued payroll and employee benefits	26,693		26,693
Unearned revenues	18,337		18,337
<b>Total liabilities</b>	<u>776,653</u>	<u>168,383</u>	<u>945,036</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		11,112	11,112
Unavailable revenues - intergovernmental	128,190		128,190
<b>Total deferred inflows of resources</b>	<u>128,190</u>	<u>11,112</u>	<u>139,302</u>
Fund balances (deficits):			
Nonspendable	26,434		26,434
Restricted	615,539	796,524	1,412,063
Unassigned	(472,410)	(39,690)	(512,100)
<b>Total fund balances</b>	<u>169,563</u>	<u>756,834</u>	<u>926,397</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,074,406</u>	<u>\$ 936,329</u>	<u>\$ 2,010,735</u>

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2018**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 793,168	\$ 11,396	\$ 804,564
Property taxes		485,866	485,866
State aid and grants	1,173,055	41,289	1,214,344
Federal aid, grants and reimbursements	785,734		785,734
<b>Total revenues</b>	<u>2,751,957</u>	<u>538,551</u>	<u>3,290,508</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,562,669		1,562,669
Support services - students and staff	268,682		268,682
Support services - administration	34,883		34,883
Student transportation services	6,228		6,228
Operation of non-instructional services	751,963		751,963
Capital outlay	140,203	366,205	506,408
Debt service -			
Principal retirement		155,123	155,123
Interest and fiscal charges		78,280	78,280
<b>Total expenditures</b>	<u>2,764,628</u>	<u>599,608</u>	<u>3,364,236</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(12,671)</u>	<u>(61,057)</u>	<u>(73,728)</u>
<b>Other financing sources (uses):</b>			
Transfers in		212,015	212,015
Transfers out	(5,550)		(5,550)
Capital lease agreements		92,078	92,078
<b>Total other financing sources (uses)</b>	<u>(5,550)</u>	<u>304,093</u>	<u>298,543</u>
<b>Changes in fund balances</b>	<u>(18,221)</u>	<u>243,036</u>	<u>224,815</u>
<b>Fund balances, beginning of year</b>	193,455	513,798	707,253
Increase (decrease) in reserve for inventory	(5,671)		(5,671)
<b>Fund balances, end of year</b>	<u>\$ 169,563</u>	<u>\$ 756,834</u>	<u>\$ 926,397</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.

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

**Student Success** - to account for student success monies.

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

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

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

**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.

**National Forest Fees** - to account for monies allocated for the purposes of benefiting public schools and public roads in counties where national forests are situated.

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

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

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

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

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

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

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

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

**Rural Assistance** - to account for state assistance distributed to school districts located in a county with a population of less than 500,000.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2018**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Structured English Immersion</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 64,923	\$
Accounts receivable			
Due from governmental entities	85,871	41,475	975
Inventory			
<b>Total assets</b>	<u>\$ 85,871</u>	<u>\$ 106,398</u>	<u>\$ 975</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to governmental entities	34,876		975
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<u>34,876</u>		<u>975</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>975</u>
Fund balances (deficits):			
Nonspendable			
Restricted	50,995	106,398	
Unassigned			(975)
<b>Total fund balances</b>	<u>50,995</u>	<u>106,398</u>	<u>(975)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 85,871</u>	<u>\$ 106,398</u>	<u>\$ 975</u>

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Vocational Education	Homeless Education	Other Federal Projects
\$ 15,328	\$ 314	\$	\$	\$ 1	\$
		12,772	57,601		137,256
<u>\$ 15,328</u>	<u>\$ 314</u>	<u>\$ 12,772</u>	<u>\$ 57,601</u>	<u>\$ 1</u>	<u>\$ 137,256</u>
\$	\$	\$	\$	\$	\$
		12,772	57,601		15,000
					203,643
15,328	314			1	3,836
<u>15,328</u>	<u>314</u>	<u>12,772</u>	<u>57,601</u>	<u>1</u>	<u>222,479</u>
		199	503		125,492
		(199)	(503)		(210,715)
		<u>(199)</u>	<u>(503)</u>		<u>(210,715)</u>
<u>\$ 15,328</u>	<u>\$ 314</u>	<u>\$ 12,772</u>	<u>\$ 57,601</u>	<u>\$ 1</u>	<u>\$ 137,256</u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2018**

	State Vocational Education	Chemical Abuse Prevention Programs	Gifted
<b><u>ASSETS</u></b>			
Cash and investments	\$ 7,814	\$ 215	\$ 3
Accounts receivable			
Due from governmental entities			
Inventory			
<b>Total assets</b>	<u>\$ 7,814</u>	<u>\$ 215</u>	<u>\$ 3</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 5,338	\$	\$
Due to governmental entities			
Accrued payroll and employee benefits			
Unearned revenues	2,476	215	3
<b>Total liabilities</b>	<u>7,814</u>	<u>215</u>	<u>3</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted			
Unassigned			
<b>Total fund balances</b>			
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 7,814</u>	<u>\$ 215</u>	<u>\$ 3</u>

<u>College Credit Exam Incentives</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$ 5,978	\$	\$ 43,131	\$ 3,567	\$ 74,939	\$ 206,416
	1,021	67,530			
		8,262			
		26,434			
<u>\$ 5,978</u>	<u>\$ 1,021</u>	<u>\$ 145,357</u>	<u>\$ 3,567</u>	<u>\$ 74,939</u>	<u>\$ 206,416</u>
\$ 5,978	\$	\$ 76,100	\$	\$ 6,925	\$
	1,021	252,783	52,604	19,144	
<u>5,978</u>	<u>1,021</u>	<u>328,883</u>	<u>52,604</u>	<u>26,069</u>	
	1,021				
		26,434			
	(1,021)	(209,960)	(49,037)	48,870	206,416
	<u>(1,021)</u>	<u>(183,526)</u>	<u>(49,037)</u>	<u>48,870</u>	<u>206,416</u>
<u>\$ 5,978</u>	<u>\$ 1,021</u>	<u>\$ 145,357</u>	<u>\$ 3,567</u>	<u>\$ 74,939</u>	<u>\$ 206,416</u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2018**

	Career, Technical, and Vocational Education	Textbooks	Advertisement
<b><u>ASSETS</u></b>			
Cash and investments	\$ 10,381	\$ 980	\$ 3,664
Accounts receivable			
Due from governmental entities			
Inventory			
<b>Total assets</b>	<u>\$ 10,381</u>	<u>\$ 980</u>	<u>\$ 3,664</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to governmental entities			
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<u></u>	<u></u>	<u></u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	10,381	980	3,664
Unassigned			
<b>Total fund balances</b>	<u>10,381</u>	<u>980</u>	<u>3,664</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 10,381</u>	<u>\$ 980</u>	<u>\$ 3,664</u>

Joint Technical Education	Totals
\$ 88,353	\$ 526,007
	67,530
109,202	454,435
	26,434
<u>\$ 197,555</u>	<u>\$ 1,074,406</u>

\$ 6,007	\$ 115,348
	616,275
3,713	26,693
	18,337
<u>9,720</u>	<u>776,653</u>

	<u>128,190</u>
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	26,434
187,835	615,539
	(472,410)
<u>187,835</u>	<u>169,563</u>

<u>\$ 197,555</u>	<u>\$ 1,074,406</u>
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**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Classroom Site	Instructional Improvement	Structured English Immersion
<b>Revenues:</b>			
Other local	\$ 864	\$ 444	\$
State aid and grants	1,030,450	96,357	
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>1,031,314</u>	<u>96,801</u>	<u></u>
<b>Expenditures:</b>			
Current -			
Instruction	981,937	56,576	975
Support services - students and staff	20,519	125	
Support services - administration			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>1,002,456</u>	<u>56,701</u>	<u>975</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>28,858</u>	<u>40,100</u>	<u>(975)</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>28,858</u>	<u>40,100</u>	<u>(975)</u>
<b>Fund balances (deficits), beginning of year</b>	22,137	66,298	
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ 50,995</u>	<u>\$ 106,398</u>	<u>\$ (975)</u>

Professional Development and Technology Grants	Limited English and Immigrant Students	Vocational Education	Other Federal Projects	State Vocational Education	College Credit Exam Incentives
\$	\$	\$	\$	\$	\$
				39,495	5,661
47,727	14,572	58,493	25,513		
47,727	14,572	58,493	25,513	39,495	5,661
	10,985	11,994	148,675	23,683	5,661
43,856	3,786	19	260		
815			578		
		45,981		15,812	
44,671	14,771	57,994	149,513	39,495	5,661
3,056	(199)	499	(124,000)		
(3,056)		(1,002)	(1,492)		
(3,056)		(1,002)	(1,492)		
	(199)	(503)	(125,492)		
			(85,223)		
\$	\$	\$	\$	\$	\$
	(199)	(503)	(210,715)		

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Other State Projects	Food Service	Civic Center
<b>Revenues:</b>			
Other local	\$	\$ 139,629	\$ 40,318
State aid and grants	1,092		
Federal aid, grants and reimbursements		639,429	
<b>Total revenues</b>	<u>1,092</u>	<u>779,058</u>	<u>40,318</u>
<b>Expenditures:</b>			
Current -			
Instruction	2,113		
Support services - students and staff			
Support services - administration			
Student transportation services			
Operation of non-instructional services		751,963	
Capital outlay			
<b>Total expenditures</b>	<u>2,113</u>	<u>751,963</u>	<u></u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,021)</u>	<u>27,095</u>	<u>40,318</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>(1,021)</u>	<u>27,095</u>	<u>40,318</u>
<b>Fund balances (deficits), beginning of year</b>		(204,950)	(89,355)
Increase (decrease) in reserve for inventory		(5,671)	
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,021)</u>	<u>\$ (183,526)</u>	<u>\$ (49,037)</u>

Community School	Extracurricular Activities Fees Tax Credit	Career, Technical, and Vocational Education	Textbooks	Advertisement	Joint Technical Education
\$ 52,856	\$ 109,863	\$ 20,000	\$ 410	\$ 27	\$ 428,757
<u>52,856</u>	<u>109,863</u>	<u>20,000</u>	<u>410</u>	<u>27</u>	<u>428,757</u>
53,128	18,581	9,393			238,968
246	59,891				139,980
	6,228				33,490
<u>273</u>	<u></u>	<u>273</u>	<u></u>	<u></u>	<u>77,864</u>
<u>53,647</u>	<u>84,700</u>	<u>9,666</u>	<u></u>	<u></u>	<u>490,302</u>
<u>(791)</u>	<u>25,163</u>	<u>10,334</u>	<u>410</u>	<u>27</u>	<u>(61,545)</u>
<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
<u>(791)</u>	<u>25,163</u>	<u>10,334</u>	<u>410</u>	<u>27</u>	<u>(61,545)</u>
49,661	181,253	47	570	3,637	249,380
<u>\$ 48,870</u>	<u>\$ 206,416</u>	<u>\$ 10,381</u>	<u>\$ 980</u>	<u>\$ 3,664</u>	<u>\$ 187,835</u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Totals
<b>Revenues:</b>	
Other local	\$ 793,168
State aid and grants	1,173,055
Federal aid, grants and reimbursements	785,734
<b>Total revenues</b>	<u>2,751,957</u>
<b>Expenditures:</b>	
Current -	
Instruction	1,562,669
Support services - students and staff	268,682
Support services - administration	34,883
Student transportation services	6,228
Operation of non-instructional services	751,963
Capital outlay	140,203
<b>Total expenditures</b>	<u>2,764,628</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(12,671)</u>
<b>Other financing sources (uses):</b>	
Transfers out	(5,550)
<b>Total other financing sources (uses)</b>	<u>(5,550)</u>
<b>Changes in fund balances</b>	<u>(18,221)</u>
<b>Fund balances (deficits), beginning of year</b>	193,455
Increase (decrease) in reserve for inventory	(5,671)
<b>Fund balances, end of year</b>	<u><u>\$ 169,563</u></u>

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**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 864	\$ 864
State aid and grants		1,030,450	1,030,450
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>1,031,314</u>	<u>1,031,314</u>
<b>Expenditures:</b>			
Current -			
Instruction	993,007	981,937	11,070
Support services - students and staff	17,628	20,519	(2,891)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>1,010,635</u>	<u>1,002,456</u>	<u>8,179</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,010,635)</u>	<u>28,858</u>	<u>1,039,493</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,010,635)</u>	<u>28,858</u>	<u>1,039,493</u>
<b>Fund balances (deficits), beginning of year</b>		22,137	22,137
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,010,635)</u>	<u>\$ 50,995</u>	<u>\$ 1,061,630</u>

Instructional Improvement			Structured English Immersion		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 444 96,357	\$ 444 96,357	\$	\$	\$
	96,801	96,801			
57,827	56,576 125	1,251 (125)	975	975	
57,827	56,701	1,126	975	975	
(57,827)	40,100	97,927	(975)	(975)	
(57,827)	40,100	97,927	(975)	(975)	
	66,298	66,298			
\$ (57,827)	\$ 106,398	\$ 164,225	\$ (975)	\$ (975)	\$

(Continued)



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Student Success		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>			
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>			
<b>Fund balances (deficits), beginning of year</b>		16	16
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$	\$ 16	\$ 16

Professional Development and Technology Grants			Limited English and Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	47,727	47,727		14,572	14,572
	47,727	47,727		14,572	14,572
124,186	43,856	80,330		10,985	(10,985)
	815	(815)		3,786	(3,786)
124,186	44,671	79,515		14,771	(14,771)
(124,186)	3,056	127,242		(199)	(199)
	(3,056)	(3,056)			
	(3,056)	(3,056)			
(124,186)		124,186		(199)	(199)
\$ (124,186)	\$	\$ 124,186	\$	\$ (199)	\$ (199)

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		58,493	58,493
<b>Total revenues</b>		<u>58,493</u>	<u>58,493</u>
<b>Expenditures:</b>			
Current -			
Instruction		11,994	(11,994)
Support services - students and staff		19	(19)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	65,350	45,981	19,369
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>65,350</u>	<u>57,994</u>	<u>7,356</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(65,350)</u>	<u>499</u>	<u>65,849</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(1,002)	(1,002)
<b>Total other financing sources (uses)</b>		<u>(1,002)</u>	<u>(1,002)</u>
<b>Changes in fund balances</b>	<u>(65,350)</u>	<u>(503)</u>	<u>64,847</u>
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (65,350)</u>	<u>\$ (503)</u>	<u>\$ 64,847</u>



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Taylor Grazing Fees		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		787	787
<b>Total revenues</b>		<u>787</u>	<u>787</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		<u>787</u>	<u>787</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		<u>787</u>	<u>787</u>
<b>Fund balances (deficits), beginning of year</b>		3,044	3,044
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ 3,831</u>	<u>\$ 3,831</u>

E-Rate			Impact Aid		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	153,378	153,378		857,825	857,825
	153,378	153,378		857,825	857,825
				121,291	(121,291)
				91,686	(91,686)
			454,233	176,406	277,827
				39,873	(39,873)
				1,968	(1,968)
				406	(406)
93,624	86,064	7,560		122,637	(122,637)
				47,486	(47,486)
				5,361	(5,361)
93,624	86,064	7,560	454,233	607,114	(152,881)
(93,624)	67,314	160,938	(454,233)	250,711	704,944
(93,624)	67,314	160,938	(454,233)	250,711	704,944
	(67,314)	(67,314)		174,196	174,196
\$ (93,624)	\$	\$ 93,624	\$ (454,233)	\$ 424,907	\$ 879,140

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		25,513	25,513
<b>Total revenues</b>		<u>25,513</u>	<u>25,513</u>
<b>Expenditures:</b>			
Current -			
Instruction	377,970	148,675	229,295
Support services - students and staff		260	(260)
Support services - administration		578	(578)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>377,970</u>	<u>149,513</u>	<u>228,457</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(377,970)</u>	<u>(124,000)</u>	<u>253,970</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(1,492)	(1,492)
<b>Total other financing sources (uses)</b>		<u>(1,492)</u>	<u>(1,492)</u>
<b>Changes in fund balances</b>	<u>(377,970)</u>	<u>(125,492)</u>	<u>252,478</u>
<b>Fund balances (deficits), beginning of year</b>		(85,223)	(85,223)
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (377,970)</u>	<u>\$ (210,715)</u>	<u>\$ 167,255</u>

State Vocational Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	39,495	39,495		5,661	5,661
	39,495	39,495		5,661	5,661
48,368	23,683	24,685		5,661	(5,661)
	15,812	(15,812)			
48,368	39,495	8,873		5,661	(5,661)
(48,368)		48,368			
(48,368)		48,368			
\$ (48,368)	\$	\$ 48,368	\$	\$	\$

(Continued)



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Rural Assistance		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		23,070	23,070
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>23,070</u>	<u>23,070</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		<u>23,070</u>	<u>23,070</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		<u>23,070</u>	<u>23,070</u>
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ 23,070</u>	<u>\$ 23,070</u>

Other State Projects			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,092	1,092		28,211	28,211
	1,092	1,092		28,211	28,211
19,000	2,113	16,887			
			24,139		24,139
19,000	2,113	16,887	24,139		24,139
(19,000)	(1,021)	17,979	(24,139)	28,211	52,350
(19,000)	(1,021)	17,979	(24,139)	28,211	52,350
				217,169	217,169
\$ (19,000)	\$ (1,021)	\$ 17,979	\$ (24,139)	\$ 245,380	\$ 269,519

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Food Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 139,629	\$ 139,629
State aid and grants			
Federal aid, grants and reimbursements		639,429	639,429
<b>Total revenues</b>		<u>779,058</u>	<u>779,058</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	742,550	751,963	(9,413)
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>742,550</u>	<u>751,963</u>	<u>(9,413)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(742,550)</u>	<u>27,095</u>	<u>769,645</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(742,550)</u>	<u>27,095</u>	<u>769,645</u>
<b>Fund balances (deficits), beginning of year</b>		(204,950)	(204,950)
Increase (decrease) in reserve for inventory		(5,671)	(5,671)
<b>Fund balances (deficits), end of year</b>	<u>\$ (742,550)</u>	<u>\$ (183,526)</u>	<u>\$ 559,024</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 40,318	\$ 40,318	\$	\$ 52,856	\$ 52,856
	40,318	40,318		52,856	52,856
			18,000	53,128 246	(35,128) (246)
30,392		30,392		273	(273)
30,392		30,392	18,000	53,647	(35,647)
(30,392)	40,318	70,710	(18,000)	(791)	17,209
(30,392)	40,318	70,710	(18,000)	(791)	17,209
	(89,355)	(89,355)		49,661	49,661
\$ (30,392)	\$ (49,037)	\$ (18,645)	\$ (18,000)	\$ 48,870	\$ 66,870

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 192,621	\$ 192,621
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		192,621	192,621
<b>Expenditures:</b>			
Current -			
Instruction		88,453	(88,453)
Support services - students and staff	180,368	89,707	90,661
Support services - administration		7,409	(7,409)
Operation and maintenance of plant services			
Student transportation services		11,062	(11,062)
Operation of non-instructional services		99	(99)
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	180,368	196,730	(16,362)
<b>Excess (deficiency) of revenues over expenditures</b>	(180,368)	(4,109)	176,259
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(180,368)	(4,109)	176,259
<b>Fund balances (deficits), beginning of year</b>		126,371	126,371
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (180,368)	\$ 122,262	\$ 302,630

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 109,863	\$ 109,863	\$	\$ 28,324	\$ 28,324
	109,863	109,863		28,324	28,324
75,000	18,581	(18,581)	19,309	15,828	3,481
	59,891	15,109		443	(443)
				200	(200)
	6,228	(6,228)			
				1,538	(1,538)
75,000	84,700	(9,700)	19,309	18,009	1,300
(75,000)	25,163	100,163	(19,309)	10,315	29,624
(75,000)	25,163	100,163	(19,309)	10,315	29,624
	181,253	181,253		22,476	22,476
\$ (75,000)	\$ 206,416	\$ 281,416	\$ (19,309)	\$ 32,791	\$ 52,100

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Career, Technical, and Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 20,000	\$ 20,000
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>20,000</u>	<u>20,000</u>
<b>Expenditures:</b>			
Current -			
Instruction		9,393	(9,393)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		273	(273)
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>		<u>9,666</u>	<u>(9,666)</u>
<b>Excess (deficiency) of revenues over expenditures</b>		<u>10,334</u>	<u>10,334</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		<u>10,334</u>	<u>10,334</u>
<b>Fund balances (deficits), beginning of year</b>		47	47
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ 10,381</u>	<u>\$ 10,381</u>

Textbooks			Indirect Costs		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 410	\$ 410	\$	\$ 138	\$ 138
	410	410		138	138
180		180	65,000	1,972	63,028
180		180	65,000	1,972	63,028
(180)	410	590	(65,000)	(1,834)	63,166
				52,200	52,200
				52,200	52,200
(180)	410	590	(65,000)	50,366	115,366
	570	570			
\$ (180)	\$ 980	\$ 1,160	\$ (65,000)	\$ 50,366	\$ 115,366

(Continued)



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Insurance Refund		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 5,597	\$ 5,597
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>5,597</u>	<u>5,597</u>
<b>Expenditures:</b>			
Current -			
Instruction	11,000		11,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>11,000</u>		<u>11,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(11,000)</u>	<u>5,597</u>	<u>16,597</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(11,000)</u>	<u>5,597</u>	<u>16,597</u>
<b>Fund balances (deficits), beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (11,000)</u>	<u>\$ 5,597</u>	<u>\$ 16,597</u>

Advertisement			Joint Technical Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 27	\$ 27	\$	\$ 428,757	\$ 428,757
	27	27		428,757	428,757
			668,823	238,968	429,855
				139,980	(139,980)
				33,490	(33,490)
				77,864	(77,864)
			668,823	490,302	178,521
	27	27	(668,823)	(61,545)	607,278
	27	27	(668,823)	(61,545)	607,278
	3,637	3,637		249,380	249,380
\$	\$ 3,664	\$ 3,664	\$ (668,823)	\$ 187,835	\$ 856,658

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 1,048,137	\$ 1,048,137
State aid and grants		1,196,125	1,196,125
Federal aid, grants and reimbursements		1,917,701	1,917,701
<b>Total revenues</b>		<u>4,161,963</u>	<u>4,161,963</u>
<b>Expenditures:</b>			
Current -			
Instruction	2,214,459	1,788,921	425,538
Support services - students and staff	405,374	458,030	(52,656)
Support services - administration	519,233	220,870	298,363
Operation and maintenance of plant services	24,139	39,873	(15,734)
Student transportation services		19,258	(19,258)
Operation of non-instructional services	772,942	754,006	18,936
Capital outlay	158,974	348,904	(189,930)
Debt service -			
Principal retirement		47,486	(47,486)
Interest and fiscal charges		5,361	(5,361)
<b>Total expenditures</b>	<u>4,095,121</u>	<u>3,682,709</u>	<u>412,412</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(4,095,121)</u>	<u>479,254</u>	<u>4,574,375</u>
<b>Other financing sources (uses):</b>			
Transfers in		52,200	52,200
Transfers out		(5,550)	(5,550)
<b>Total other financing sources (uses)</b>		<u>46,650</u>	<u>46,650</u>
<b>Changes in fund balances</b>	<u>(4,095,121)</u>	<u>525,904</u>	<u>4,621,025</u>
<b>Fund balances (deficits), beginning of year</b>		679,299	679,299
Increase (decrease) in reserve for inventory		(5,671)	(5,671)
<b>Fund balances (deficits), end of year</b>	<u>\$ (4,095,121)</u>	<u>\$ 1,199,532</u>	<u>\$ 5,294,653</u>

## **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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2018**

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 37,289	\$ 37,289
Property taxes		3,476,202	3,476,202
<b>Total revenues</b>		<u>3,513,491</u>	<u>3,513,491</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	2,385,000	2,385,000	
Interest and fiscal charges	1,149,475	1,081,022	68,453
<b>Total expenditures</b>	<u>3,534,475</u>	<u>3,466,022</u>	<u>68,453</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(3,534,475)</u>	<u>47,469</u>	<u>3,581,944</u>
<b>Other financing sources (uses):</b>			
Transfers in		8,178	8,178
<b>Total other financing sources (uses)</b>		<u>8,178</u>	<u>8,178</u>
<b>Changes in fund balances</b>	<u>(3,534,475)</u>	<u>55,647</u>	<u>3,590,122</u>
<b>Fund balances, beginning of year</b>		179,596	179,596
<b>Fund balances (deficits), end of year</b>	<u>\$ (3,534,475)</u>	<u>\$ 235,243</u>	<u>\$ 3,769,718</u>

## CAPITAL PROJECTS FUNDS

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

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

**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.

**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.

**Emergency Deficiencies Correction** - to account for monies received from the School Facilities Board to correct emergency deficiencies.

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2018**

	Unrestricted Capital Outlay	Adjacent Ways	Emergency Deficiencies Correction
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 895,763	\$ 14,801
Property taxes receivable	1,166	13,977	
Due from governmental entities	10,622		
<b>Total assets</b>	<u>\$ 11,788</u>	<u>\$ 909,740</u>	<u>\$ 14,801</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Construction contracts payable	\$	\$ 118,071	\$
Due to governmental entities	10,622		
<b>Total liabilities</b>	<u>10,622</u>	<u>118,071</u>	
Deferred inflows of resources:			
Unavailable revenues - property taxes	817	10,295	
Fund balances (deficits):			
Restricted	349	781,374	14,801
Unassigned			
<b>Total fund balances</b>	<u>349</u>	<u>781,374</u>	<u>14,801</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 11,788</u>	<u>\$ 909,740</u>	<u>\$ 14,801</u>

New School Facilities	Totals
\$	\$ 910,564
	15,143
	10,622
<u>\$</u>	<u>\$ 936,329</u>

\$	\$ 118,071
39,690	50,312
<u>39,690</u>	<u>168,383</u>

	<u>11,112</u>
--	---------------

	796,524
<u>(39,690)</u>	<u>(39,690)</u>
<u>(39,690)</u>	<u>756,834</u>

<u>\$</u>	<u>\$ 936,329</u>
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**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Unrestricted Capital Outlay	Adjacent Ways	Energy and Water Savings
<b>Revenues:</b>			
Other local	\$ 6,154	\$ 5,134	\$
Property taxes	41,401	444,465	
State aid and grants	41,289		
<b>Total revenues</b>	<u>88,844</u>	<u>449,599</u>	
<b>Expenditures:</b>			
Capital outlay	162,574	203,631	
Debt service -			
Principal retirement	23,779		131,344
Interest and fiscal charges			78,280
<b>Total expenditures</b>	<u>186,353</u>	<u>203,631</u>	<u>209,624</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(97,509)</u>	<u>245,968</u>	<u>(209,624)</u>
<b>Other financing sources (uses):</b>			
Transfers in	2,391		209,624
Capital lease agreements	92,078		
<b>Total other financing sources (uses)</b>	<u>94,469</u>		<u>209,624</u>
<b>Changes in fund balances</b>	<u>(3,040)</u>	<u>245,968</u>	
<b>Fund balances (deficits), beginning of year</b>	3,389	535,406	
<b>Fund balances (deficits), end of year</b>	<u>\$ 349</u>	<u>\$ 781,374</u>	<u>\$</u>

Emergency Deficiencies Correction	New School Facilities	Totals
\$ 108	\$	\$ 11,396
		485,866
		41,289
<u>108</u>		<u>538,551</u>
		366,205
		155,123
		78,280
		<u>599,608</u>
<u>108</u>		<u>(61,057)</u>
		212,015
		92,078
		<u>304,093</u>
<u>108</u>		<u>243,036</u>
14,693	(39,690)	513,798
<u>\$ 14,801</u>	<u>\$ (39,690)</u>	<u>\$ 756,834</u>

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 333	\$ 333
Property taxes			
State aid and grants			
<b>Total revenues</b>		<u>333</u>	<u>333</u>
<b>Expenditures:</b>			
Capital outlay	50,373	210	50,163
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>50,373</u>	<u>210</u>	<u>50,163</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(50,373)</u>	<u>123</u>	<u>50,496</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(50,373)</u>	<u>123</u>	<u>50,496</u>
<b>Fund balances (deficits), beginning of year</b>		45,178	45,178
<b>Fund balances (deficits), end of year</b>	<u>\$ (50,373)</u>	<u>\$ 45,301</u>	<u>\$ 95,674</u>

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 362	\$ 362	\$	\$ 6,154	\$ 6,154
				41,401	41,401
				41,289	41,289
	362	362		88,844	88,844
65,966	726	65,240	70,840	70,496	344
			23,779	23,779	
65,966	726	65,240	94,619	94,275	344
(65,966)	(364)	65,602	(94,619)	(5,431)	89,188
				2,391	2,391
				2,391	2,391
(65,966)	(364)	65,602	(94,619)	(3,040)	91,579
	49,427	49,427		3,389	3,389
\$ (65,966)	\$ 49,063	\$ 115,029	\$ (94,619)	\$ 349	\$ 94,968

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 5,134	\$ 5,134
Property taxes		444,465	444,465
State aid and grants			
<b>Total revenues</b>		<u>449,599</u>	<u>449,599</u>
<b>Expenditures:</b>			
Capital outlay	500,000	203,631	296,369
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>500,000</u>	<u>203,631</u>	<u>296,369</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(500,000)</u>	<u>245,968</u>	<u>745,968</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(500,000)</u>	<u>245,968</u>	<u>745,968</u>
<b>Fund balances (deficits), beginning of year</b>		535,406	535,406
<b>Fund balances (deficits), end of year</b>	<u>\$ (500,000)</u>	<u>\$ 781,374</u>	<u>\$ 1,281,374</u>

Bond Building			Energy and Water Savings		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 42,588	\$ 42,588	\$	\$	\$
	42,588	42,588			
10,000,645	6,744,342	3,256,303			
243,380	243,380		131,344	131,344	
8,092	8,092		78,281	78,280	1
10,252,117	6,995,814	3,256,303	209,625	209,624	1
(10,252,117)	(6,953,226)	3,298,891	(209,625)	(209,624)	1
	(8,178)	(8,178)		209,624	209,624
	(8,178)	(8,178)		209,624	209,624
(10,252,117)	(6,961,404)	3,290,713	(209,625)		209,625
	8,280,884	8,280,884			
\$ (10,252,117)	\$ 1,319,480	\$ 11,571,597	\$ (209,625)	\$	\$ 209,625

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Emergency Deficiencies Correction		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 108	\$ 108
Property taxes			
State aid and grants			
<b>Total revenues</b>		108	108
<b>Expenditures:</b>			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>			
<b>Excess (deficiency) of revenues over expenditures</b>		108	108
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		108	108
<b>Fund balances (deficits), beginning of year</b>		14,693	14,693
<b>Fund balances (deficits), end of year</b>	\$	\$ 14,801	\$ 14,801

Building Renewal Grant			New School Facilities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,118	\$ 3,118	\$	\$	\$
	1,270,249	1,270,249			
	1,273,367	1,273,367			
779,000	1,243,498	(464,498)			
779,000	1,243,498	(464,498)			
(779,000)	29,869	808,869			
(779,000)	29,869	808,869			
	(133,164)	(133,164)		(39,690)	(39,690)
\$ (779,000)	\$ (103,295)	\$ 675,705	\$	\$ (39,690)	\$ (39,690)

(Continued)



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 57,797	\$ 57,797
Property taxes		485,866	485,866
State aid and grants		1,311,538	1,311,538
<b>Total revenues</b>		<u>1,855,201</u>	<u>1,855,201</u>
<b>Expenditures:</b>			
Capital outlay	11,466,824	8,262,903	3,203,921
Debt service -			
Principal retirement	398,503	398,503	
Interest and fiscal charges	86,373	86,372	1
<b>Total expenditures</b>	<u>11,951,700</u>	<u>8,747,778</u>	<u>3,203,922</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(11,951,700)</u>	<u>(6,892,577)</u>	<u>5,059,123</u>
<b>Other financing sources (uses):</b>			
Transfers in		212,015	212,015
Transfers out		(8,178)	(8,178)
<b>Total other financing sources (uses)</b>		<u>203,837</u>	<u>203,837</u>
<b>Changes in fund balances</b>	<u>(11,951,700)</u>	<u>(6,688,740)</u>	<u>5,262,960</u>
<b>Fund balances (deficits), beginning of year</b>		8,756,123	8,756,123
<b>Fund balances (deficits), end of year</b>	<u>\$ (11,951,700)</u>	<u>\$ 2,067,383</u>	<u>\$ 14,019,083</u>

## **AGENCY FUNDS**

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES**  
**ALL AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2018**

	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b><u>Ending Balance</u></b>
<b><u>STUDENT ACTIVITIES FUND</u></b>				
<b><u>Assets</u></b>				
Cash and investments	\$ <u>182,909</u>	\$ <u>265,275</u>	\$ <u>256,573</u>	\$ <u>191,611</u>
<b>Total assets</b>	\$ <u><u>182,909</u></u>	\$ <u><u>265,275</u></u>	\$ <u><u>256,573</u></u>	\$ <u><u>191,611</u></u>
<b><u>Liabilities</u></b>				
Due to student groups	\$ <u>182,909</u>	\$ <u>265,275</u>	\$ <u>256,573</u>	\$ <u>191,611</u>
<b>Total liabilities</b>	\$ <u><u>182,909</u></u>	\$ <u><u>265,275</u></u>	\$ <u><u>256,573</u></u>	\$ <u><u>191,611</u></u>

## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

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**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>Net Position:</b>					
Net investment in capital assets	\$ 27,214,069	\$ 26,346,316	\$ 27,112,611	\$ 27,220,271	\$ 28,301,036
Restricted	2,379,707	1,402,955	1,990,725	1,143,146	3,034,248
Unrestricted	(11,813,605)	(13,587,390)	(14,349,369)	(14,338,212)	(2,191,149)
Total net position	<u>\$ 17,780,171</u>	<u>\$ 14,161,881</u>	<u>\$ 14,753,967</u>	<u>\$ 14,025,205</u>	<u>\$ 29,144,135</u>
	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 28,020,208	\$ 27,805,791	\$ 27,440,457	\$ 26,981,462	\$ 26,875,776
Restricted	767,388	1,499,810	1,888,364	1,465,232	984,908
Unrestricted	441,044	1,253,975	2,493,040	3,045,919	321,069
Total net position	<u>\$ 29,228,640</u>	<u>\$ 30,559,576</u>	<u>\$ 31,821,861</u>	<u>\$ 31,492,613</u>	<u>\$ 28,181,753</u>

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>Expenses</b>					
Instruction	\$ 10,969,811	\$ 11,023,676	\$ 9,593,252	\$ 9,039,195	\$ 10,031,312
Support services - students and staff	2,186,695	2,323,791	1,665,892	1,429,904	1,673,497
Support services - administration	2,627,419	2,106,545	1,664,806	1,853,581	1,789,656
Operation and maintenance of plant services	3,182,029	2,657,052	2,502,888	2,398,323	2,108,341
Student transportation services	1,600,009	1,184,515	1,224,833	1,065,467	1,136,767
Operation of non-instructional services	883,865	819,480	740,954	675,450	696,088
Interest on long-term debt	1,181,619	650,421	556,344	980,167	1,072,540
Facilities Acquisition & construction					17,547
Total expenses	<u>22,631,447</u>	<u>20,765,480</u>	<u>17,948,969</u>	<u>17,442,087</u>	<u>18,525,748</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	893,814	1,025,722	1,021,415	1,123,648	706,451
Operation of non-instructional services	139,153	193,658	163,718	135,268	225,436
Other activities	259,386	130,407	106,810	105,107	523,634
Operating grants and contributions	2,791,382	1,669,646	1,819,598	1,684,647	1,813,297
Capital grants and contributions	<u>2,277,835</u>	<u>364,919</u>	<u>346,428</u>	<u>330,051</u>	
Total program revenues	<u>6,361,570</u>	<u>3,384,352</u>	<u>3,457,969</u>	<u>3,378,721</u>	<u>3,268,818</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (16,269,877)</u>	<u>\$ (17,381,128)</u>	<u>\$ (14,491,000)</u>	<u>\$ (14,063,366)</u>	<u>\$ (15,256,930)</u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Expenses</b>					
Instruction	\$ 10,548,257	\$ 10,451,862	\$ 10,281,328	\$ 10,809,662	\$ 12,742,183
Support services - students and staff	1,698,680	1,629,642	1,856,411	1,836,117	1,624,134
Support services - administration	1,708,552	1,955,229	1,921,138	2,111,921	2,168,068
Operation and maintenance of plant services	2,008,811	1,973,681	2,206,611	2,377,104	2,241,468
Student transportation services	1,033,305	1,056,438	1,179,467	1,012,103	1,150,080
Operation of non-instructional services	688,211	661,659	955,446	948,250	1,282,438
Interest on long-term debt	1,060,854	1,146,040	1,237,391	1,327,578	1,398,353
Facilities Acquisition & construction	14,724	61,069	365,230	257,431	2,102,839
Total expenses	<u>18,761,394</u>	<u>18,935,620</u>	<u>20,003,022</u>	<u>20,680,166</u>	<u>24,709,563</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	669,600	636,619	561,033	941,113	609,757
Operation of non-instructional services	175,750	192,871	129,794	180,192	218,955
Other activities	488,588	563,610	545,426	918,223	573,757
Operating grants and contributions	1,833,084	1,999,036	2,351,969	3,598,551	2,601,102
Capital grants and contributions			275,218	6,267	341,822
Total program revenues	<u>3,167,022</u>	<u>3,392,136</u>	<u>3,863,440</u>	<u>5,644,346</u>	<u>4,345,393</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (15,594,372)</u>	<u>\$ (15,543,484)</u>	<u>\$ (16,139,582)</u>	<u>\$ (15,035,820)</u>	<u>\$ (20,364,170)</u>

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

**(Concluded)**



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**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>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
<b>Net (Expense)/Revenue</b>	\$ (16,269,877)	\$ (17,381,128)	\$ (14,491,000)	\$ (14,063,366)	\$ (15,256,930)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	9,805,614	10,014,027	7,946,544	8,377,067	11,408,595
Property taxes, levied for debt service	3,513,956	1,096,279	2,726,448	2,229,924	
Property taxes, levied for capital outlay	485,360	537,238	297,071	327,287	
Investment income	59,734	17,067	8,689	9,223	10,038
Unrestricted county aid	133,096	92,433	102,007	136,918	144,230
Unrestricted state aid	4,599,953	4,291,643	3,636,319	3,915,714	3,414,572
Unrestricted federal aid	978,589	625,022	502,684	396,628	194,990
<b>Total general revenues</b>	<b><u>19,576,302</u></b>	<b><u>16,673,709</u></b>	<b><u>15,219,762</u></b>	<b><u>15,392,761</u></b>	<b><u>15,172,425</u></b>
<b>Changes in Net Position</b>	<b><u>\$ 3,306,425</u></b>	<b><u>\$ (707,419)</u></b>	<b><u>\$ 728,762</u></b>	<b><u>\$ 1,329,395</u></b>	<b><u>\$ (84,505)</u></b>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Net (Expense)/Revenue</b>	\$ (15,594,372)	\$ (15,543,484)	\$ (16,139,582)	\$ (15,035,820)	\$ (20,364,170)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	10,586,175	7,482,076	8,125,151	9,316,350	8,615,809
Property taxes, levied for debt service		2,098,450	2,586,204	2,333,704	2,198,598
Investment income	13,483	15,016	16,567	17,361	69,882
Unrestricted county aid	139,474	134,988	153,133	168,208	74
Unrestricted state aid	3,387,504	4,546,149	5,581,815	6,492,661	7,605,560
Unrestricted federal aid	130,206				
Miscellaneous	6,594	4,520	5,960	52,887	48,244
Loss on disposal of capital assets				(34,491)	(77,940)
Change in capitalization threshold					(438,187)
<b>Total general revenues</b>	<u>14,263,436</u>	<u>14,281,199</u>	<u>16,468,830</u>	<u>18,346,680</u>	<u>18,022,040</u>
<b>Changes in Net Position</b>	<u>\$ (1,330,936)</u>	<u>\$ (1,262,285)</u>	<u>\$ 329,248</u>	<u>\$ 3,310,860</u>	<u>\$ (2,342,130)</u>

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

**(Concluded)**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>
General Fund:					
Restricted	\$ 50,898	\$ 45,178	\$	\$	\$
Unassigned	1,952,585	1,235,782	696,388	1,623,803	381,701
Total General Fund	<u>\$ 2,003,483</u>	<u>\$ 1,280,960</u>	<u>\$ 696,388</u>	<u>\$ 1,623,803</u>	<u>\$ 381,701</u>
All Other Governmental Funds:					
Nonspendable	\$ 26,434	\$ 32,105	\$ 25,394	\$	\$ 15,912
Restricted	2,966,786	9,586,951	1,944,096	1,090,007	957,336
Assigned					247,354
Unassigned	(1,085,908)	(994,272)	(532,177)	(557,544)	(770,277)
Total all other governmental funds	<u>\$ 1,907,312</u>	<u>\$ 8,624,784</u>	<u>\$ 1,437,313</u>	<u>\$ 532,463</u>	<u>\$ 450,325</u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
General Fund:					
Nonspendable	\$	\$ 145,933	\$ 243,744	\$	\$
Unassigned	259,314	738,024	1,792,069		
Reserved				303,347	6,411
Unreserved				1,852,288	(202,121)
Total General Fund	<u>\$ 259,314</u>	<u>\$ 883,957</u>	<u>\$ 2,035,813</u>	<u>\$ 2,155,635</u>	<u>\$ (195,710)</u>
All Other Governmental Funds:					
Nonspendable	\$ 15,335	\$ 18,864	\$ 22,648	\$	\$
Restricted	779,574	668,991	1,331,557		
Assigned	652,839	1,888,015	490,902		
Unassigned	(464,111)	(664,888)	503,762		
Reserved				670,312	764,191
Unreserved, reported in:					
Special revenue funds				1,084,145	606,222
Capital projects funds				851,840	240,667
Total all other governmental funds	<u>\$ 983,637</u>	<u>\$ 1,910,982</u>	<u>\$ 2,348,869</u>	<u>\$ 2,606,297</u>	<u>\$ 1,611,080</u>

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

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

**(Concluded)**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>Federal sources:</b>					
Federal grants	\$ 2,790,587	\$ 1,556,926	\$ 1,755,744	\$ 1,489,846	\$ 1,148,207
National School Lunch Program	639,429	567,805	568,363	483,018	528,775
Total federal sources	<u>3,430,016</u>	<u>2,124,731</u>	<u>2,324,107</u>	<u>1,972,864</u>	<u>1,676,982</u>
<b>State sources:</b>					
State equalization assistance	3,450,076	3,334,134	2,730,130	3,033,598	2,490,583
State grants	46,248	44,888	36,815	43,111	
School Facilities Board	1,270,249	168,900	136,943	144,654	
Other revenues	1,149,877	1,031,009	994,940	882,116	1,255,293
Total state sources	<u>5,916,450</u>	<u>4,578,931</u>	<u>3,898,828</u>	<u>4,103,479</u>	<u>3,745,876</u>
<b>Local sources:</b>					
Property taxes	13,748,827	11,646,339	10,973,136	11,021,941	11,330,052
County aid	133,096	92,433	102,007	136,918	144,230
Food service sales	139,153	193,658	163,718	135,268	146,032
Investment income	59,734	17,067	8,689	9,423	10,038
Other revenues	1,291,000	1,261,050	1,262,901	1,390,635	1,358,080
Total local sources	<u>15,371,810</u>	<u>13,210,547</u>	<u>12,510,451</u>	<u>12,694,185</u>	<u>12,988,432</u>
<b>Total revenues</b>	<u><u>\$ 24,718,276</u></u>	<u><u>\$ 19,914,209</u></u>	<u><u>\$ 18,733,386</u></u>	<u><u>\$ 18,770,528</u></u>	<u><u>\$ 18,411,290</u></u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Federal sources:</b>					
Federal grants	\$ 1,489,503	\$ 1,324,533	\$ 1,610,846	\$ 2,901,123	\$ 1,480,203
National School Lunch Program	473,787	493,860	480,827	517,310	498,501
Total federal sources	<u>1,963,290</u>	<u>1,818,393</u>	<u>2,091,673</u>	<u>3,418,433</u>	<u>1,978,704</u>
<b>State sources:</b>					
State equalization assistance	2,437,672	3,969,366	4,947,541	5,709,952	6,436,582
Other revenues	949,831	892,414	1,322,921	1,137,302	1,791,450
Total state sources	<u>3,387,503</u>	<u>4,861,780</u>	<u>6,270,462</u>	<u>6,847,254</u>	<u>8,228,032</u>
<b>Local sources:</b>					
Property taxes	10,688,597	9,678,957	10,499,127	11,861,646	10,658,038
Other revenues	1,175,242	1,412,636	1,258,780	2,109,776	1,862,417
Total local sources	<u>12,182,099</u>	<u>11,091,593</u>	<u>11,757,907</u>	<u>13,971,422</u>	<u>12,520,455</u>
<b>Total revenues</b>	<u>\$ 17,532,892</u>	<u>\$ 17,771,766</u>	<u>\$ 20,120,042</u>	<u>\$ 24,237,109</u>	<u>\$ 22,727,191</u>

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

**Note:** The Arizona State Legislature suspended county equalization payments to school districts for fiscal years 2007-08 through 2008-09.

**(Concluded)**

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>Expenditures:</b>					
Current -					
Instruction	\$ 9,210,749	\$ 8,611,755	\$ 8,082,291	\$ 7,527,620	\$ 8,554,448
Support services - students and staff	2,174,562	2,176,403	1,647,948	1,417,365	1,673,497
Support services - administration	2,299,125	1,986,266	1,725,507	1,904,328	1,787,114
Operation and maintenance of plant services	2,445,927	2,260,790	2,171,395	2,048,467	1,975,335
Student transportation services	947,486	914,423	1,052,350	881,527	965,547
Operation of non-instructional services	786,529	781,427	743,278	649,656	691,452
Capital outlay	8,931,510	7,764,556	1,168,284	434,689	167,815
Debt service -					
Interest and fiscal charges	1,172,755	573,927	556,344	980,167	1,031,229
Principal retirement	2,830,989	2,094,375	1,903,530	1,837,562	1,976,355
Bond issuance costs		237,563	196,556		
<b>Total expenditures</b>	<b><u>\$ 30,799,632</u></b>	<b><u>\$ 27,401,485</u></b>	<b><u>\$ 19,247,483</u></b>	<b><u>\$ 17,681,381</u></b>	<b><u>\$ 18,822,792</u></b>
Expenditures for capitalized assets	\$ 6,864,184	\$ 6,016,169	\$ 380,412	\$ 250,551	\$ 4,019,125
Debt service as a percentage of noncapital expenditures	17%	12%	13%	16%	20%

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 9,016,850	\$ 8,855,217	\$ 8,828,789	\$ 9,714,194	\$ 10,965,179
Support services - students and staff	1,698,680	1,623,713	1,850,482	1,830,188	1,618,205
Support services - administration	1,706,012	1,951,831	1,917,781	2,108,564	2,164,711
Operation and maintenance of plant services	1,873,886	1,837,900	2,090,952	2,256,510	2,125,334
Student transportation services	861,352	915,828	934,404	850,909	973,899
Operation of non-instructional services	683,575	657,023	950,810	942,212	1,276,921
Capital outlay	69,672	362,120	728,741	409,859	2,875,442
Debt service -					
Interest and fiscal charges	1,525,391	1,146,040	1,237,391	1,327,578	1,398,353
Principal retirement	1,500,000	1,959,348	1,864,068	1,784,438	1,935,370
Bond issuance costs					
<b>Total expenditures</b>	<u>\$ 18,935,418</u>	<u>\$ 19,309,020</u>	<u>\$ 20,403,418</u>	<u>\$ 21,224,452</u>	<u>\$ 25,333,414</u>
Expenditures for capitalized assets	\$ 620,844	\$ 301,051	\$ 363,511	\$ 152,428	\$ 772,603
Debt service as a percentage of noncapital expenditures	17%	16%	15%	15%	14%

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

(Concluded)



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (6,081,356)	\$ (7,487,276)	\$ (514,097)	\$ 1,089,147	\$ (411,502)
<b>Other financing sources (uses):</b>					
Issuance of School Improvement Bonds		13,920,000			
Refunding bonds issued			15,660,000		
Premium on sale of bonds		1,284,976			
Capital lease agreements	92,078		269,582		
Transfers in	272,393	326,217	250,607	77,690	97,301
Transfers out	(272,393)	(326,217)	(250,607)	(77,690)	(97,301)
Payment to refunded bond escrow agent			(15,463,444)		
Insurance recoveries		47,632			
Total other financing sources (uses)	<u>92,078</u>	<u>15,252,608</u>	<u>466,138</u>		
<b>Changes in fund balances</b>	<u>\$ (5,989,278)</u>	<u>\$ 7,765,332</u>	<u>\$ (47,959)</u>	<u>\$ 1,089,147</u>	<u>\$ (411,502)</u>
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (1,402,526)	\$ (1,537,254)	\$ (283,376)	\$ 3,012,657	\$ (2,606,223)
<b>Other financing sources (uses):</b>					
Issuance of School Improvement Bonds					
Capital lease agreements		49,106			1,285,617
Transfers in	763,373	697	1,230		
Transfers out	(763,373)	(697)	(1,230)		
Total other financing sources (uses)	<u></u>	<u>49,106</u>	<u></u>	<u></u>	<u>1,285,617</u>
<b>Changes in fund balances</b>	<u>\$ (1,402,526)</u>	<u>\$ (1,488,148)</u>	<u>\$ (283,376)</u>	<u>\$ 3,012,657</u>	<u>\$ (1,320,606)</u>

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 36,801,435	\$ 36,519,756	\$ 36,374,443	\$ 37,583,867	\$ 40,354,457
Agricultural and Vacant	20,560,067	21,973,988	24,504,340	26,411,389	28,817,608
Residential (Owner Occupied)	55,491,443	58,221,359	56,042,618	55,530,054	61,699,550
Residential (Rental)	<u>126,838,261</u>	<u>116,016,057</u>	<u>111,036,035</u>	<u>106,542,052</u>	<u>116,471,750</u>
Total	<u>\$ 239,691,206</u>	<u>\$ 232,731,160</u>	<u>\$ 227,957,436</u>	<u>\$ 226,067,362</u>	<u>\$ 247,343,365</u>
Gross Full Cash Value	\$ 2,386,311,651	\$ 2,237,607,460	\$ 2,122,902,082	\$ 2,041,307,953	\$ 2,227,526,753
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	11%	11%	11%
Total Direct Rate	6.18	5.49	5.22	5.26	4.99

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 43,027,722	\$ 44,981,124	\$ 46,402,345	\$ 48,784,440	\$ 46,114,449
Agricultural and Vacant	32,493,608	36,423,191	36,421,461	34,361,043	36,067,881
Residential (Owner Occupied)	73,334,783	210,049,325	226,253,804	207,399,793	181,313,241
Residential (Rental)	<u>124,714,890</u>	<u>12,010,916</u>	<u>12,804,105</u>	<u>11,624,236</u>	<u>10,410,045</u>
Total	<u>\$ 273,571,003</u>	<u>\$ 303,464,556</u>	<u>\$ 321,881,715</u>	<u>\$ 302,169,512</u>	<u>\$ 273,905,616</u>
Gross Full Cash Value	\$ 2,481,656,993	\$ 2,775,621,583	\$ 3,079,237,223	\$ 3,047,139,546	\$ 2,782,139,110
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	11%	10%	10%	10%
Total Direct Rate	4.17	3.88	4.05	4.60	4.60

**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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Commercial, Industrial, Utilities and Mining	\$ 37,615,590	\$ 37,230,520	\$ 36,429,538	\$ 37,614,710	\$ 40,392,985
Agricultural and Vacant	21,796,475	23,181,569	24,956,752	26,515,689	28,988,281
Residential (Owner Occupied)	60,260,168	61,005,873	57,628,224	55,566,643	61,719,536
Residential (Rental)	<u>132,814,893</u>	<u>121,090,742</u>	<u>113,785,553</u>	<u>106,652,419</u>	<u>116,568,664</u>
Total	<u>\$ 252,487,126</u>	<u>\$ 242,508,704</u>	<u>\$ 232,800,067</u>	<u>\$ 226,349,461</u>	<u>\$ 247,669,466</u>
Gross Full Cash Value	\$ 2,386,311,651	\$ 2,237,607,460	\$ 2,122,902,082	\$ 2,041,307,953	\$ 2,227,526,753
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	2,252,570,860	2,165,748,892	2,046,851,190	1,966,511,261	2,151,712,590
Total Direct Rate	6.18	5.49	5.22	5.26	4.99

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Commercial, Industrial, Utilities and Mining	\$ 43,102,884	\$ 45,165,452	\$ 46,651,220	\$ 49,514,365	\$ 47,510,915
Agricultural and Vacant	32,926,771	39,713,780	44,712,329	42,996,389	48,883,503
Residential (Owner Occupied)	73,411,937	210,523,881	237,270,941	235,693,197	208,472,489
Residential (Rental)	<u>124,856,499</u>	<u>12,032,947</u>	<u>13,287,368</u>	<u>12,791,020</u>	<u>11,610,719</u>
Total	<u>\$ 274,298,091</u>	<u>\$ 307,436,060</u>	<u>\$ 341,921,858</u>	<u>\$ 340,994,971</u>	<u>\$ 316,477,626</u>
Gross Full Cash Value	\$ 2,481,656,993	\$ 2,775,621,583	\$ 3,079,237,223	\$ 3,047,139,546	\$ 2,782,139,110
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	2,376,119,818	2,672,400,361	3,163,331,613	2,953,836,313	2,689,756,368
Total Direct Rate	4.17	3.88	4.05	4.60	4.60

**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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**PROPERTY TAX ASSESSMENT RATIOS**  
**LAST TEN FISCAL YEARS**

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

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

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State		County	Flood	Community	Fire	Public			
	Equalization	County	Free Library	Control District	College District	District Assistance	Health Services	Primary	Secondary	Total
2018	0.49	0.89	0.10	0.28	1.81	0.10	0.25	4.01	2.17	6.18
2017	0.50	0.85	0.10	0.29	1.79	0.10	0.25	4.34	1.15	5.49
2016	0.51	0.84	0.10	0.30	1.74	0.10	0.25	3.60	1.62	5.22
2015	0.51	0.82	0.10	0.30	1.66	0.10	0.24	3.91	1.35	5.26
2014	0.51	0.70	0.07	0.30	1.48	0.10	0.22	3.59	1.40	4.99
2013	0.47	0.64	0.05	0.30	1.35	0.10	0.20	2.91	1.26	4.17
2012	0.43	0.60	0.05	0.30	1.24	0.10	0.20	2.87	1.02	3.88
2011	0.36	0.56	0.05	0.30	1.13	0.10	0.20	2.94	1.09	4.05
2010	0.33	0.56	0.05	0.30	1.14	0.10	0.20	3.57	1.04	4.60
2009		0.58	0.05	0.30	1.34	0.10	0.20	3.50	1.10	4.60

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2018		2009	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Navopache Electric Co-Op (T&D)	\$ 3,413,508	1.42 %	\$ 2,499,462	0.91 %
Wal-Mart Stores Inc.	2,068,008	0.86	2,264,946	0.83
Unisource Energy Corporation	1,530,418	0.64	2,356,070	0.86
Lowes HIW Inc	1,386,736	0.58	1,714,182	0.63
Home Depot USA Inc	1,010,359	0.42	1,422,462	0.52
Citizens Telecomm of White Mtns	952,391	0.40	1,820,949	0.66
Arizona Water Company Lakeside	946,621	0.39	1,054,240	0.38
Bear Cub Properties LLC	626,990	0.26		0.00
Aspen Ridge Medical Complex LLC	574,555	0.24		0.00
Twice Markets LLC	384,558	0.16		0.00
USA (for Sitgreaves Forest)			3,201,314	1.17
Lakeside 160 LLC			1,443,849	0.53
Show Low Yale Casitas LLC			1,181,768	0.43
Total	<u>\$ 12,894,144</u>	<u>5.38 %</u>	<u>\$ 18,959,242</u>	<u>6.92 %</u>

**Source:** The source of this information is the Navajo 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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**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>
2018	\$ 13,851,200	\$ 13,406,501	96.79 %	\$	\$ 13,406,501	96.79 %
2017	11,627,823	11,293,089	97.12	323,783	11,616,872	99.91
2016	10,975,571	10,588,712	96.48	382,560	10,971,272	99.96
2015	10,940,499	10,571,371	96.63	368,915	10,940,286	100.00
2014	11,430,928		0.00	11,430,714	11,430,714	100.00
2013	10,617,927		0.00	10,617,174	10,617,174	99.99
2012	9,597,281		0.00	9,597,008	9,597,008	100.00
2011	10,700,204		0.00	10,699,865	10,699,865	100.00
2010	11,685,900		0.00	11,685,578	11,685,578	100.00
2009	10,831,224		0.00	10,830,713	10,830,713	100.00

**Source:** The source of this information is the 2018 Navajo 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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of	Per Capita	Capital Leases	Total	Percentage of	Per Capita	Percentage of Personal Income	
				Estimated Actual Value (Full Cash Value)				Estimated Actual Value (Full Cash Value)			
2018	\$ 28,762,346	\$ 313,089	\$ 28,449,257	1.19 %	\$ 1,984	\$ 2,558,327	\$ 31,320,673	1.31 %	\$ 2,185	0.97 %	
2017	29,930,000	219,688	29,710,312	1.33	2,658	2,912,238	32,842,238	1.47	2,939	1.04	
2016	17,570,000	1,111,382	16,458,618	0.78	1,488	3,446,613	21,016,613	0.99	1,900	0.70	
2015	18,120,000	217,192	17,902,808	0.88	1,713	3,645,561	21,765,561	1.07	2,083	0.77	
2014	19,560,000	1,705,561	17,854,439	0.80	1,463	2,864,123	22,424,123	1.01	1,838	0.81	
2013	21,100,000	296,046	20,803,954	0.84	1,699	555,457	21,655,457	0.87	1,769	0.79	
2012	22,600,000	307,569	22,292,431	0.80	1,960	454,097	23,054,097	0.83	2,027	0.87	
2011	24,050,000	714,750	23,335,250	0.76	2,222	914,339	24,964,339	0.81	2,378	0.92	
2010	25,425,000	613,392	24,811,608	0.81	2,256	1,403,407	26,828,407	0.88	2,439	1.04	
2009	26,725,000	744,241	25,980,759	0.93	2,593	1,887,845	28,612,845	1.03	2,856	1.18	

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



**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2018**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Navajo County	\$ 15,862,822	30.01 %	\$ 4,759,978
Town of Pinetop-Lakeside	910,902	100.00	<u>910,902</u>
Subtotal, Overlapping Debt			<u>5,670,880</u>
Direct:			
Blue Ridge Unified School District			<u>31,320,673</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 36,991,553</u></u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	11.87 %	
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,380	
As a Percentage of Net Limited Assessed Valuation	14.24 %	
As a Percentage of Gross Full Cash Value	1.43 %	

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

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

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

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

Net full cash assessed valuation	\$ 252,487,126
Debt limit (20% of assessed value)	50,497,425
Debt applicable to limit	<u>28,552,457</u>
Legal debt margin	<u><u>\$ 21,944,968</u></u>

**Total Legal Debt Margin Calculation for Fiscal Year 2018:**

Net full cash assessed valuation	\$ 252,487,126
Debt limit (30% of assessed value)	75,746,138
Debt applicable to limit	<u>28,552,457</u>
Legal debt margin	<u><u>\$ 47,193,681</u></u>

	<b>Fiscal Year Ended June 30</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>
Debt Limit	\$ 75,746,138	\$ 72,752,611	\$ 69,840,020	\$ 67,904,838	\$ 74,300,840
Total net debt applicable to limit	<u>28,552,457</u>	<u>31,214,976</u>	<u>17,570,000</u>	<u>18,120,000</u>	<u>19,560,000</u>
Legal debt margin	<u><u>\$ 47,193,681</u></u>	<u><u>\$ 41,537,635</u></u>	<u><u>\$ 52,270,020</u></u>	<u><u>\$ 49,784,838</u></u>	<u><u>\$ 54,740,840</u></u>
Total net debt applicable to the limit as a percentage of debt limit	38%	43%	25%	27%	26%
	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>	<b><u>2009</u></b>
Debt Limit	\$ 82,289,427	\$ 92,230,818	\$ 102,576,557	\$ 102,298,491	\$ 94,943,288
Total net debt applicable to limit	<u>21,100,000</u>	<u>22,600,000</u>	<u>24,050,000</u>	<u>25,425,000</u>	<u>26,725,000</u>
Legal debt margin	<u><u>\$ 61,189,427</u></u>	<u><u>\$ 69,630,818</u></u>	<u><u>\$ 78,526,557</u></u>	<u><u>\$ 76,873,491</u></u>	<u><u>\$ 68,218,288</u></u>
Total net debt applicable to the limit as a percentage of debt limit	26%	25%	23%	25%	28%

**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.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>		<u>Personal Income (thousands)</u>		<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2017	111,266	\$	3,235,693	\$	29,408	8.4 %	14,337
2016	110,413		3,154,284		29,132	8.1	11,176
2015	109,671		2,991,865		27,672	10.2	11,061
2014	109,185		2,832,564		26,368	11.3	10,450
2013	107,322		2,767,865		25,860	13.1	12,200
2012	107,094		2,746,969		25,570	15.2	12,244
2011	107,398		2,663,929		24,731	13.9	11,371
2010	107,449		2,719,874		25,284	15.6	10,500
2009	112,975		2,583,202		24,002	15.4	11,000
2008	114,780		2,435,033		22,773	9.2	10,018

**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 2007 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2016, the source of the information is the Arizona Office of Employment and Population Statistics.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**PRINCIPAL EMPLOYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	2018			2009	
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment
Hon Dah Casino	450	13.60 %		400	13.33 %
Blue Ridge Unified School District	430	12.99		350	11.67
Ace Hardware	130	3.93			
The John Hopkins University	110	3.32			
Navapache Electric Cooperative, In.c	80	2.42		110	3.67
Safeway Stores, Inc.	70	2.11		145	4.83
White Mountain Entertainment, Inc.	70	2.11			
Charlie Clarks Steakhouse, LLC	70	2.11			
McDonald's	60	1.81			
Community Counseling Centers, Inc.	50	1.51			
White Mountain Entertainment, Inc.					
Navapache Regional Medical Center				540	18.00
Northland Pioneer College				235	7.83
Giant Industries Inc.				105	3.50
Torreon Golf Club LLC				100	3.33
Infinia at Show Low				100	3.33
Home Depot				95	3.17
Total	<u>1,520</u>	<u>45.92 %</u>		<u>2,180</u>	<u>72.67 %</u>
Total employment	<u>3,310</u>			<u>3,000</u>	

**Source:** 2017 Arizona COG/MPO Employer Database, employers with 25 or more employees.  
2008 *Arizona Industrial Directory* and 2018 *Arizona Services Directory* , publications by Harris Infosource and an individual employer survey.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</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>Supervisory</b>					
Superintendent	1	1	1	1	1
Consultants/supervisors of instruction	1	1	1	1	1
Principals	3	3	3	4	4
Assistant principals	2	2	3	3	3
Total supervisory	<u>7</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>9</u>
<b>Instruction</b>					
Teachers	115	121	115	109	119
Other professionals (instructional)	3	3	2	1	
Aides	45	47	38	37	39
Total instruction	<u>163</u>	<u>171</u>	<u>155</u>	<u>147</u>	<u>158</u>
<b>Student Services</b>					
Nurses				1	1
Counselors/Advisors	4	4	4	3	4
Technicians	9	9	13	13	16
Total student services	<u>13</u>	<u>13</u>	<u>17</u>	<u>17</u>	<u>21</u>
<b>Support and Administration</b>					
Clerical workers	19	19	17	16	16
Maintenance workers	23	24	20	20	20
Bus Drivers	14	16	11	12	16
Other classified	14	14	13	14	17
Total support and administration	<u>70</u>	<u>73</u>	<u>61</u>	<u>62</u>	<u>69</u>
<b>Total</b>	<u><u>253</u></u>	<u><u>264</u></u>	<u><u>241</u></u>	<u><u>235</u></u>	<u><u>257</u></u>

(Continued)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Supervisory</b>					
Superintendent	1	1	1	1	1
Consultants/supervisors of instruction	1	1	1	1	1
Principals	4	4	5	5	5
Assistant principals	3	3	3	3	5
Total supervisory	<u>9</u>	<u>9</u>	<u>10</u>	<u>10</u>	<u>12</u>
<b>Instruction</b>					
Teachers	127	131	137	153	172
Other professionals (instructional)				1	
Aides	41	43	49	55	63
Total instruction	<u>168</u>	<u>174</u>	<u>186</u>	<u>209</u>	<u>235</u>
<b>Student Services</b>					
Nurses	1	1	1	1	1
Counselors/Advisors	4	4	4	4	5
Technicians	15	15	10	13	16
Total student services	<u>20</u>	<u>20</u>	<u>15</u>	<u>18</u>	<u>22</u>
<b>Support and Administration</b>					
Clerical workers	16	17	22	23	23
Maintenance workers	20	22	25	26	32
Bus Drivers	16	16	17	16	18
Other classified	18	17	19	22	22
Total support and administration	<u>70</u>	<u>72</u>	<u>83</u>	<u>87</u>	<u>95</u>
<b>Total</b>	<u><u>267</u></u>	<u><u>275</u></u>	<u><u>294</u></u>	<u><u>324</u></u>	<u><u>364</u></u>

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

(Concluded)

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**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>
2018	2,093	\$ 17,864,378	\$ 8,535	6.31 %	\$ 22,631,447	\$ 10,813	8.52 %		#DIV/0!	50.0 %
2017	2,084	16,731,064	8,028	6.97	20,765,480	9,964	14.08	121	17.2	40.0
2016	2,055	15,422,769	7,505	0.91	17,948,969	8,734	(2.85)	115	17.9	54.0
2015	1,940	14,428,963	7,438	(1.85)	17,442,087	8,991	0.22	109	17.8	53.0
2014	2,065	15,647,393	7,577	5.43	18,525,748	8,971	5.39	119	17.4	52.0
2013	2,204	15,840,355	7,187	3.53	18,761,394	8,512	2.59	127	17.4	53.0
2012	2,282	15,841,512	6,942	(0.35)	18,935,620	8,298	(1.31)	131	17.4	51.0
2011	2,379	16,573,218	6,966	(1.78)	20,003,022	8,408	1.48	137	17.4	51.0
2010	2,496	17,702,577	7,092	(3.95)	20,680,166	8,285	(13.16)	153	16.3	49.0
2009	2,590	19,124,249	7,384	N/A	24,709,563	9,540	N/A	172	15.1	45.0

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

**Note:** 1) Operating expenditures are total expenditures less debt service and capital outlay.

2) N/A indicates that the information is not available.

**BLUE RIDGE UNIFIED SCHOOL DISTRICT NO. 32**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</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>2010</u></b>	<b><u>2009</u></b>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	7	7	7	7	7	7	7	7	7	7
Square feet	101,798	101,798	70,714	70,714	70,714	70,714	70,714	70,714	70,714	70,714
Capacity	1,272	1,272	883	883	883	883	883	883	883	883
Enrollment	988	1,097	1,097	1,000	1,003	1,097	1,100	1,100	1,248	1,318
<b>Middle</b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	58,071	58,071	63,765	63,765	63,765	63,765	63,765	63,765	63,765	63,765
Capacity	725	725	797	797	797	797	797	797	797	797
Enrollment	375	351	351	304	345	389	389	389	385	414
<b>High</b>										
Buildings	20	20	20	20	20	20	20	20	20	20
Square feet	164,416	164,416	164,416	164,416	164,416	164,416	164,416	164,416	164,416	164,416
Capacity	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370	1,370
Enrollment	723	791	791	699	726	770	770	770	860	855
<b>Other</b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
<b><u>Administrative</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
<b><u>Transportation</u></b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	34	41	29	29	29	30	32	31	31	31
<b><u>Athletics</u></b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	3	3	3	3	3	3	3	3	3	3
Playgrounds	5	5	4	4	4	4	4	4	4	4

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



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