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# CHANDLER UNIFIED SCHOOL DISTRICT NO. 80

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## Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2015



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**

**CHANDLER, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Issued by:  
Business and Finance Department

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**

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## **INTRODUCTORY SECTION**



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## CHANDLER UNIFIED SCHOOL DISTRICT NO. 80

James T. Perry Administration Center • 1525 West Frye Road • Chandler, Arizona 85224  
(480) 812-7000 • FAX: (480) 812-7015

"Dedicated to Excellence"

**Camille Casteel, Ed.D., Superintendent**

November 25, 2015

Citizens and Governing Board  
Chandler Unified School District No. 80  
1525 West Frye Road  
Chandler, Arizona 85224

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 Chandler Unified School District No. 80 (District) for the fiscal year ended June 30, 2015.

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, 2015, 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, 2015, 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.

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Governing Board

Annette Auxier  
(480) 786-3544

Karen McGee  
(480) 892-7600

David F. Evans  
(480) 782-7961

Barbara Mozden  
(480) 497-5703

Robert J.C. Rice  
(480) 963-0307

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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

## **PROFILE OF THE DISTRICT**

The District is one of 58 public school districts located in Maricopa County, Arizona. It is the second largest district in the county and third largest district in the state. It provides a program of public education from preschool through grade twelve.

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

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

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

Approximately 43,000 students are served in 31 elementary schools, seven junior highs, six comprehensive high schools and four alternative schools, Chandler Early College on the campus of Chandler Gilbert Community College, Hill Learning Academy, Hill at ICAN and Chandler Online Academy.

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.

### **District Accomplishments**

Student and staff success define the Chandler Unified School District. Beginning in 2011, schools and school districts received a letter grade from A through F as part of Arizona LEARNS. Chandler Unified is one of only 9 districts in Arizona to earn a coveted "A" grade in each of the first four years. Overall, 63.41% (26) of the CUSD schools received an A. This far outpaces the percentages of schools in Maricopa County that received an A and the percentage of schools in the State of Arizona that received an A. In addition, 36 schools in CUSD received an A or B grade. Administrative cost per pupil for CUSD is 23.5% less than the State average and 50.5% below national average.

Niche.com has named CUSD the number one school district in Arizona for two consecutive years (2014 and 2015).

The District's dropout rate of 1.0% is below the state and national averages. Student success is also measured by achievement on the AIMS scores (above state averages) and college scholarship dollars earned (\$92.6 million for the graduating class of 2015).

Because of the outstanding educational programs offered in the Chandler Unified School District, schools have earned A+ recognition from the Arizona Educational Foundation or Blue Ribbon status 66 times since 1983 (55 A+ and 11 Blue Ribbons), the most of any school district in Arizona.

The Chandler Unified School District embraces accountability as a means to improve student performance and we strive to perform at levels greater than state and national standards. Our Governing Board has adopted a 10-year strategic plan called Journey 2020 to position CUSD as a premier district of choice. At the heart of Journey 2020 are strategies centered around:

- 1) student achievement;
- 2) outstanding staff;
- 3) effective resource management;
- 4) culture of success.

We invite you to learn about Journey 2020 on our web site at [www.cusd80.com](http://www.cusd80.com).

Chandler Unified has earned a reputation as a district that offers challenging curriculum, including a tiered program (our gifted program includes three different levels of support) for gifted students called Chandler Academically Talented Students (CATS), Honors, Advanced Placement and International Baccalaureate programs.

CUSD collaborates well with parents, staff and the community in all aspects of education, including joint-use cooperative efforts. To leverage taxpayer dollars, the District has partnered with the City of Chandler and Town of Gilbert to build and operate the Chandler Center for the Arts, municipal libraries, municipal pools and a transportation complex.

## **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.** Maricopa County (the "County") encompasses an area of approximately 9,225 square miles and is located in the south-central portion of Arizona. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert and Paradise Valley. This metropolitan area is the State's major economic, political and population center.

Maricopa County is the fourth-most populous in the nation and the fourteenth in land area. The County's 2014 population was estimated at 4,008,651 and is expected to reach 6 million by 2030. Population growth has historically been strong in the County.

The County has a diverse economy based on manufacturing, high tech, retail, service industries, tourism, government and agriculture. The County's top employer is the State of Arizona and other major employers include education, healthcare and aerospace. Education/healthcare, professional/business and leisure/hospitality service sectors have led much of the County's recent employment growth and in fiscal 2014-15, the unemployment rate dropped to under 6 percent for the first time in five years.

The County's economy will continue to benefit from its role as the economic and political center for the entire State. Because of a favorable climate, diverse recreational activities and ample accommodations, millions of people are attracted to the area each year, contributing to the strength of the tourism industry and local economy. The metropolitan area provides excellent educational and training opportunities with its twelve community colleges, ten private colleges and graduate schools and three highly regarded state universities.

The majority of the District is located in the City of Chandler. The City is home to notable names in manufacturing, technology and business services and is also seeing extensive growth in the healthcare sector. Chandler was voted one of Money Magazine's "100 Best Places to Live," was named one of the "5 Great Places to Live (and Retire)" by AARP and named among the "100 Best Communities for Young People" by Alliance for Youth.

The District's financial condition reflects the strength of the local economy. The District's tax base is relatively strong with net full cash assessed valuation increasing approximately 6.5 percent annually over the last ten years. The highest increase year over year in net full cash assessed valuation was in 2007-08 with 55.2 and the largest decrease year over year was in 2011-12 with 19.4 percent. In 2014-15, the District's net full cash assessed valuation saw a boost of 11.6 percent from the previous year with residential property providing the bulk of the increase. Starting in 2015-16, ad valorem property taxes will be based off the net limited assessed valuation; the net limited assessed valuation increased by approximately 1.3 percent in 2015-16. Moderate increases are anticipated in future years.

In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

**Long-term Financial Planning.** The District's Mission is "to provide students with the knowledge, skills and attitude necessary to be lifelong learners and responsible citizens." The District's Vision Statement stresses four key points: student success, parent satisfaction, staff which experiences accomplishment, and a community which takes pride in its school system.

Keeping our mission and vision in mind, our ten-year strategic plan, Journey 2020, has been designed to establish Chandler Unified School District as a district of choice and focuses on ensuring academic excellence, outstanding staff, effective resource management, and a culture of success.

The Chandler Unified School District continues to grow, with a minimal increase in students. The District opened Chandler Traditional Junior High and an alternative school, Hill Learning Academy, in 2009. Carlson Elementary (K-6) and Arizona College Prep - Erie Campus (7-12) opened in July 2012. The District has started construction on one additional elementary school and one additional 7-12 secondary school. Chandler Unified School District is proud of how it has managed its resources in an era of restricted budgets and accountability. Management has built a contingency fund in excess of \$40 million.

The District has also achieved some of the highest bond ratings in the State of Arizona. The District currently maintains a bond rating of "Aa2" from Moody's and "AA" from Standard and Poor's.

## AWARDS AND ACKNOWLEDGMENT

**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2014. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2015 certificates.

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

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

Respectfully submitted,



Dr. Camille Casteel  
Superintendent of Schools



Joel Wirth, CPA  
Chief Financial Officer

# Association of School Business Officials International



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

## Chandler Unified School District No. 80

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read "M. Pepera", written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO  
President

A handwritten signature in black ink, appearing to read "John D. Musso", written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

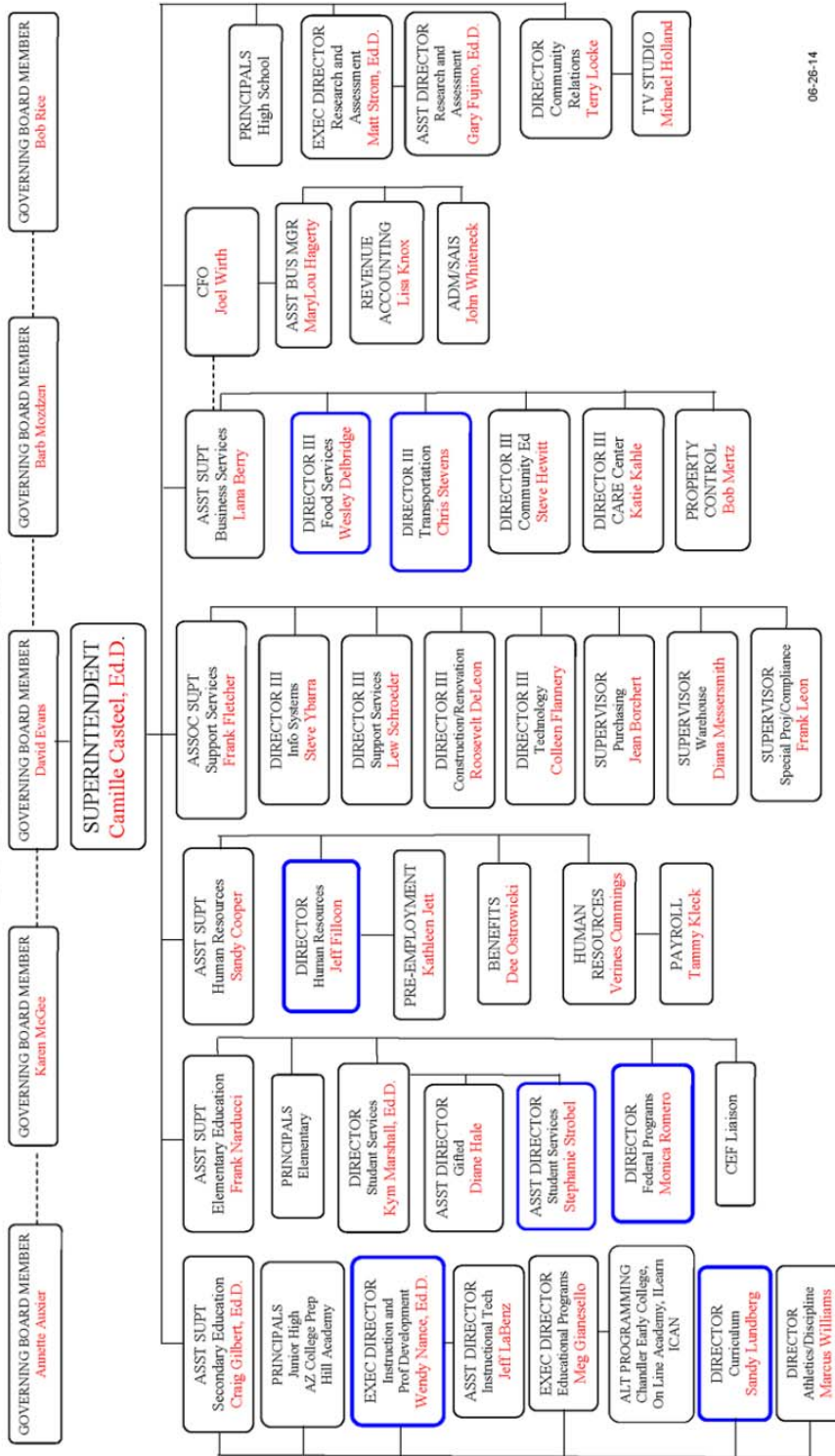
**Chandler Unified School  
District No. 80, Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

CHANDLER UNIFIED SCHOOL DISTRICT  
2014-15 ORGANIZATIONAL CHART



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Karen M. McGee, President

David F. Evans, Vice President

Robert J.C. Rice, Member

Barbara Mozden, Member

Annette Auxier, Member

**ADMINISTRATIVE STAFF**

Dr. Camille Casteel, Superintendent of Schools

Joel Wirth, CPA, Chief Financial Officer

Frank Fletcher, Associate Superintendent for Support Services

Lana Berry, Assistant Superintendent for Business

Sandy Cooper, Assistant Superintendent for Human Resources

Craig Gilbert, Assistant Superintendent for Secondary Education

Frank Narducci, Assistant Superintendent for Elementary Education

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Chandler Unified School District No. 80

### **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 Chandler Unified School District No. 80 (District), as of and for the year ended June 30, 2015, 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 Chandler Unified School District No. 80, as of June 30, 2015, 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. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, for the year ended June 30, 2015, 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 schedule of funding progress, 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 November 25, 2015, on our consideration of Chandler Unified School District No. 80'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 Chandler Unified School District No. 80's internal control over financial reporting and compliance.

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

HEINFELD, MEECH & CO., P.C.  
CPAs and Business Consultants

November 25, 2015

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



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**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

As management of the Chandler Unified School District No. 80 (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, 2015. 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 \$18.8 million which represents a 19 percent increase from the prior fiscal year which was primarily due to an increase in property tax revenues.
- General revenues accounted for \$288.2 million in revenue, or 84 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$54.7 million or 16 percent of total current fiscal year revenues.
- The District had approximately \$324.2 million in expenses related to governmental activities, an increase of seven percent from the prior fiscal year.
- Among major funds, the General Fund had \$240.8 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$232.3 million in expenditures. The General Fund's fund balance increased from \$21.9 million at the prior fiscal year end to \$30.9 million at the end of the current fiscal year was primarily due to an increase in property taxes.

### **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.

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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

**OVERVIEW OF FINANCIAL STATEMENTS**

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.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Debt Service and Unrestricted Capital Outlay 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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

**OVERVIEW OF FINANCIAL STATEMENTS**

**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. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund as required supplementary information.

**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 \$119.9 million at the current fiscal year end.

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2015 and June 30, 2014.

	As of June 30, 2015	As of June 30, 2014
Current and other assets	\$ 211,425,962	\$ 209,610,326
Capital assets, net	535,427,606	486,669,658
Total assets	<u>746,853,568</u>	<u>696,279,984</u>
Deferred outflows	<u>39,808,268</u>	<u>3,081,665</u>
Current and other liabilities	82,811,863	74,880,360
Long-term liabilities	535,186,134	229,619,377
Total liabilities	<u>617,997,997</u>	<u>304,499,737</u>
Deferred inflows	<u>48,773,946</u>	
Net position:		
Net investment in capital assets	307,865,253	232,870,770
Restricted	45,627,532	43,063,447
Unrestricted	(233,602,892)	118,927,695
Total net position	<u>\$ 119,889,893</u>	<u>\$ 394,861,912</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position. The District's unrestricted net position was (\$233.6) million as of year end due to the implementation of GASB Statement No. 68, which required the District to record its proportionate share of the state's net pension liability. In the prior year, all three categories of net position reported positive balances.

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 addition of \$65.6 million in capital assets primarily for the construction of a new elementary school and high school and renovations to school sites and purchases of vehicles, furniture and equipment.
- The addition of \$278.9 million in pension liabilities due to the implementation of new pension reporting standards.
- An increase in accumulated depreciation of \$16.9 million.
- The principal retirement of \$17.8 million of bonds.
- The addition of \$43.8 million in capital leases.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

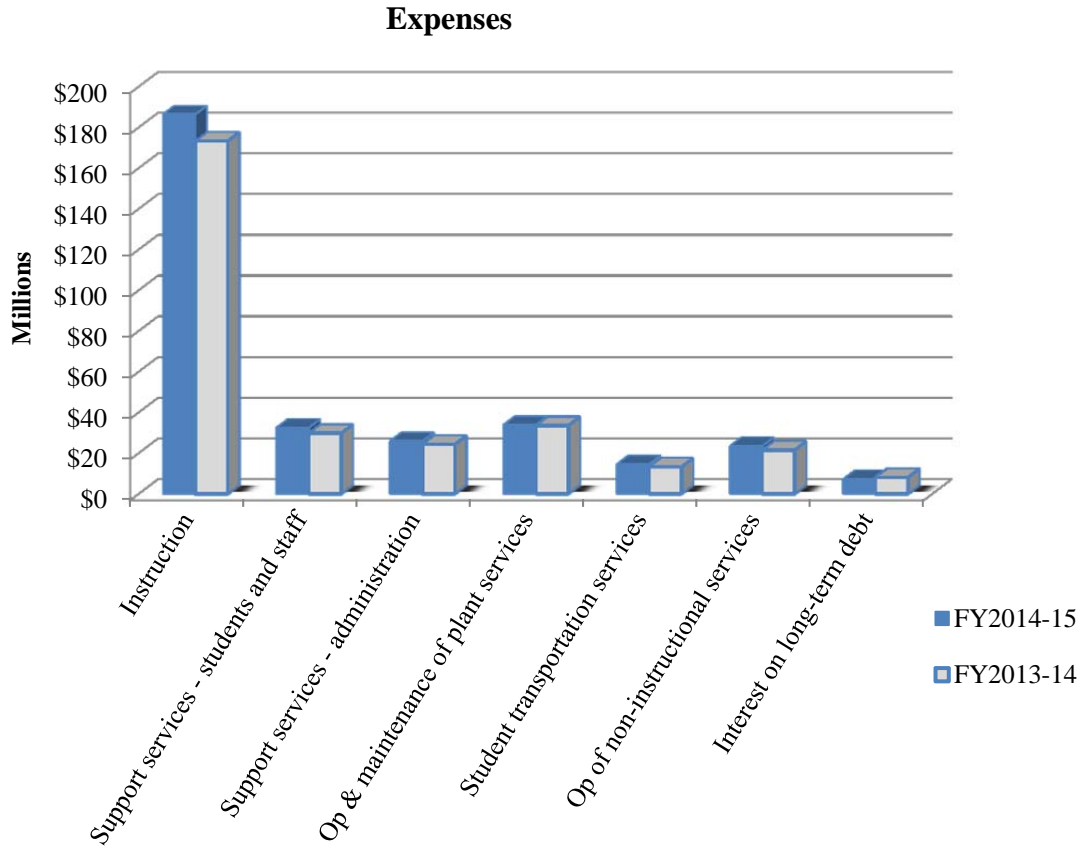
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$342.9 million. The total cost of all programs and services was \$324.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2015 and June 30, 2014.

	<u>Fiscal Year Ended June 30, 2015</u>	<u>Fiscal Year Ended June 30, 2014</u>
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 27,194,680	\$ 20,690,183
Operating grants and contributions	25,828,399	24,591,991
Capital grants and contributions	1,713,252	1,257,783
General revenues:		
Property taxes	140,433,759	114,104,421
Investment income	468,173	557,934
Unrestricted county aid	10,859,951	10,490,856
Unrestricted state aid	135,555,551	131,337,693
Unrestricted federal aid	885,407	483,119
<b>Total revenues</b>	<u>342,939,172</u>	<u>303,513,980</u>
<b>Expenses:</b>		
Instruction	186,429,957	173,271,438
Support services – students and staff	32,515,619	29,785,694
Support services – administration	25,912,476	24,248,461
Operation and maintenance of plant services	33,908,962	33,501,695
Student transportation services	14,578,521	13,188,767
Operation of non-instructional services	23,564,282	21,509,105
Interest on long-term debt	7,273,786	8,037,646
<b>Total expenses</b>	<u>324,183,603</u>	<u>303,542,806</u>
<b>Changes in net position</b>	<u>18,755,569</u>	<u>(28,826)</u>
<b>Net position, beginning, as restated</b>	<u>101,134,324</u>	<u>394,890,738</u>
<b>Net position, ending</b>	<u>\$ 119,889,893</u>	<u>\$ 394,861,912</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- Property tax revenues increased \$26.3 million primarily due to an increase in assessed property values and an increase in the maintenance and operations budget override rate from 10 to 15 percent.
- Instruction expense increased \$13.2 million primarily due to student growth and teacher salary increases.

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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	<u>Year Ended June 30, 2015</u>		<u>Year Ended June 30, 2014</u>	
	<u>Total Expenses</u>	<u>Net burden on taxpayers</u>	<u>Total Expenses</u>	<u>Net burden on taxpayers</u>
Instruction	\$ 186,429,957	\$ (166,190,240)	\$ 173,271,438	\$ (155,575,138)
Support services – students and staff	32,515,619	(26,463,491)	29,785,694	(24,540,776)
Support services – administration	25,912,476	(25,473,826)	24,248,461	(23,850,339)
Operation and maintenance of plant services	33,908,962	(32,846,281)	33,501,695	(33,113,835)
Student transportation services	14,578,521	(13,175,923)	13,188,767	(12,351,572)
Operation of non-instructional services	23,564,282	784,967	21,509,105	(727,678)
Interest on long-term debt	7,273,786	(6,082,478)	8,037,646	(6,843,511)
<b>Total</b>	<u>\$ 324,183,603</u>	<u>\$ (269,447,272)</u>	<u>\$ 303,542,806</u>	<u>\$ (257,002,849)</u>

- The cost of all governmental activities this year was \$324.2 million.
- Federal and state governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$54.7 million.
- Net cost of governmental activities of \$269.4 million was financed by general revenues, which are made up of primarily property taxes of \$140.4 million and state and county aid of \$146.4 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 \$91.3 million, a decrease of \$8.7 million primarily due to expenditures of bond proceeds.



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

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

The General Fund comprises 34 percent of the total fund balance. Approximately \$30.2 million, or 98 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 from \$21.9 million to \$30.9 million as of fiscal year end was a result of an increase in property taxes. General Fund revenues increased \$22.8 million, or 10 percent. General Fund expenditures increased \$13.9 million or 6 percent.

The fund balance of the Debt Service Fund decreased \$1.1 million to \$2.9 million as of fiscal year end as a result of bond refunding activity.

The fund balance of the Unrestricted Capital Outlay Fund increased \$1.2 million to \$7.2 million as of fiscal year end as a result of an increase in property taxes and state aid and grants.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget to include carryover and student growth figures. The difference between the original budget and the final amended budget was a \$5.1 million increase, or two percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. There were no significant variances in budgeted to actual expenditures.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$745.9 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 \$65.4 million from the prior fiscal year, primarily due to the construction of an elementary school and high school. Total depreciation expense for the current fiscal year was \$16.9 million.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2015 and June 30, 2014.

	<u>As of June 30, 2015</u>	<u>As of June 30, 2014</u>
Capital assets – non-depreciable	\$ 117,211,563	\$ 70,327,434
Capital assets – depreciable, net	418,216,043	416,342,224
<b>Total</b>	<u>\$ 535,427,606</u>	<u>\$ 486,669,658</u>

The estimated cost to complete current construction projects is \$547,050.

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

**Debt Administration.** At year end, the District had \$251.0 million in long-term debt outstanding, \$19.6 million due within one year. Long-term debt increased by \$22.2 million, primarily a result of entering into a capital lease for \$43.8 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total secondary assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the secondary assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$671.5 million and the Class B debt limit is \$447.7 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

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

**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 2015-16 Maintenance and Operations Fund budget. Among them:

- Fiscal year 2014-15 budget balance carry forward (\$6,377,750).
- District student population (estimated 43,400).

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2015**

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

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

Budgeted expenditures in the General Fund decreased one percent to \$227.9 million in fiscal year 2015-16. State aid and property taxes are expected to be the primary funding sources. The ELITE Performance Academy program was added to the 2015-16 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, Chandler Unified School District No. 80, 1525 West Frye Road, Chandler, Arizona 85224.

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 145,327,147
Property taxes receivable	16,882,649
Accounts receivable	410,598
Due from governmental entities	47,015,063
Inventory	1,790,505
Total current assets	211,425,962
Noncurrent assets:	
Capital assets not being depreciated	117,211,563
Capital assets, net of accumulated depreciation	418,216,043
Total noncurrent assets	535,427,606
<b>Total assets</b>	<b>746,853,568</b>
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	5,383,778
Pension plan items	34,424,490
<b>Total deferred outflows of resources</b>	<b>39,808,268</b>
 <b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	5,923,763
Construction contracts payable	8,988,137
Credit line payable	18,361,000
Accrued payroll and employee benefits	5,133,400
Compensated absences payable	400,000
Accrued interest payable	3,876,115
Unearned revenues	529,448
Bonds payable	19,590,000
Tax anticipation notes payable	40,000,000
Total current liabilities	102,801,863
Noncurrent liabilities:	
Non-current portion of long-term obligations	515,196,134
Total noncurrent liabilities	515,196,134
<b>Total liabilities</b>	<b>617,997,997</b>
 <b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension plan items	48,773,946
 <b><u>NET POSITION</u></b>	
Net investment in capital assets	307,865,253
Restricted for:	
Voter approved initiatives	4,702,676
Food service	2,176,851
Civic center	9,594,799
Community school	13,723,613
Extracurricular activities	2,639,964
Joint technical education	900,355
Other local initiatives and federal projects	471,180
Debt service	3,558,226
Capital outlay	7,859,868
Unrestricted	(233,602,892)
<b>Total net position</b>	<b>\$ 119,889,893</b>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2015**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 186,429,957	\$ 8,647,665	\$ 9,878,800	\$ 1,713,252	\$ (166,190,240)
Support services - students and staff	32,515,619	385,424	5,666,704		(26,463,491)
Support services - administration	25,912,476	238,136	200,514		(25,473,826)
Operation and maintenance of plant services	33,908,962	212,162	850,519		(32,846,281)
Student transportation services	14,578,521	822,449	580,149		(13,175,923)
Operation of non-instructional services	23,564,282	16,888,844	7,460,405		784,967
Interest on long-term debt	7,273,786		1,191,308		(6,082,478)
<b>Total governmental activities</b>	<u>\$ 324,183,603</u>	<u>\$ 27,194,680</u>	<u>\$ 25,828,399</u>	<u>\$ 1,713,252</u>	<u>(269,447,272)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	106,255,122
Property taxes, levied for debt service	25,400,680
Property taxes, levied for capital outlay	8,777,957
Investment income	468,173
Unrestricted county aid	10,859,951
Unrestricted state aid	135,555,551
Unrestricted federal aid	885,407

**Total general revenues** 288,202,841

**Changes in net position** 18,755,569

**Net position, beginning of year, as restated** 101,134,324

**Net position, end of year** \$ 119,889,893

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



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**FUND FINANCIAL STATEMENTS**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2015**

	General	Debt Service	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$ 49,096,416	\$ 25,321,787	\$ 12,659,272
Property taxes receivable	16,095,713	263,358	124,350
Accounts receivable	268,754		
Due from governmental entities	40,541,244	1,191,196	118,209
Due from other funds	2,354,920		
Inventory	673,623		574,400
<b>Total assets</b>	<b>\$ 109,030,670</b>	<b>\$ 26,776,341</b>	<b>\$ 13,476,231</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 2,626,122	\$	\$ 2,543,464
Construction contracts payable	23,592		3,601,298
Credit line payable	18,361,000		
Due to other funds			
Accrued payroll and employee benefits	483,851		
Accrued interest payable	248,000		
Unearned revenues			
Bonds payable		19,590,000	
Bond interest payable		3,628,115	
Tax anticipation notes payable	40,000,000		
<b>Total liabilities</b>	<b>61,742,565</b>	<b>23,218,115</b>	<b>6,144,762</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	15,645,742	112,077	115,099
Unavailable revenues - intergovernmental	789,202	595,598	
Unavailable revenues - other			
<b>Total deferred inflows of resources</b>	<b>16,434,944</b>	<b>707,675</b>	<b>115,099</b>
Fund balances:			
Nonspendable	673,623		574,400
Restricted		2,850,551	6,641,970
Unassigned	30,179,538		
<b>Total fund balances</b>	<b>30,853,161</b>	<b>2,850,551</b>	<b>7,216,370</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 109,030,670</b>	<b>\$ 26,776,341</b>	<b>\$ 13,476,231</b>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 58,249,672	\$ 145,327,147
399,228	16,882,649
141,844	410,598
5,164,414	47,015,063
	2,354,920
542,482	1,790,505
<u>\$ 64,497,640</u>	<u>\$ 213,780,882</u>

\$ 754,177	\$ 5,923,763
5,363,247	8,988,137
	18,361,000
2,354,920	2,354,920
4,649,549	5,133,400
	248,000
529,448	529,448
	19,590,000
	3,628,115
	40,000,000
<u>13,651,341</u>	<u>104,756,783</u>

381,480	16,254,398
	1,384,800
38,693	38,693
<u>420,173</u>	<u>17,677,891</u>

542,482	1,790,505
49,883,644	59,376,165
	30,179,538
<u>50,426,126</u>	<u>91,346,208</u>

<u>\$ 64,497,640</u>	<u>\$ 213,780,882</u>
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**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

**Total governmental fund balances** **\$ 91,346,208**

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	\$ 745,851,451	
Less accumulated depreciation	<u>(210,423,845)</u>	535,427,606

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

Property taxes	16,254,398	
Intergovernmental	1,384,800	
Other	<u>38,693</u>	17,677,891

The net OPEB asset is not a financial resource, therefore it is not reported in the funds. 376,390

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. 5,383,778

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

Deferred outflows of resources related to pensions	34,424,490	
Deferred inflows of resources related to pensions	<u>(48,773,946)</u>	(14,349,456)

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

Compensated absences payable	(5,663,572)	
Obligations under capital leases	(43,765,000)	
Net pension liability	(278,916,852)	
Bonds payable	<u>(187,627,100)</u>	<u>(515,972,524)</u>

**Net position of governmental activities** **\$ 119,889,893**

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	<u>General</u>	<u>Debt Service</u>	<u>Unrestricted Capital Outlay</u>
<b>Revenues:</b>			
Other local	\$ 16,023,469	\$ 85,807	\$ 353,438
Property taxes	106,752,492	25,493,650	1,680,990
State aid and grants	116,522,811		3,151,924
Federal aid, grants and reimbursements	1,489,590	595,710	
<b>Total revenues</b>	<u>240,788,362</u>	<u>26,175,167</u>	<u>5,186,352</u>
<b>Expenditures:</b>			
Current -			
Instruction	141,688,946		
Support services - students and staff	24,615,735		
Support services - administration	23,673,740		
Operation and maintenance of plant services	29,115,606		
Student transportation services	10,717,630		
Operation of non-instructional services	401,842		
Capital outlay	2,135,380		48,066,456
Debt service -			
Principal retirement		19,590,000	
Interest and fiscal charges		7,802,652	
Bond issuance costs		399,732	
<b>Total expenditures</b>	<u>232,348,879</u>	<u>27,792,384</u>	<u>48,066,456</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,439,483</u>	<u>(1,617,217)</u>	<u>(42,880,104)</u>
<b>Other financing sources (uses):</b>			
Transfers in	449,642	83,249	
Transfers out			
Capital lease agreements			43,765,000
Issuance of refunding bonds		36,770,000	
Premium on sale of bonds		5,607,102	
Payment to refunded bond escrow agent		(41,977,370)	
<b>Total other financing sources (uses):</b>	<u>449,642</u>	<u>482,981</u>	<u>43,765,000</u>
<b>Changes in fund balances</b>	<u>8,889,125</u>	<u>(1,134,236)</u>	<u>884,896</u>
<b>Fund balances, beginning of year</b>	21,943,260	3,984,787	6,038,137
Increase (decrease) in reserve for inventory	20,776		293,337
<b>Fund balances, end of year</b>	<u>\$ 30,853,161</u>	<u>\$ 2,850,551</u>	<u>\$ 7,216,370</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 26,431,737	\$ 42,894,451
6,600,388	140,527,520
17,512,243	137,186,978
19,519,374	21,604,674
<u>70,063,742</u>	<u>342,213,623</u>
26,924,901	168,613,847
6,039,964	30,655,699
485,079	24,158,819
562,741	29,678,347
1,010,836	11,728,466
22,167,383	22,569,225
29,629,274	79,831,110
	19,590,000
	7,802,652
	399,732
<u>86,820,178</u>	<u>395,027,897</u>
<u>(16,756,436)</u>	<u>(52,814,274)</u>
(532,891)	532,891
	(532,891)
	43,765,000
	36,770,000
	5,607,102
	(41,977,370)
<u>(532,891)</u>	<u>44,164,732</u>
<u>(17,289,327)</u>	<u>(8,649,542)</u>
68,031,440	99,997,624
(315,987)	(1,874)
<u>\$ 50,426,126</u>	<u>\$ 91,346,208</u>



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2015**

**Net changes in fund balances - total governmental funds** **\$ (8,651,416)**

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	\$ 65,649,499	
Less current year depreciation	<u>(16,878,443)</u>	48,771,056

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

Obligations under capital leases		(43,765,000)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(93,761)	
Intergovernmental	780,617	
Other	<u>38,693</u>	725,549

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.

Bond principal retirement		19,590,000
---------------------------	--	------------

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

Current year pension contributions	19,249,912	
Pension expense	<u>(18,788,632)</u>	461,280

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.

Other post employment benefits	1,647,060	
Deferred charges on issuance of debt	4,895,075	
Loss on disposal of assets	(13,108)	
Amortization of deferred bond items	(4,765,941)	
Compensated absences	<u>(138,986)</u>	<u>1,624,100</u>

**Changes in net position in governmental activities** **\$ 18,755,569**

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2015**

	Agency
<b><u>ASSETS</u></b>	
Cash and investments	\$ 1,564,554
<b>Total assets</b>	<b>\$ 1,564,554</b>
 <b><u>LIABILITIES</u></b>	
Accounts payable	\$ 39,939
Deposits held for others	399,736
Due to governmental entities	129,521
Due to student groups	995,358
<b>Total liabilities</b>	<b>\$ 1,564,554</b>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

The financial statements of the Chandler Unified School District No. 80 (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, 2015, the District implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This Statement requires governments providing defined benefit pensions to recognize the long-term obligation for pension benefits as a liability, and to more comprehensively and comparably measure the annual costs of pension 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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

Property taxes, federal, 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 and when students pay for meals in advance.

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 the 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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

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

Additionally, the District reports the following fund type:

Fiduciary Funds – The Fiduciary Funds are Agency Funds which account for resources held by the District on behalf of others. This fund type includes 1) the Student Activities Fund, which accounts for monies raised by students to finance student clubs and organizations held by the District as an agent, 2) funds that account for employee withholdings before the monies are remitted to the appropriate entities and 3) activities related to agreements with other governments where the District is the fiscal agent.

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

**D. Cash and Investments**

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

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

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. 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 in the Statement of Net Position.

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

**G. Property Tax Calendar**

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

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

**I. Prepaid Items**

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

**J. Capital Assets**

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

Capital assets are defined by the District as assets with an initial, individual cost in excess of \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market 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.



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

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

Land improvements	20 years
Buildings and improvements	10-50 years
Vehicles, furniture and equipment	5-25 years

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

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

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

**L. Compensated Absences**

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

**M. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to/deductions from the plan's 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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

**N. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities on the statement of net position. Bond premiums and discounts, as well as the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight-line method over the term of the related debt.

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

**O. Interfund Activity**

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

**P. Net Position Flow Assumption**

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

**Q. Estimates**

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

***Assigned.*** Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The Board delegated the responsibility to the Chief Financial Officer by adopting a formal policy.

***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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	General Fund	Debt Service Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$ 673,623	\$	\$ 574,400	\$ 542,482
Restricted:				
Debt service		2,850,551		
Capital projects			6,641,970	721,319
Bond building projects				14,991,580
Voter-approved initiatives and federal projects				4,702,704
Food service				2,138,158
Civic center				9,594,799
Community schools				13,723,613
Extracurricular activities fees tax credit				2,639,964
Joint technical education				900,355
Other purposes				471,152
Unassigned	30,179,538			
Total fund balances	\$ 30,853,161	\$ 2,850,551	\$ 7,216,370	\$ 50,426,126

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

**Excess Expenditures Over Budget** – At year end, the District had expenditures in funds that exceeded the budgets, however this does not constitute a violation of any legal provisions, as the budget for these funds is simply an estimate and does not prevent the District exceeding the budget as long as the necessary revenue is earned.

**NOTE 4 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$1,352,445 and the bank balance was \$1,820,537. At year end, \$1,563,861 of the District’s deposits were covered by collateral held by the pledging financial institution in the District’s name. In addition, the District had \$8,080 of cash on hand at year end.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 4 – CASH AND INVESTMENTS**

The County Treasurer’s pool and the Arizona School Risk Retention Trust Investment Pool are external investment pools with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The fair value of each participant’s position in both the investment pools approximates the value of the participant’s shares in the pool and the participants’ shares are not identified with specific investments.

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>
Money Market U.S. Treasuries and Agencies	\$ 5,916,964	\$ 5,916,964
Money Market Certificates of Deposit	728,723	728,723
		<u>\$ 6,645,687</u>
County Treasurer’s investment pool	136,771,376	367 days average maturities
Arizona School Risk Retention Trust Investment Pool	<u>2,144,113</u>	633 days average maturities
Total	<u>\$145,531,176</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. Investments held in the Arizona School Risk Retention Trust Investment Pool were rated between A and AA+ by Standard and Poor’s. The District’s investments in Money Market U.S. Treasuries and Agencies were rated AAA-mf by Moody’s Investors Service and AAAm by Standard & Poor’s. The District’s investments in Certificates of Deposits were unrated by both Moody’s Investors Service and Standard & Poor’s.

*Custodial Credit Risk – Investments.* The District’s investment in the County Treasurer’s investment pool and the Arizona School Risk Retention Trust Investment Pool both represent a proportionate interest in the applicable pool’s portfolio; however, the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 5 – RECEIVABLES**

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

	General Fund	Debt Service Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$ 878,147	\$ 1,191,196	\$	\$ 2,183,671
Due from state government	39,663,097		118,209	2,017,361
Due from other districts				963,382
Net due from governmental entities	<u>\$ 40,541,244</u>	<u>\$ 1,191,196</u>	<u>\$ 118,209</u>	<u>\$ 5,164,414</u>

**NOTE 6 – CAPITAL ASSETS**

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 62,154,811	\$ 2,058,781	\$	\$ 64,213,592
Construction in progress	8,172,623	51,636,867	6,811,519	52,997,971
Total capital assets, not being depreciated	<u>70,327,434</u>	<u>53,695,648</u>	<u>6,811,519</u>	<u>117,211,563</u>
Capital assets, being depreciated:				
Land improvements	50,525,870	2,601,275		53,127,145
Buildings and improvements	522,749,431	13,244,566		535,993,997
Vehicles, furniture and equipment	36,846,490	2,919,529	247,273	39,518,746
Total capital assets being depreciated	<u>610,121,791</u>	<u>18,765,370</u>	<u>247,273</u>	<u>628,639,888</u>
Less accumulated depreciation for:				
Land improvements	(19,981,255)	(2,196,000)		(22,177,255)
Buildings and improvements	(154,340,743)	(12,170,362)		(166,511,105)
Vehicles, furniture and equipment	(19,457,569)	(2,512,081)	(234,165)	(21,735,485)
Total accumulated depreciation	<u>(193,779,567)</u>	<u>(16,878,443)</u>	<u>(234,165)</u>	<u>(210,423,845)</u>
Total capital assets, being depreciated, net	<u>416,342,224</u>	<u>1,886,927</u>	<u>13,108</u>	<u>418,216,043</u>
Governmental activities capital assets, net	<u>\$ 486,669,658</u>	<u>\$ 55,582,575</u>	<u>\$ 6,824,627</u>	<u>\$ 535,427,606</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 6 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 10,045,467
Support services – students and staff	436,289
Support services – administration	625,124
Operation and maintenance of plant services	3,686,797
Student transportation services	1,609,039
Operation of non-instructional services	475,727
Total depreciation expense – governmental activities	<u>\$ 16,878,443</u>

**Construction Commitments** – At year end, the District had contractual commitments related to various capital projects for the construction of parking lots and roofing projects at several schools. At year end, the District had spent \$52,997,971 on the projects and had estimated remaining contractual commitments of \$547,050. These projects are being funded with bond proceeds.

**NOTE 7 – SHORT TERM DEBT**

**Tax Anticipation Notes** – In July 2014, the District issued \$40,000,000 in tax anticipation notes in advance of property tax collections, depositing the proceeds in the General Fund. These notes are necessary to provide cash flow as most tax revenue is collected in November and May. Resources were available on deposit with the County Treasurer in the amount of \$40,259,082 at year end. Property tax revenues of the General Fund will be used to repay these notes in July 2015. Short-term debt activity for the current fiscal year, was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax anticipation notes	\$ 35,000,000	\$ 40,000,000	\$ 35,000,000	\$ 40,000,000

**Revolving Line of Credit** – The District has a \$41.5 million 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. The interest rate on the line was 2.145 percent. Short-term debt activity for the current fiscal year, was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Revolving line of credit	\$ 23,355,000	\$ 56,030,000	\$ 61,024,000	\$ 18,361,000

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES**

**Capital Leases** – The District has financed the construction of one elementary school and one high school under the provisions of a long-term lease agreement classified as a capital lease. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. Lease proceeds will be used to pay interest payments in fiscal years 2016 and 2017. It is anticipated that future bond proceeds will be used to pay off the entire lease. Otherwise, revenues from the Unrestricted Capital Outlay Fund are used to pay the capital lease obligation. Amortization of assets recorded under capital leases will be included with depreciation expense upon completion of the schools.

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

	Governmental Activities
Asset:	
Construction in progress	\$ 40,495,456
Total	\$ 40,495,456

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

	Governmental Activities	
	Principal	Interest
Year Ending June 30:		
2016	\$	\$ 1,020,940
2017		967,206
2018	5,020,000	942,399
2019	5,600,000	825,656
2020	5,730,000	701,178
2021-25	27,415,000	1,503,077
Total minimum lease payments	\$ 43,765,000	\$ 5,960,456



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**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. In addition, a portion of the District's school improvement bonds are Qualified School Construction Bonds, as such it is expected the District will receive direct subsidy payments from the United States of America for a portion of the interest due on the bonds. The District received \$595,710 in federal subsidies during the year.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2015	Due Within One Year
<b>Governmental activities:</b>					
Refunding Bonds, Series 2004	\$20,000,000	5.00%	7/1/15-16	\$ 6,220,000	\$ 3,130,000
School Improvement Bonds, Series 2005	43,950,000	3.50%	7/1/15	2,300,000	2,300,000
School Improvement Bonds, Series 2007	50,250,000	4.00%-4.250%	7/1/15-17	8,160,000	3,760,000
School Improvement Bonds, Series 2008	58,700,000	4.00%	7/1/15-19	23,885,000	8,500,000
School Improvement Bonds, Project of 2010 Tax-Exempt Series A-1	20,000,000	2.50%-5.00%	7/1/15-26	18,500,000	1,500,000
School Improvement Bonds, Project of 2010 federally taxable/state tax exempt Series A-2 (QSCAB)	25,000,000	5.834%	7/1/17-25	25,000,000	
Refunding Bonds, Series 2012	30,000,000	4.00%	7/1/17-24	29,900,000	
School Improvement Bonds, Project of 2010, Series B (2013)	17,375,000	1.75-3.00%	7/1/17-25	17,150,000	
Refunding Bonds, Taxable Series 2013	16,880,000	5.23%	7/1/15-18	6,445,000	30,000
School Improvement Bonds, Project of 2010, Series C (2014)	21,940,000	1.75%-4.00%	7/1/16-29	21,940,000	
Refunding Bonds, Series 2015	36,770,000	2.00%-5.00%	7/1/15-23	36,770,000	370,000
Total				<u>\$ 196,270,000</u>	<u>\$ 19,590,000</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE**

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2016	\$ 19,590,000	\$ 7,257,286
2017	20,070,000	6,833,799
2018	19,017,778	6,112,283
2019	19,272,778	5,573,813
2020	19,492,778	5,065,063
2021-25	74,573,889	17,642,990
2026-30	24,252,777	2,202,096
Total	<u>\$ 196,270,000</u>	<u>\$ 50,687,330</u>

During the year ended June 30, 2015, the District issued \$36,770,000 in refunding bonds, with an effective interest rate of 4.43 percent, to advance refund \$38,485,000 of outstanding general obligation bonds, with an average interest rate of 4.63 percent. The net proceeds of \$41,977,370, which includes \$5,607,102 of bond premium, (after payment of \$399,732 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded general obligation bonds. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$3,180,075. This amount is reported as deferred charges and amortized over the life of the new debt. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$3,176,103 and resulted in an economic gain of \$2,925,582.

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$29,670,000 of defeased bonds are still outstanding.

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**NOTE 10 – CHANGES IN LONG-TERM LIABILITIES**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:	\$ 215,765,000	\$ 36,770,000	\$ 56,265,000	\$ 196,270,000	\$ 19,590,000
Premium	7,059,121	5,607,102	1,719,123	10,947,100	
Total bonds payable	<u>222,824,121</u>	<u>42,377,102</u>	<u>57,984,123</u>	<u>207,217,100</u>	<u>19,590,000</u>
Obligations under capital leases		43,765,000		43,765,000	
Other postemployment benefits	1,270,670	351,489	1,998,549	(376,390)	
Net pension liability	293,727,588		14,810,736	278,916,852	
Compensated absences payable	<u>5,524,586</u>	<u>3,443,163</u>	<u>3,304,177</u>	<u>5,663,572</u>	<u>400,000</u>
Governmental activity long-term liabilities	<u>\$ 523,346,965</u>	<u>\$ 89,936,754</u>	<u>\$ 78,097,585</u>	<u>\$ 535,186,134</u>	<u>\$ 19,990,000</u>

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

At year end, interfund balances were as follows:

**Due to/from other funds:**

At year end, several non-major governmental funds had negative cash balances in the Treasurer's pooled cash accounts of \$2,354,920. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers:**

	<u>Transfers in</u>		
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
<u>Transfers out</u>			
Non-Major Governmental Funds	\$ 449,642	\$ 83,249	\$ 532,891
Total	<u>\$ 449,642</u>	<u>\$ 83,249</u>	<u>\$ 532,891</u>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 12 – CONTINGENT LIABILITIES**

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

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

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

**Lease-To-Own Agreement** – The Arizona School Facilities Board (SFB) entered into lease agreements to finance the costs of the District's new school facilities pursuant to A.R.S. 15-2004, 15-2005 and 15-2006. The SFB lease agreements cover two high schools, one junior high school, and five elementary schools. The SFB is required to make all lease payments, however if the SFB does not make the lease payments, the District has the option to make the payments on behalf of the SFB to ensure the facilities do not revert back to the lessor.

**NOTE 13 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To obtain access to professional management services and reinsurance and to achieve greater economies of scale, the District joined the following pools described below.

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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 13 – RISK MANAGEMENT**

The District's employees have health and accident insurance coverage with the Valley Schools Employee Benefit Trust (VSEBT). VSEBT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amount for each insured event.

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

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

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

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

\*With actuarially reduced benefits

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**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 11.60 percent (11.48 percent for retirement and 0.12 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 11.60 percent (10.89 percent for retirement, 0.59 percent for health insurance premium benefit, and 0.12 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2015 were \$19,249,912.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.57 percent (9.51 for retirement and 0.06 percent for long-term disability) of annual covered payroll of retired members who worked in positions that would typically be filled by an employee who contributes to ASRS.

The District’s contributions for the current and two preceding years for OPEB, all of which were equal to the required contributions, were as follows:

	Health Benefit Supplement Fund	Long-Term Disability Fund
Year ending June 30:		
2015	\$ 1,042,925	\$ 212,120
2014	1,018,491	407,396
2013	1,132,007	417,972

**Pension Liability.** At June 30, 2015, the District reported a liability of \$278.9 million for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the District’s proportion was 1.89 percent, which was an increase of .01 from its proportion measured as of June 30, 2013.

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

**Pension Expense and Deferred Outflows/Inflows of Resources.** For the year ended June 30, 2015, the District recognized pension expense of \$18.8 million and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$14,175,371	\$
Net difference between projected and actual earnings on pension plan investments		48,773,946
Changes in proportion and differences between contributions and proportionate share of contributions	999,207	
Contributions subsequent to the measurement date	<u>19,249,912</u>	
Total	<u>\$34,424,490</u>	<u>\$48,773,946</u>

The deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2016	\$	(5,595,844)
2017		(5,595,844)
2018		(10,214,194)
2019		(12,193,486)



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

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

Actuarial valuation date	June 30, 2013
Actuarial roll forward date	June 30, 2014
Actuarial cost method	Entry age normal
Investment rate of return	8.0%
Projected salary increases	3.0-6.75%
Inflation	3.0%
Permanent base increases	Included
Mortality rates	1994 GAM Scale BB

The actuarial assumptions used in the June 30, 2013 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.

The long-term expected rate of return on ASRS pension plan investments was determined to be 8.79 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	63%	7.03%
Fixed income	25%	3.20
Real estate	8%	4.75
Commodities	4%	4.50
Total	<u>100%</u>	

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS**

**Discount Rate.** The discount rate used to measure the ASRS total pension liability was 8.0 percent, which is less than the long-term expected rate of return of 8.79 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 pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (7.0%)	Current Discount Rate (8.0%)	1% Increase (9.0%)
Proportionate share of the net pension liability	\$352,536,596	\$278,916,852	\$238,974,444

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

**Beginning Net Position Restatement.** The implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, represents a change in accounting principle. Net position as of July 1, 2014, has been restated as follows for this change in accounting principle:

	Statement of Activities
Net position, June 30, 2014, as previously reported	\$ 394,861,912
Net pension liability	(293,727,588)
Net position, July 1, 2014, as restated	\$ 101,134,324

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
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**NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER PLAN**

**Plan Description** – Under authority of the Governing Board, the District provides postretirement insurance (health and dental) benefits, for certain retirees and their dependents, in accordance with the Employee Retirement Postemployment Plan. The plan is a single-employer defined benefit plan administered by the District. The plan provides medical and dental coverage for eligible retirees, their spouses and dependents and premium subsidies to retirees. To be eligible for District-paid benefits, an individual must have been hired by the District prior to July 1, 1999, completed at least 20 years of full-time employment with the District, and either attained age 55 or completed 80 points under the Arizona State Retirement System (ASRS). The retiree must also have not yet reached the age for commencement of Medicare benefits (age 65) at the time of retirement. The plan does not issue an annual financial report and it is not included in the reports of any other retirement system or entity. While covered payroll amounts are presented later in this Note, the benefit amount is not dependent on a retiree’s covered payroll amount and is derived instead as follows: For the first 18 months after retirement, an eligible retiree must elect to be covered under one of the District’s three medical plan options. The District pays retiree premiums, net of \$150 ASRS subsidy, with the balance after the District’s contribution, if any, being the responsibility of the retiree. After 18 months, the retiree must transfer to ASRS in order to continue to receive a District contribution. The District then pays a monthly healthcare subsidy of \$250 to the retiree until age 65. Effective July 1, 2009, future retirees may not remain on the District medical and dental plans, they must move to another carrier. For the current fiscal year, the District contributed \$239,666 for these benefits. In June 2015, the District paid out all active employees from the plan in the amount of \$1,758,883. The District’s regular insurance providers underwrite the retiree policies. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. The number of participants as of the effective date of the biannual OPEB valuation, follows:

	Participants
Active employees	528
Retired employees	152
Total	680

**Funding Policy** – The District currently pays for postemployment benefits on a pay-as-you-go basis. These financial statements assume that pay-as-you-go funding will continue. Generally, resources from the General Fund are used to pay for postemployment benefits.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER PLAN**

**Annual OPEB Cost and Net OPEB Obligation** – The District’s annual OPEB cost is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the District’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District’s net OPEB obligation.

Annual required contribution	\$ 374,145
Interest on net OPEB obligation	50,827
Adjustment to annual required contribution	<u>(73,483)</u>
Annual OPEB cost (expense)	351,489
Contributions made	(1,998,549)
Decrease in net OPEB obligation	<u>(1,647,060)</u>
Net OPEB obligation – beginning of year	<u>1,270,670</u>
Net OPEB asset – end of year	<u><u>\$ (376,390)</u></u>

The District’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year ended June 30, 2014 and the two preceding years is as follows.

<u>Fiscal Year</u> <u>Ended</u>	<u>Annual OPEB</u> <u>Cost</u>	<u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Percentage of</u> <u>Annual OPEB</u> <u>Cost Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
June 30, 2015	\$ 351,489	\$ 1,998,549	568.6%	\$ (376,390)
June 30, 2014	350,711	394,337	112.4%	1,270,670
June 30, 2013	384,609	418,083	108.7%	1,314,296

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER PLAN**

**Actuarial Methods and Assumptions.** Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit cost between the employer and plan members to that point. The projection of future benefit payments involves estimates of the value of reported amounts and assumptions about the probability of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Amounts determined and the funded status of the plan and the annual required contributions of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The more significant actuarial assumptions and methods used in the calculation of the employer contributions for the current fiscal year were as follows:

Valuation date	July 1, 2013
Actuarial cost method	Projected Unit Credit
Amortization method for actuarial accrued liabilities	30 year level dollar, open period
Remaining amortization period	28 years as of June 30, 2015
Interest rate	4.00%
Inflation rate	N/A
Projected salary increases	N/A
Health care cost trend rate:	
Medical and Prescription Drug	8% graded down to an ultimate rate of 5% over 3 years
Retiree contribution increase	Consistent with medical/drug trends
ASRS subsidy increases	None
Cost of living adjustments	N/A

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

**NOTE 16 – SUBSEQUENT EVENTS**

In July 2015, the District issued \$45 million of tax anticipation notes in advance of property collections, depositing the proceeds in its General Fund.

In November 2015, voters authorized the issuance of \$196 million of Class B general obligation bonds.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2015**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>Revenues:</b>				
Other local	\$	\$	\$ 10,756,716	\$ 10,756,716
Property taxes			106,752,492	106,752,492
State aid and grants			115,738,618	115,738,618
<b>Total revenues</b>			<u>233,247,826</u>	<u>233,247,826</u>
<b>Expenditures:</b>				
Current -				
Instruction	142,028,062	142,793,255	137,880,573	4,912,682
Support services - students and staff	23,580,776	23,903,726	24,161,147	(257,421)
Support services - administration	21,818,566	23,807,776	23,412,001	395,775
Operation and maintenance of plant services	28,754,960	30,084,761	28,397,066	1,687,695
Student transportation services	9,326,666	9,963,307	10,616,725	(653,418)
Operation of non-instructional services	213,094	226,909	364,015	(137,106)
<b>Total expenditures</b>	<u>225,722,124</u>	<u>230,779,734</u>	<u>224,831,527</u>	<u>5,948,207</u>
<b>Changes in fund balances</b>	<u>(225,722,124)</u>	<u>(230,779,734)</u>	<u>8,416,299</u>	<u>239,196,033</u>
<b>Fund balances, beginning of year</b>			2,936,382	2,936,382
Increase (decrease) in reserve for inventory			20,776	20,776
<b>Fund balances (deficits), end of year</b>	<u>\$ (225,722,124)</u>	<u>\$ (230,779,734)</u>	<u>\$ 11,373,457</u>	<u>\$ 242,153,191</u>

See accompanying notes to this schedule.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**YEAR ENDED JUNE 30, 2015**

**2015**

District's proportion of the net pension liability (asset)	1.89%
District's proportionate share of the net pension liability (asset)	\$ 278,916,852
District's covered-employee payroll	\$ 169,748,523
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	164.31%
Plan fiduciary net position as a percentage of the total pension liability	69.49%

**SCHEDULE OF CONTRIBUTIONS**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**YEAR ENDED JUNE 30, 2015**

**2015**

Actuarially determined contribution	\$ 19,249,912
Contributions in relation to the actuarially determined contribution	<u>19,249,912</u>
Contribution deficiency (excess)	<u><u>\$</u></u>
District's covered-employee payroll	\$ 177,222,484
Contributions as a percentage of covered-employee payroll	10.86%



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
 SCHEDULE OF FUNDING PROGRESS  
 OTHER POSTEMPLOYMENT BENEFITS PLAN  
 LAST THREE ACTUARIAL VALUATIONS**

<b>Actuarial Valuation Date</b>	<b>Actuarial Valuation of Assets</b>	<b>Actuarial Accrued Liability (AAL)</b>	<b>Unfunded AAL (UAAL)</b>	<b>Funded Ratio</b>	<b>Covered Payroll</b>	<b>UAAL as a Percentage of Covered Payroll</b>
2013	\$	\$ 4,123,079	\$ 4,123,079	- %	\$ 29,132,019	14.15 %
2011		4,167,179	4,167,179	-	33,162,516	12.57
2009		4,511,750	4,511,750	-	35,090,073	12.86

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2015**

**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:

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 232,348,879	\$ 30,853,161
Activity budgeted as special revenue funds	(5,970,014)	(16,264,823)
Activity budgeted as capital projects funds	(1,547,338)	(3,214,881)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 224,831,527	\$ 11,373,457

**NOTE 2 – PENSION PLAN SCHEDULES**

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

**Factors that Affect Trends.** The actuarial assumptions used in the June 30, 2013, 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.

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

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**GOVERNMENTAL FUNDS**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2015**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 37,294,226	\$ 20,955,446	\$ 58,249,672
Property taxes receivable		399,228	399,228
Accounts receivable	38,693	103,151	141,844
Due from governmental entities	5,164,414		5,164,414
Inventory	542,482		542,482
<b>Total assets</b>	<b><u><u>\$ 43,039,815</u></u></b>	<b><u><u>\$ 21,457,825</u></u></b>	<b><u><u>\$ 64,497,640</u></u></b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 753,978	\$ 199	\$ 754,177
Construction contracts payable		5,363,247	5,363,247
Due to other funds	2,354,920		2,354,920
Accrued payroll and employee benefits	4,649,549		4,649,549
Unearned revenues	529,448		529,448
<b>Total liabilities</b>	<b><u><u>8,287,895</u></u></b>	<b><u><u>5,363,446</u></u></b>	<b><u><u>13,651,341</u></u></b>
Deferred inflows of resources:			
Unavailable revenues - property taxes		381,480	381,480
Unavailable revenues - other	38,693		38,693
<b>Total deferred inflows of resources</b>	<b><u><u>38,693</u></u></b>	<b><u><u>381,480</u></u></b>	<b><u><u>420,173</u></u></b>
Fund balances:			
Nonspendable	542,482		542,482
Restricted	34,170,745	15,712,899	49,883,644
<b>Total fund balances</b>	<b><u><u>34,713,227</u></u></b>	<b><u><u>15,712,899</u></u></b>	<b><u><u>50,426,126</u></u></b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b><u><u>\$ 43,039,815</u></u></b>	 <b><u><u>\$ 21,457,825</u></u></b>	 <b><u><u>\$ 64,497,640</u></u></b>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2015**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 26,279,342	\$ 152,395	\$ 26,431,737
Property taxes		6,600,388	6,600,388
State aid and grants	17,485,711	26,532	17,512,243
Federal aid, grants and reimbursements	19,519,374		19,519,374
<b>Total revenues</b>	<u>63,284,427</u>	<u>6,779,315</u>	<u>70,063,742</u>
<b>Expenditures:</b>			
Current -			
Instruction	26,901,386	23,515	26,924,901
Support services - students and staff	6,039,964		6,039,964
Support services - administration	482,154	2,925	485,079
Operation and maintenance of plant services	562,741		562,741
Student transportation services	1,010,836		1,010,836
Operation of non-instructional services	22,167,383		22,167,383
Capital outlay	3,921,667	25,707,607	29,629,274
<b>Total expenditures</b>	<u>61,086,131</u>	<u>25,734,047</u>	<u>86,820,178</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,198,296</u>	<u>(18,954,732)</u>	<u>(16,756,436)</u>
<b>Other financing sources (uses):</b>			
Transfers out	(449,642)	(83,249)	(532,891)
<b>Total other financing sources (uses):</b>	<u>(449,642)</u>	<u>(83,249)</u>	<u>(532,891)</u>
<b>Changes in fund balances</b>	<u>1,748,654</u>	<u>(19,037,981)</u>	<u>(17,289,327)</u>
<b>Fund balances, beginning of year</b>	33,280,560	34,750,880	68,031,440
Increase (decrease) in reserve for inventory	(315,987)		(315,987)
<b>Fund balances, end of year</b>	<u>\$ 34,713,227</u>	<u>\$ 15,712,899</u>	<u>\$ 50,426,126</u>



## **SPECIAL REVENUE FUNDS**

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

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

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

**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.

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

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

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

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

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

**Johnson-O'Malley** - to account for financial assistance received to meet the unique educational needs of eligible Indian 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.

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

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

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

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

**Failing Schools Tutoring Grant** - to account for monies used to assist high school students to pass the AIMS test or to assist students who are underperforming.

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

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

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

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

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

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

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

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

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

**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.

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2015**

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<b><u>ASSETS</u></b>			
Cash and investments	\$ 7,848,994	\$	\$
Accounts receivable			
Due from governmental entities	1,187,205	691,548	137,675
Inventory			
<b>Total assets</b>	<b>\$ 9,036,199</b>	<b>\$ 691,548</b>	<b>\$ 137,675</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 15,868
Due to other funds		549,873	119,921
Accrued payroll and employee benefits	4,474,066	1,132	1,886
Unearned revenues			
<b>Total liabilities</b>	<b>4,474,066</b>	<b>551,005</b>	<b>137,675</b>
Deferred inflows of resources:			
Unavailable revenues - other			
Fund balances:			
Nonspendable			
Restricted	4,562,133	140,543	
<b>Total fund balances</b>	<b>4,562,133</b>	<b>140,543</b>	
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 9,036,199</b>	<b>\$ 691,548</b>	<b>\$ 137,675</b>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>
\$	\$	\$	\$	\$	\$
782,984	272,197	490,905	18,510	291,780	9,749
<u>\$ 782,984</u>	<u>\$ 272,197</u>	<u>\$ 490,905</u>	<u>\$ 18,510</u>	<u>\$ 291,780</u>	<u>\$ 9,749</u>
\$ 190,128	\$ 87,269	\$ 33,000	\$ 8,560	\$ 10,455	\$
577,098	179,169	452,216	9,950	280,708	9,749
15,758	5,759	5,689		617	
<u>782,984</u>	<u>272,197</u>	<u>490,905</u>	<u>18,510</u>	<u>291,780</u>	<u>9,749</u>
<u>\$ 782,984</u>	<u>\$ 272,197</u>	<u>\$ 490,905</u>	<u>\$ 18,510</u>	<u>\$ 291,780</u>	<u>\$ 9,749</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2015**

	Vocational Education	Other Federal Projects	State Vocational Education
<b><u>ASSETS</u></b>			
Cash and investments	\$ 3,035	\$ 14,638	\$ 43,679
Accounts receivable			
Due from governmental entities	67,960	47,577	
Inventory			
<b>Total assets</b>	<b>\$ 70,995</b>	<b>\$ 62,215</b>	<b>\$ 43,679</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 707	\$ 16,431	\$ 25,884
Due to other funds	68,641	43,769	
Accrued payroll and employee benefits	1,647	1,987	
Unearned revenues			17,795
<b>Total liabilities</b>	<b>70,995</b>	<b>62,187</b>	<b>43,679</b>
Deferred inflows of resources:			
Unavailable revenues - other			
Fund balances:			
Nonspendable			
Restricted		28	
<b>Total fund balances</b>	<b></b>	<b>28</b>	<b></b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 70,995</b>	<b>\$ 62,215</b>	<b>\$ 43,679</b>

<u>Failing Schools Tutoring Grant</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>
\$	\$ 167,956	\$ 2,414,097	\$ 9,662,241	\$ 13,956,171	\$ 2,712,263
933		38,693			
		202,009			
		542,482			
<u>\$ 933</u>	<u>\$ 167,956</u>	<u>\$ 3,197,281</u>	<u>\$ 9,662,241</u>	<u>\$ 13,956,171</u>	<u>\$ 2,712,263</u>
\$	\$ 140	\$ 82,917	\$ 60,727	\$ 150,826	\$ 71,066
933		51,194	6,715	81,732	1,233
	167,816	343,837			
<u>933</u>	<u>167,956</u>	<u>477,948</u>	<u>67,442</u>	<u>232,558</u>	<u>72,299</u>
		38,693			
		542,482			
		2,138,158	9,594,799	13,723,613	2,639,964
		<u>2,680,640</u>	<u>9,594,799</u>	<u>13,723,613</u>	<u>2,639,964</u>
<u>\$ 933</u>	<u>\$ 167,956</u>	<u>\$ 3,197,281</u>	<u>\$ 9,662,241</u>	<u>\$ 13,956,171</u>	<u>\$ 2,712,263</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2015**

	Fingerprint	Textbooks	Insurance Refund
<b><u>ASSETS</u></b>			
Cash and investments	\$ 12,907	\$ 123,356	\$ 334,889
Accounts receivable			
Due from governmental entities			
Inventory			
<b>Total assets</b>	<b>\$ 12,907</b>	<b>\$ 123,356</b>	<b>\$ 334,889</b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>			
Deferred inflows of resources:			
Unavailable revenues - other			
Fund balances:			
Nonspendable			
Restricted	12,907	123,356	334,889
<b>Total fund balances</b>	<b>12,907</b>	<b>123,356</b>	<b>334,889</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 12,907</b>	<b>\$ 123,356</b>	<b>\$ 334,889</b>

<u>Joint Technical Education</u>	<u>Totals</u>
\$	\$ 37,294,226
	38,693
963,382	5,164,414
	542,482
<u>\$ 963,382</u>	<u>\$ 43,039,815</u>

\$	\$ 753,978
62,893	2,354,920
134	4,649,549
	529,448
<u>63,027</u>	<u>8,287,895</u>

	<u>38,693</u>
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	542,482
<u>900,355</u>	<u>34,170,745</u>
<u>900,355</u>	<u>34,713,227</u>

<u>\$ 963,382</u>	<u>\$ 43,039,815</u>
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**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<b>Revenues:</b>			
Other local	\$ 22,060	\$ 3,281	\$
State aid and grants	14,246,467	1,607,817	398,568
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<b>14,268,527</b>	<b>1,611,098</b>	<b>398,568</b>
<b>Expenditures:</b>			
Current -			
Instruction	12,851,281	1,789,441	956
Support services - students and staff		198,349	357,187
Support services - administration			
Operation and maintenance of plant services			1,533
Student transportation services			
Operation of non-instructional services			
Capital outlay			21,729
<b>Total expenditures</b>	<b>12,851,281</b>	<b>1,987,790</b>	<b>381,405</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>1,417,246</b>	<b>(376,692)</b>	<b>17,163</b>
<b>Other financing sources (uses):</b>			
Transfers out			(17,163)
<b>Total other financing sources (uses):</b>			<b>(17,163)</b>
<b>Changes in fund balances</b>	<b>1,417,246</b>	<b>(376,692)</b>	
<b>Fund balances, beginning of year</b>	3,144,887	517,235	
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<b>\$ 4,562,133</b>	<b>\$ 140,543</b>	<b>\$</b>

Structured English Immersion	Title I Grants	Professional Development and Technology Grants	Limited English & Immigrant Students	Indian Education	Special Education Grants
\$	\$	\$	\$	\$	\$
16					
	4,884,309	621,567	690,644	77,369	4,840,664
16	4,884,309	621,567	690,644	77,369	4,840,664
16	2,492,188		224,390	21,433	2,992,646
	1,655,540	596,342	465,563	46,596	1,575,313
	134,474		395		29,853
	3,892				13,219
	8,456				33,183
	410,315			6,084	
16	4,704,865	596,342	690,348	74,113	4,644,214
	179,444	25,225	296	3,256	196,450
	(179,444)	(25,225)	(296)	(3,256)	(196,450)
	(179,444)	(25,225)	(296)	(3,256)	(196,450)
\$	\$	\$	\$	\$	\$

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Johnson O'Malley	Vocational Education	Other Federal Projects
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	18,920	416,679	438,507
<b>Total revenues</b>	18,920	416,679	438,507
<b>Expenditures:</b>			
Current -			
Instruction	6,000	101,636	142,083
Support services - students and staff	12,152	199,803	258,577
Support services - administration		2,475	21,040
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		101,331	1,198
<b>Total expenditures</b>	18,152	405,245	422,898
<b>Excess (deficiency) of revenues over expenditures</b>	768	11,434	15,609
<b>Other financing sources (uses):</b>			
Transfers out	(768)	(11,434)	(15,606)
<b>Total other financing sources (uses):</b>	(768)	(11,434)	(15,606)
<b>Changes in fund balances</b>			3
<b>Fund balances, beginning of year</b>			25
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	\$	\$	\$ 28

State Vocational Education	Failing Schools Tutoring Grant	Other State Projects	Food Service	Civic Center	Community School
\$ 275,067	\$ 3,016	\$ 954,760	\$ 8,178,179	\$ 1,421,284	\$ 10,512,984
<u>275,067</u>	<u>3,016</u>	<u>954,760</u>	<u>7,530,715</u>	<u>1,421,284</u>	<u>10,512,984</u>
			<u>15,708,894</u>		
97,495	2,546	895,785		77,844	1,247,687
63,715	470	55,074		23,767	258,212
4,678			31,368	118,726	133,470
40,349			259,962	212,162	30,400
				342,598	68,906
			15,700,712		6,466,671
<u>68,830</u>		<u>3,901</u>	<u>70,310</u>	<u>231,760</u>	<u>143,206</u>
<u>275,067</u>	<u>3,016</u>	<u>954,760</u>	<u>16,062,352</u>	<u>1,006,857</u>	<u>8,348,552</u>
			<u>(353,458)</u>	<u>414,427</u>	<u>2,164,432</u>
			<u>(353,458)</u>	<u>414,427</u>	<u>2,164,432</u>
			3,350,085	9,180,372	11,559,181
			(315,987)		
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 2,680,640</u>	<u>\$ 9,594,799</u>	<u>\$ 13,723,613</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Extracurricular Activities Fees Tax Credit	Fingerprint	Textbooks
<b>Revenues:</b>			
Other local	\$ 2,933,772	\$ 6,936	\$ 12,380
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>2,933,772</u>	<u>6,936</u>	<u>12,380</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,585,096		2,656
Support services - students and staff	172,134		7,178
Support services - administration	161	5,514	
Operation and maintenance of plant services	1,224		
Student transportation services	536,870		
Operation of non-instructional services			
Capital outlay	161,020		
<b>Total expenditures</b>	<u>2,456,505</u>	<u>5,514</u>	<u>9,834</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>477,267</u>	<u>1,422</u>	<u>2,546</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>477,267</u>	<u>1,422</u>	<u>2,546</u>
<b>Fund balances, beginning of year</b>	2,162,697	11,485	120,810
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<u>\$ 2,639,964</u>	<u>\$ 12,907</u>	<u>\$ 123,356</u>

<u>Insurance Refund</u>	<u>Joint Technical Education</u>	<u>Totals</u>
\$ 1,264	\$ 3,187,202	\$ 26,279,342
		17,485,711
		19,519,374
<u>1,264</u>	<u>3,187,202</u>	<u>63,284,427</u>
	2,370,207	26,901,386
	93,992	6,039,964
		482,154
		562,741
	20,823	1,010,836
		22,167,383
	<u>2,701,983</u>	<u>3,921,667</u>
	<u>5,187,005</u>	<u>61,086,131</u>
<u>1,264</u>	<u>(1,999,803)</u>	<u>2,198,296</u>
		<u>(449,642)</u>
		<u>(449,642)</u>
<u>1,264</u>	<u>(1,999,803)</u>	<u>1,748,654</u>
333,625	2,900,158	33,280,560
		(315,987)
<u>\$ 334,889</u>	<u>\$ 900,355</u>	<u>\$ 34,713,227</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 22,060	\$ 22,060
State aid and grants		14,246,467	14,246,467
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>14,268,527</u>	<u>14,268,527</u>
<b>Expenditures:</b>			
Current -			
Instruction	22,600,171	12,851,281	9,748,890
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>22,600,171</u>	<u>12,851,281</u>	<u>9,748,890</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(22,600,171)</u>	<u>1,417,246</u>	<u>24,017,417</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>(22,600,171)</u>	<u>1,417,246</u>	<u>24,017,417</u>
<b>Fund balances, beginning of year</b>		3,144,887	3,144,887
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (22,600,171)</u>	<u>\$ 4,562,133</u>	<u>\$ 27,162,304</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,281 1,607,817	\$ 3,281 1,607,817	\$	\$ 398,568	\$ 398,568
	<u>1,611,098</u>	<u>1,611,098</u>		<u>398,568</u>	<u>398,568</u>
1,788,674 200,000	1,789,441 198,349	(767) 1,651	460,471	956 357,187	(956) 103,284
				1,533	(1,533)
<u>1,988,674</u>	<u>1,987,790</u>	<u>884</u>	<u>460,471</u>	<u>21,729</u> <u>381,405</u>	<u>(21,729)</u> <u>79,066</u>
<u>(1,988,674)</u>	<u>(376,692)</u>	<u>1,611,982</u>	<u>(460,471)</u>	<u>17,163</u>	<u>477,634</u>
				<u>(17,163)</u>	<u>(17,163)</u>
				<u>(17,163)</u>	<u>(17,163)</u>
<u>(1,988,674)</u>	<u>(376,692)</u>	<u>1,611,982</u>	<u>(460,471)</u>		<u>460,471</u>
	517,235	517,235			
<u>\$ (1,988,674)</u>	<u>\$ 140,543</u>	<u>\$ 2,129,217</u>	<u>\$ (460,471)</u>	<u>\$</u>	<u>\$ 460,471</u>



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Structured English Immersion		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		16	16
Federal aid, grants and reimbursements			
<b>Total revenues</b>		16	16
<b>Expenditures:</b>			
Current -			
Instruction		16	(16)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>		16	(16)
<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, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$	\$	\$

Student Success			Title I Grants		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,060 784,193	\$ 1,060 784,193	\$	\$	\$
				4,884,309	4,884,309
	<u>785,253</u>	<u>785,253</u>		<u>4,884,309</u>	<u>4,884,309</u>
784,193	785,253	(1,060)	2,722,914	2,492,188	230,726
			1,750,000	1,655,540	94,460
			140,000	134,474	5,526
				3,892	(3,892)
				8,456	(8,456)
			500,000	410,315	89,685
<u>784,193</u>	<u>785,253</u>	<u>(1,060)</u>	<u>5,112,914</u>	<u>4,704,865</u>	<u>408,049</u>
<u>(784,193)</u>		<u>784,193</u>	<u>(5,112,914)</u>	<u>179,444</u>	<u>5,292,358</u>
			(200,000)	(179,444)	20,556
			<u>(200,000)</u>	<u>(179,444)</u>	<u>20,556</u>
<u>(784,193)</u>		<u>784,193</u>	<u>(5,312,914)</u>		<u>5,312,914</u>
<u>\$ (784,193)</u>	<u>\$</u>	<u>\$ 784,193</u>	<u>\$ (5,312,914)</u>	<u>\$</u>	<u>\$ 5,312,914</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		621,567	621,567
<b>Total revenues</b>		621,567	621,567
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff	718,655	596,342	122,313
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	718,655	596,342	122,313
<b>Excess (deficiency) of revenues over expenditures</b>	(718,655)	25,225	743,880
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(25,225)	(25,225)
<b>Total other financing sources (uses):</b>		(25,225)	(25,225)
<b>Changes in fund balances</b>	(718,655)		718,655
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (718,655)	\$	\$ 718,655

Limited English & Immigrant Students			Indian Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	690,644	690,644		77,369	77,369
	690,644	690,644		77,369	77,369
300,000	224,390	75,610		21,433	(21,433)
745,782	465,563	280,219	83,129	46,596	36,533
	395	(395)			
				6,084	(6,084)
1,045,782	690,348	355,434	83,129	74,113	9,016
(1,045,782)	296	1,046,078	(83,129)	3,256	86,385
	(296)	(296)		(3,256)	(3,256)
	(296)	(296)		(3,256)	(3,256)
(1,045,782)		1,045,782	(83,129)		83,129
\$ (1,045,782)	\$	\$ 1,045,782	\$ (83,129)	\$	\$ 83,129

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		4,840,664	4,840,664
<b>Total revenues</b>		<u>4,840,664</u>	<u>4,840,664</u>
<b>Expenditures:</b>			
Current -			
Instruction	3,975,000	2,992,646	982,354
Support services - students and staff	1,650,000	1,575,313	74,687
Support services - administration		29,853	(29,853)
Operation and maintenance of plant services		13,219	(13,219)
Student transportation services		33,183	(33,183)
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>5,625,000</u>	<u>4,644,214</u>	<u>980,786</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(5,625,000)</u>	<u>196,450</u>	<u>5,821,450</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out	(200,000)	(196,450)	3,550
<b>Total other financing sources (uses):</b>	<u>(200,000)</u>	<u>(196,450)</u>	<u>3,550</u>
<b>Changes in fund balances</b>	<u>(5,825,000)</u>		<u>5,825,000</u>
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (5,825,000)</u>	<u>\$</u>	<u>\$ 5,825,000</u>

Johnson O'Malley			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	18,920	18,920		416,679	416,679
	18,920	18,920		416,679	416,679
6,000	6,000		120,000	101,636	18,364
14,900	12,152	2,748	310,000	199,803	110,197
				2,475	(2,475)
			120,000	101,331	18,669
20,900	18,152	2,748	550,000	405,245	144,755
(20,900)	768	21,668	(550,000)	11,434	561,434
	(768)	(768)		(11,434)	(11,434)
	(768)	(768)		(11,434)	(11,434)
(20,900)		20,900	(550,000)		550,000
\$ (20,900)	\$	\$ 20,900	\$ (550,000)	\$	\$ 550,000

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 26,249	\$ 26,249
State aid and grants			
Federal aid, grants and reimbursements		885,407	885,407
<b>Total revenues</b>		911,656	911,656
<b>Expenditures:</b>			
Current -			
Instruction		2,902	(2,902)
Support services - students and staff	50,000	42,655	7,345
Support services - administration	300,000	165,393	134,607
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	50,000	39,410	10,590
<b>Total expenditures</b>	400,000	250,360	149,640
<b>Excess (deficiency) of revenues over expenditures</b>	(400,000)	661,296	1,061,296
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	(400,000)	661,296	1,061,296
<b>Fund balances, beginning of year</b>		7,935,741	7,935,741
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (400,000)	\$ 8,597,037	\$ 8,997,037

E-Rate			Other Federal Projects		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,197	\$ 1,197	\$	\$	\$
	604,183	604,183		438,507	438,507
	605,380	605,380		438,507	438,507
			150,000	142,083	7,917
			250,000	258,577	(8,577)
				21,040	(21,040)
600,000	599,715	285			
				1,198	(1,198)
600,000	599,715	285	400,000	422,898	(22,898)
(600,000)	5,665	605,665	(400,000)	15,609	415,609
				(15,606)	(15,606)
				(15,606)	(15,606)
(600,000)	5,665	605,665	(400,000)	3	400,003
	1,608	1,608		25	25
\$ (600,000)	\$ 7,273	\$ 607,273	\$ (400,000)	\$ 28	\$ 400,028



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	State Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		275,067	275,067
Federal aid, grants and reimbursements			
<b>Total revenues</b>	330,000	275,067	54,933
<b>Expenditures:</b>			
Current -			
Instruction	100,000	97,495	2,505
Support services - students and staff	90,000	63,715	26,285
Support services - administration		4,678	(4,678)
Operation and maintenance of plant services	40,000	40,349	(349)
Student transportation services			
Operation of non-instructional services			
Capital outlay	100,000	68,830	31,170
<b>Total expenditures</b>	330,000	275,067	54,933
<b>Excess (deficiency) of revenues over expenditures</b>	(330,000)		330,000
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	(330,000)		330,000
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (330,000)	\$	\$ 330,000

Failing Schools Tutoring Grant			Other State Projects		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,016	\$ 3,016	\$	\$ 954,760	\$ 954,760
	<u>3,016</u>	<u>3,016</u>		<u>954,760</u>	<u>954,760</u>
	2,546	(2,546)	1,137,800	895,785	242,015
	470	(470)	100,000	55,074	44,926
	<u>3,016</u>	<u>(3,016)</u>	<u>1,237,800</u>	<u>954,760</u>	<u>283,040</u>
			<u>(1,237,800)</u>		<u>1,237,800</u>
			<u>(1,237,800)</u>		<u>1,237,800</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (1,237,800)</u>	<u>\$</u>	<u>\$ 1,237,800</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 16,956	\$ 16,956
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>16,956</u>	<u>16,956</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	25,000		25,000
Capital outlay			
<b>Total expenditures</b>	<u>25,000</u>		<u>25,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(25,000)</u>	<u>16,956</u>	<u>41,956</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>(25,000)</u>	<u>16,956</u>	<u>41,956</u>
<b>Fund balances, beginning of year</b>		115,638	115,638
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (25,000)</u>	<u>\$ 132,594</u>	<u>\$ 157,594</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 8,178,179	\$ 8,178,179	\$	\$ 1,421,284	\$ 1,421,284
	7,530,715	7,530,715			
	<u>15,708,894</u>	<u>15,708,894</u>		<u>1,421,284</u>	<u>1,421,284</u>
			100,000	77,844	22,156
			50,000	23,767	26,233
	31,368	(31,368)	110,000	118,726	(8,726)
	259,962	(259,962)	220,000	212,162	7,838
			566,921	342,598	224,323
15,723,640	15,700,712	22,928			
	70,310	(70,310)	250,000	231,760	18,240
<u>15,723,640</u>	<u>16,062,352</u>	<u>(338,712)</u>	<u>1,296,921</u>	<u>1,006,857</u>	<u>290,064</u>
<u>(15,723,640)</u>	<u>(353,458)</u>	<u>15,370,182</u>	<u>(1,296,921)</u>	<u>414,427</u>	<u>1,711,348</u>
<u>(15,723,640)</u>	<u>(353,458)</u>	<u>15,370,182</u>	<u>(1,296,921)</u>	<u>414,427</u>	<u>1,711,348</u>
	3,350,085	3,350,085		9,180,372	9,180,372
	(315,987)	(315,987)			
<u>\$ (15,723,640)</u>	<u>\$ 2,680,640</u>	<u>\$ 18,404,280</u>	<u>\$ (1,296,921)</u>	<u>\$ 9,594,799</u>	<u>\$ 10,891,720</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Community School		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 10,512,984	\$ 10,512,984
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>10,512,984</u>	<u>10,512,984</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,250,000	1,247,687	2,313
Support services - students and staff	200,000	258,212	(58,212)
Support services - administration	150,000	133,470	16,530
Operation and maintenance of plant services		30,400	(30,400)
Student transportation services		68,906	(68,906)
Operation of non-instructional services	6,565,708	6,466,671	99,037
Capital outlay	150,000	143,206	6,794
<b>Total expenditures</b>	<u>8,315,708</u>	<u>8,348,552</u>	<u>(32,844)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(8,315,708)</u>	<u>2,164,432</u>	<u>10,480,140</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>(8,315,708)</u>	<u>2,164,432</u>	<u>10,480,140</u>
<b>Fund balances, beginning of year</b>		11,559,181	11,559,181
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (8,315,708)</u>	<u>\$ 13,723,613</u>	<u>\$ 22,039,321</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,989,494	\$ 3,989,494	\$	\$ 2,933,772	\$ 2,933,772
	<u>3,989,494</u>	<u>3,989,494</u>		<u>2,933,772</u>	<u>2,933,772</u>
2,722,000	2,625,081	96,919	1,735,000	1,585,096	149,904
	127,212	(127,212)		172,134	(172,134)
	45,154	(45,154)		161	(161)
	82,512	(82,512)		1,224	(1,224)
	87,644	(87,644)	550,000	536,870	13,130
	37,827	(37,827)			
	211,390	(211,390)		161,020	(161,020)
<u>2,722,000</u>	<u>3,216,820</u>	<u>(494,820)</u>	<u>2,285,000</u>	<u>2,456,505</u>	<u>(171,505)</u>
<u>(2,722,000)</u>	<u>772,674</u>	<u>3,494,674</u>	<u>(2,285,000)</u>	<u>477,267</u>	<u>2,762,267</u>
<u>(2,722,000)</u>	<u>772,674</u>	<u>3,494,674</u>	<u>(2,285,000)</u>	<u>477,267</u>	<u>2,762,267</u>
	2,135,864	2,135,864		2,162,697	2,162,697
<u>\$ (2,722,000)</u>	<u>\$ 2,908,538</u>	<u>\$ 5,630,538</u>	<u>\$ (2,285,000)</u>	<u>\$ 2,639,964</u>	<u>\$ 4,924,964</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 574,228	\$ 574,228
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>574,228</u>	<u>574,228</u>
<b>Expenditures:</b>			
Current -			
Instruction	801,356	1,304,105	(502,749)
Support services - students and staff		281,346	(281,346)
Support services - administration		51,192	(51,192)
Operation and maintenance of plant services		10,395	(10,395)
Student transportation services		13,261	(13,261)
Operation of non-instructional services			
Capital outlay		19,179	(19,179)
<b>Total expenditures</b>	<u>801,356</u>	<u>1,679,478</u>	<u>(878,122)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(801,356)</u>	<u>(1,105,250)</u>	<u>(303,894)</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>(801,356)</u>	<u>(1,105,250)</u>	<u>(303,894)</u>
<b>Fund balances, beginning of year</b>		3,743,139	3,743,139
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (801,356)</u>	<u>\$ 2,637,889</u>	<u>\$ 3,439,245</u>

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 6,936	\$ 6,936	\$	\$ 12,380	\$ 12,380
	<u>6,936</u>	<u>6,936</u>		<u>12,380</u>	<u>12,380</u>
30,000	5,514	24,486	20,000	2,656	(2,656)
				7,178	12,822
<u>30,000</u>	<u>5,514</u>	<u>24,486</u>	<u>20,000</u>	<u>9,834</u>	<u>10,166</u>
<u>(30,000)</u>	<u>1,422</u>	<u>31,422</u>	<u>(20,000)</u>	<u>2,546</u>	<u>22,546</u>
<u>(30,000)</u>	<u>1,422</u>	<u>31,422</u>	<u>(20,000)</u>	<u>2,546</u>	<u>22,546</u>
	11,485	11,485		120,810	120,810
<u>\$ (30,000)</u>	<u>\$ 12,907</u>	<u>\$ 42,907</u>	<u>\$ (20,000)</u>	<u>\$ 123,356</u>	<u>\$ 143,356</u>

(Continued)



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 6,381	\$ 6,381
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>6,381</u>	<u>6,381</u>
<b>Expenditures:</b>			
Current -			
Instruction		868	(868)
Support services - students and staff		3,375	(3,375)
Support services - administration			
Operation and maintenance of plant services		25,918	(25,918)
Student transportation services			
Operation of non-instructional services			
Capital outlay	<u>500,000</u>	<u>318,063</u>	<u>181,937</u>
<b>Total expenditures</b>	<u>500,000</u>	<u>348,224</u>	<u>151,776</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(500,000)</u>	<u>(341,843)</u>	<u>158,157</u>
<b>Other financing sources (uses):</b>			
Transfers in		449,642	449,642
Transfers out			
<b>Total other financing sources (uses):</b>		<u>449,642</u>	<u>449,642</u>
<b>Changes in fund balances</b>	<u>(500,000)</u>	<u>107,799</u>	<u>607,799</u>
<b>Fund balances, beginning of year</b>		1,873,693	1,873,693
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (500,000)</u>	<u>\$ 1,981,492</u>	<u>\$ 2,481,492</u>

Insurance Refund			Joint Technical Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,264	\$ 1,264	\$	\$ 3,187,202	\$ 3,187,202
	<u>1,264</u>	<u>1,264</u>		<u>3,187,202</u>	<u>3,187,202</u>
5,000		5,000	2,437,444	2,370,207 93,992	67,237 (93,992)
				20,823	(20,823)
<u>5,000</u>		<u>5,000</u>	<u>2,500,000</u>	<u>2,701,983</u>	<u>(201,983)</u>
<u>(5,000)</u>	<u>1,264</u>	<u>6,264</u>	<u>4,937,444</u>	<u>5,187,005</u>	<u>(249,561)</u>
			<u>(4,937,444)</u>	<u>(1,999,803)</u>	<u>2,937,641</u>
<u>(5,000)</u>	<u>1,264</u>	<u>6,264</u>	<u>(4,937,444)</u>	<u>(1,999,803)</u>	<u>2,937,641</u>
	333,625	333,625		2,900,158	2,900,158
<u>\$ (5,000)</u>	<u>\$ 334,889</u>	<u>\$ 339,889</u>	<u>\$ (4,937,444)</u>	<u>\$ 900,355</u>	<u>\$ 5,837,799</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 30,894,907	\$ 30,894,907
State aid and grants		18,269,904	18,269,904
Federal aid, grants and reimbursements		21,008,964	21,008,964
<b>Total revenues</b>		<u>70,173,775</u>	<u>70,173,775</u>
<b>Expenditures:</b>			
Current -			
Instruction	42,735,552	31,619,595	11,115,957
Support services - students and staff	6,692,937	6,494,552	198,385
Support services - administration	730,000	743,893	(13,893)
Operation and maintenance of plant services	860,000	1,281,281	(421,281)
Student transportation services	1,116,921	1,111,741	5,180
Operation of non-instructional services	22,314,348	22,205,210	109,138
Capital outlay	4,170,000	4,509,709	(339,709)
<b>Total expenditures</b>	<u>78,619,758</u>	<u>67,965,981</u>	<u>10,653,777</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(78,619,758)</u>	<u>2,207,794</u>	<u>80,827,552</u>
<b>Other financing sources (uses):</b>			
Transfers in		449,642	449,642
Transfers out	(400,000)	(449,642)	(49,642)
<b>Total other financing sources (uses):</b>	<u>(400,000)</u>	<u></u>	<u>400,000</u>
<b>Changes in fund balances</b>	<u>(79,019,758)</u>	<u>2,207,794</u>	<u>81,227,552</u>
<b>Fund balances, beginning of year</b>		49,086,243	49,086,243
Increase (decrease) in reserve for inventory		(315,987)	(315,987)
<b>Fund balances (deficits), end of year</b>	<u>\$ (79,019,758)</u>	<u>\$ 50,978,050</u>	<u>\$ 129,997,808</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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 85,807	\$ 85,807
Property taxes		25,493,650	25,493,650
Federal aid, grants and reimbursements		595,710	595,710
<b>Total revenues</b>		<u>26,175,167</u>	<u>26,175,167</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	19,590,000	19,590,000	
Interest and fiscal charges	7,802,652	7,802,652	
Bond issuance costs	105,009	399,732	(294,723)
<b>Total expenditures</b>	<u>27,497,661</u>	<u>27,792,384</u>	<u>(294,723)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(27,497,661)</u>	<u>(1,617,217)</u>	<u>25,880,444</u>
<b>Other financing sources (uses):</b>			
Transfers in		83,249	83,249
Issuance of refunding bonds		36,770,000	36,770,000
Premium on sale of bonds		5,607,102	5,607,102
Payment to refunded bond escrow agent		(41,977,370)	(41,977,370)
<b>Total other financing sources (uses):</b>		<u>482,981</u>	<u>482,981</u>
<b>Changes in fund balances</b>	<u>(27,497,661)</u>	<u>(1,134,236)</u>	<u>26,363,425</u>
<b>Fund balances, beginning of year</b>		3,984,787	3,984,787
<b>Fund balances (deficits), end of year</b>	<u>\$ (27,497,661)</u>	<u>\$ 2,850,551</u>	<u>\$ 30,348,212</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.

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

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2015**

	Insurance Proceeds	Litigation Recovery	Adjacent Ways
<b><u>ASSETS</u></b>			
Cash and investments	\$ 149,297	\$ 139,428	\$ 414,846
Property taxes receivable			399,228
Accounts receivable			
<b>Total assets</b>	<b>\$ 149,297</b>	<b>\$ 139,428</b>	<b>\$ 814,074</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Construction contracts payable			
<b>Total liabilities</b>			
Deferred inflows of resources:			
Unavailable revenues - property taxes			381,480
Fund balances:			
Restricted	149,297	139,428	432,594
<b>Total fund balances</b>	<b>149,297</b>	<b>139,428</b>	<b>432,594</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 149,297</b>	<b>\$ 139,428</b>	<b>\$ 814,074</b>

<u>Bond Building</u>	<u>Totals</u>
\$ 20,251,875	\$ 20,955,446
	399,228
103,151	103,151
<u>\$ 20,355,026</u>	<u>\$ 21,457,825</u>

\$ 199	\$ 199
5,363,247	5,363,247
<u>5,363,446</u>	<u>5,363,446</u>

	<u>381,480</u>
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14,991,580	15,712,899
<u>14,991,580</u>	<u>15,712,899</u>

<u>\$ 20,355,026</u>	<u>\$ 21,457,825</u>
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**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	<u>Insurance Proceeds</u>	<u>Litigation Recovery</u>	<u>Adjacent Ways</u>
<b>Revenues:</b>			
Other local	\$ 2,809	\$ 1,613	\$
Property taxes			6,600,388
State aid and grants			
<b>Total revenues</b>	<u>2,809</u>	<u>1,613</u>	<u>6,600,388</u>
<b>Expenditures:</b>			
Current -			
Instruction	695	22,820	
Support services - administration		2,925	
Capital outlay	<u>738</u>		<u>6,550,761</u>
<b>Total expenditures</b>	<u>1,433</u>	<u>25,745</u>	<u>6,550,761</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,376</u>	<u>(24,132)</u>	<u>49,627</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>1,376</u>	<u>(24,132)</u>	<u>49,627</u>
<b>Fund balances, beginning of year</b>	147,921	163,560	382,967
<b>Fund balances, end of year</b>	<u>\$ 149,297</u>	<u>\$ 139,428</u>	<u>\$ 432,594</u>

<u>Bond Building</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 147,891	\$ 82	\$ 152,395
		6,600,388
	26,532	26,532
<u>147,891</u>	<u>26,614</u>	<u>6,779,315</u>
		23,515
		2,925
<u>19,129,494</u>	<u>26,614</u>	<u>25,707,607</u>
<u>19,129,494</u>	<u>26,614</u>	<u>25,734,047</u>
<u>(18,981,603)</u>		<u>(18,954,732)</u>
<u>(83,249)</u>		<u>(83,249)</u>
<u>(83,249)</u>		<u>(83,249)</u>
<u>(19,064,852)</u>		<u>(19,037,981)</u>
34,056,432		34,750,880
<u>\$ 14,991,580</u>	<u>\$</u>	<u>\$ 15,712,899</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 2,809	\$ 2,809
Property taxes			
State aid and grants			
<b>Total revenues</b>		<u>2,809</u>	<u>2,809</u>
<b>Expenditures:</b>			
Current -			
Instruction		695	(695)
Support services - administration			
Capital outlay	85,000	738	84,262
<b>Total expenditures</b>	<u>85,000</u>	<u>1,433</u>	<u>83,567</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(85,000)</u>	<u>1,376</u>	<u>86,376</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(85,000)</u>	<u>1,376</u>	<u>86,376</u>
<b>Fund balances, beginning of year</b>		147,921	147,921
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (85,000)</u>	<u>\$ 149,297</u>	<u>\$ 234,297</u>

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,613	\$ 1,613	\$	\$ 318,136	\$ 318,136
				1,680,990	1,680,990
				3,151,924	3,151,924
	<u>1,613</u>	<u>1,613</u>		<u>5,151,050</u>	<u>5,151,050</u>
50,000	22,820	27,180			
	2,925	(2,925)			
			8,390,287	7,310,543	1,079,744
<u>50,000</u>	<u>25,745</u>	<u>24,255</u>	<u>8,390,287</u>	<u>7,310,543</u>	<u>1,079,744</u>
<u>(50,000)</u>	<u>(24,132)</u>	<u>25,868</u>	<u>(8,390,287)</u>	<u>(2,159,493)</u>	<u>6,230,794</u>
<u>(50,000)</u>	<u>(24,132)</u>	<u>25,868</u>	<u>(8,390,287)</u>	<u>(2,159,493)</u>	<u>6,230,794</u>
	163,560	163,560		6,038,137	6,038,137
				293,337	293,337
<u>\$ (50,000)</u>	<u>\$ 139,428</u>	<u>\$ 189,428</u>	<u>\$ (8,390,287)</u>	<u>\$ 4,171,981</u>	<u>\$ 12,562,268</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes		6,600,388	6,600,388
State aid and grants			
<b>Total revenues</b>		<u>6,600,388</u>	<u>6,600,388</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Capital outlay	6,500,000	6,550,761	(50,761)
<b>Total expenditures</b>	<u>6,500,000</u>	<u>6,550,761</u>	<u>(50,761)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,500,000)</u>	<u>49,627</u>	<u>6,549,627</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	<u>(6,500,000)</u>	<u>49,627</u>	<u>6,549,627</u>
<b>Fund balances, beginning of year</b>		382,967	382,967
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (6,500,000)</u>	<u>\$ 432,594</u>	<u>\$ 6,932,594</u>

<u>Bond Building</u>			<u>Gifts and Donations - Capital</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 147,891	\$ 147,891	\$	\$ 1,561,024	\$ 1,561,024
	<u>147,891</u>	<u>147,891</u>		<u>1,561,024</u>	<u>1,561,024</u>
<u>28,647,792</u>	<u>19,129,494</u>	<u>9,518,298</u>	<u>1,650,000</u>	<u>1,547,338</u>	<u>102,662</u>
<u>28,647,792</u>	<u>19,129,494</u>	<u>9,518,298</u>	<u>1,650,000</u>	<u>1,547,338</u>	<u>102,662</u>
<u>(28,647,792)</u>	<u>(18,981,603)</u>	<u>9,666,189</u>	<u>(1,650,000)</u>	<u>13,686</u>	<u>1,663,686</u>
	<u>(83,249)</u>	<u>(83,249)</u>			
	<u>(83,249)</u>	<u>(83,249)</u>			
<u>(28,647,792)</u>	<u>(19,064,852)</u>	<u>9,582,940</u>	<u>(1,650,000)</u>	<u>13,686</u>	<u>1,663,686</u>
	34,056,432	34,056,432		3,201,195	3,201,195
<u>\$ (28,647,792)</u>	<u>\$ 14,991,580</u>	<u>\$ 43,639,372</u>	<u>\$ (1,650,000)</u>	<u>\$ 3,214,881</u>	<u>\$ 4,864,881</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	Building Renewal Grant		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 82	\$ 82
Property taxes			
State aid and grants		26,532	26,532
<b>Total revenues</b>		26,614	26,614
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - administration			
Capital outlay	90,000	26,614	63,386
<b>Total expenditures</b>	90,000	26,614	63,386
<b>Excess (deficiency) of revenues over expenditures</b>	(90,000)		90,000
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses):</b>			
<b>Changes in fund balances</b>	(90,000)		90,000
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	\$ (90,000)	\$	\$ 90,000

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 2,031,555	\$ 2,031,555
	8,281,378	8,281,378
	3,178,456	3,178,456
	<u>13,491,389</u>	<u>13,491,389</u>
50,000	23,515	26,485
	2,925	(2,925)
45,363,079	34,565,488	10,797,591
<u>45,413,079</u>	<u>34,591,928</u>	<u>10,821,151</u>
<u>(45,413,079)</u>	<u>(21,100,539)</u>	<u>24,312,540</u>
	(83,249)	(83,249)
	<u>(83,249)</u>	<u>(83,249)</u>
<u>(45,413,079)</u>	<u>(21,183,788)</u>	<u>24,229,291</u>
	43,990,212	43,990,212
	293,337	293,337
<u>\$ (45,413,079)</u>	<u>\$ 23,099,761</u>	<u>\$ 68,512,840</u>



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## **AGENCY FUNDS**

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

**Employee Insurance** - to account for voluntary deductions temporarily held by the District as an agent.

**Intergovernmental Agreements** - to account for the financial activities relating to agreements with other governments not required to be accounted for elsewhere.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**JUNE 30, 2015**

	Student Activities	Employee Insurance	Intergovernment al Agreements
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,010,941	\$ 399,736	\$ 153,877
<b>Total assets</b>	<b>\$ 1,010,941</b>	<b>\$ 399,736</b>	<b>\$ 153,877</b>
 <b><u>LIABILITIES</u></b>			
Accounts payable	\$ 15,583	\$	\$ 24,356
Deposits held for others		399,736	
Due to governmental entities			129,521
Due to student groups	995,358		
<b>Total liabilities</b>	<b>\$ 1,010,941</b>	<b>\$ 399,736</b>	<b>\$ 153,877</b>

Totals

\$ 1,564,554  
\$ 1,564,554

\$ 39,939  
399,736  
129,521  
995,358  
\$ 1,564,554

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**COMBINING STATEMENT OF CHANGES ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2015**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>STUDENT ACTIVITIES FUND</u></b>				
<u>Assets</u>				
Cash and investments	\$ 1,100,699	\$ 1,237,282	\$ 1,327,040	\$ 1,010,941
Total assets	<u>\$ 1,100,699</u>	<u>\$ 1,237,282</u>	<u>\$ 1,327,040</u>	<u>\$ 1,010,941</u>
<u>Liabilities</u>				
Accounts payable	\$ 30,888	\$ 15,583	\$ 30,888	\$ 15,583
Due to student groups	<u>1,069,811</u>	<u>1,221,699</u>	<u>1,296,152</u>	<u>995,358</u>
Total liabilities	<u>\$ 1,100,699</u>	<u>\$ 1,237,282</u>	<u>\$ 1,327,040</u>	<u>\$ 1,010,941</u>
<b><u>EMPLOYEE INSURANCE FUND</u></b>				
<u>Assets</u>				
Cash and investments	\$ 887,398	\$ 18,046,872	\$ 18,534,534	\$ 399,736
Total assets	<u>\$ 887,398</u>	<u>\$ 18,046,872</u>	<u>\$ 18,534,534</u>	<u>\$ 399,736</u>
<u>Liabilities</u>				
Deposits held for others	\$ 887,398	\$ 18,046,872	\$ 18,534,534	\$ 399,736
Total liabilities	<u>\$ 887,398</u>	<u>\$ 18,046,872</u>	<u>\$ 18,534,534</u>	<u>\$ 399,736</u>
<b><u>INTERGOVERNMENTAL AGREEMENTS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 92,781	\$ 216,780	\$ 155,684	\$ 153,877
Total assets	<u>\$ 92,781</u>	<u>\$ 216,780</u>	<u>\$ 155,684</u>	<u>\$ 153,877</u>
<u>Liabilities</u>				
Deposits held for others	\$ 92,781	\$ 216,780	\$ 155,684	\$ 153,877
Total liabilities	<u>\$ 92,781</u>	<u>\$ 216,780</u>	<u>\$ 155,684</u>	<u>\$ 153,877</u>
<b><u>TOTAL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 2,080,878	\$ 19,500,934	\$ 20,017,258	\$ 1,564,554
Total assets	<u>\$ 2,080,878</u>	<u>\$ 19,500,934</u>	<u>\$ 20,017,258</u>	<u>\$ 1,564,554</u>
<u>Liabilities</u>				
Accounts payable	\$ 30,888	\$ 15,583	\$ 30,888	\$ 15,583
Deposits held for others	980,179	18,263,652	18,690,218	553,613
Due to student groups	<u>1,069,811</u>	<u>1,221,699</u>	<u>1,296,152</u>	<u>995,358</u>
Total liabilities	<u>\$ 2,080,878</u>	<u>\$ 19,500,934</u>	<u>\$ 20,017,258</u>	<u>\$ 1,564,554</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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>Net Position:</b>					
Net investment in capital assets	\$ 307,865,253	\$ 232,870,770	\$ 301,474,433	\$ 299,206,346	\$ 290,792,490
Restricted	45,627,532	43,063,447	40,530,253	40,482,863	48,221,343
Unrestricted	(233,602,892)	118,927,695	56,159,611	52,639,580	44,337,441
Total net position	<u>\$ 119,889,893</u>	<u>\$ 394,861,912</u>	<u>\$ 398,164,297</u>	<u>\$ 392,328,789</u>	<u>\$ 383,351,274</u>
	<b><u>2010</u></b>	<b><u>2009</u></b>	<b><u>2008</u></b>	<b><u>2007</u></b>	<b><u>2006</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 280,973,330	\$ 271,346,813	\$ 274,575,054	\$ 235,668,544	\$ 179,332,346
Restricted	62,487,821	54,097,818	63,739,848	54,003,411	45,401,862
Unrestricted	34,490,256	25,391,956	20,106,379	26,707,508	26,013,815
Total net position	<u>\$ 377,951,407</u>	<u>\$ 350,836,587</u>	<u>\$ 358,421,281</u>	<u>\$ 316,379,463</u>	<u>\$ 250,748,023</u>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>Expenses</b>					
Instruction	\$ 186,429,957	\$ 173,271,438	\$ 168,729,823	\$ 163,526,973	\$ 166,877,011
Support services - students and staff	32,515,619	29,785,694	28,882,401	27,076,214	28,394,163
Support services - administration	25,912,476	24,248,461	23,338,498	22,137,479	23,509,661
Operation and maintenance of plant services	33,908,962	33,501,695	32,113,156	30,591,102	32,392,290
Student transportation services	14,578,521	13,188,767	12,100,023	9,719,040	10,881,130
Operation of non-instructional services	23,564,282	21,509,105	20,523,239	19,329,250	18,061,525
Interest on long-term debt	7,273,786	8,037,646	7,804,195	10,027,609	7,496,046
Total expenses	<u>324,183,603</u>	<u>303,542,806</u>	<u>293,491,335</u>	<u>282,407,667</u>	<u>287,611,826</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	\$ 8,647,665	\$ 6,359,353	5,219,916	4,996,244	5,577,144
Support services - students and staff	385,424	117,650		10,034	629,734
Support services - administration	238,136	111,485	178,786	478,513	
Operation and maintenance of plant	212,162	376,764	662,435	997,082	1,877,912
Student transportation	822,449	438,848	581,916	471,253	
Operation of non-instructional services	16,888,844	13,286,083	17,163,282	16,441,126	15,835,658
Operating grants and contributions	25,828,399	24,591,991	25,066,393	24,577,873	30,477,791
Capital grants and contributions	1,713,252	1,257,783	963,200	1,107,427	1,261,054
Total program revenues	<u>54,736,331</u>	<u>46,539,957</u>	<u>49,835,928</u>	<u>49,079,552</u>	<u>55,659,293</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (269,447,272)</u>	<u>\$ (257,002,849)</u>	<u>\$ (243,655,407)</u>	<u>\$ (233,328,115)</u>	<u>\$ (231,952,533)</u>

(Continued)



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Expenses</b>					
Instruction	\$ 161,837,168	\$ 173,594,344	\$ 164,521,068	\$ 146,936,532	\$ 136,106,510
Support services - students and staff	26,960,045	28,452,421	26,151,533	23,157,847	17,894,247
Support services - administration	22,166,871	23,604,982	20,836,773	18,881,732	15,655,690
Operation and maintenance of plant services	29,459,009	30,399,754	28,988,546	24,251,469	24,617,055
Student transportation services	9,607,141	9,969,991	7,264,375	8,750,312	8,392,464
Operation of non-instructional services	18,044,380	18,933,055	15,946,075	12,911,424	13,649,134
Interest on long-term debt	9,205,810	9,900,670	9,479,062	7,259,961	8,078,731
Total expenses	<u>277,280,424</u>	<u>294,855,217</u>	<u>273,187,432</u>	<u>242,149,277</u>	<u>224,393,831</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	773,984	381,205	323,317	1,355,216	
Support services - students and staff	765,296	381,301	305,604		
Support services - administration	88,724	20,061	12,662		
Operation and maintenance of plant	16,947	53,881	1,170,792	944,157	1,067,364
Student transportation		55,918			
Operation of non-instructional services	15,158,016	15,462,819	14,218,683	6,903,187	7,093,112
Operating grants and contributions	50,531,358	36,657,368	40,082,730	35,508,968	34,497,685
Capital grants and contributions	1,190,231	2,254,464	27,149,930	44,854,185	32,606,414
Total program revenues	<u>68,524,556</u>	<u>55,267,017</u>	<u>83,263,718</u>	<u>89,565,713</u>	<u>75,264,575</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (208,755,868)</u>	<u>\$ (239,588,200)</u>	<u>\$ (189,923,714)</u>	<u>\$ (152,583,564)</u>	<u>\$ (149,129,256)</u>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**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>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>Net (Expense)/Revenue</b>	\$ (269,447,272)	\$ (257,002,849)	\$ (243,655,407)	\$ (233,328,115)	\$ (231,952,533)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	106,255,122	90,478,185	88,551,962	84,683,551	82,014,404
Property taxes, levied for debt service	25,400,680	23,624,602	24,396,557	25,507,746	26,344,671
Property taxes, levied for capital outlay	8,777,957	1,634	504,545	626,292	
Investment income	468,173	557,934	401,472	615,998	1,214,554
Unrestricted county aid	10,859,951	10,490,856	10,429,044	10,827,469	10,490,730
Unrestricted state aid	135,555,551	131,337,693	124,603,281	119,135,679	117,269,988
Unrestricted federal aid	885,407	483,119	604,054	908,895	1,458,310
<b>Total general revenues</b>	<b>288,202,841</b>	<b>256,974,023</b>	<b>249,490,915</b>	<b>242,305,630</b>	<b>238,792,657</b>
<b>Changes in Net Position</b>	<b>\$ 18,755,569</b>	<b>\$ (28,826)</b>	<b>\$ 5,835,508</b>	<b>\$ 8,977,515</b>	<b>\$ 6,840,124</b>

**(Continued)**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Net (Expense)/Revenue</b>	\$ (208,755,868)	\$ (239,588,200)	\$ (189,923,714)	\$ (152,583,564)	\$ (149,129,256)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	86,005,833	82,338,004	71,634,769	62,017,516	55,127,084
Property taxes, levied for debt service	23,257,885	24,711,887	25,864,315	23,698,472	23,050,821
Property taxes, levied for capital outlay	4,389,300	508,750	3,213,099	7,159,439	5,120,660
Investment income	1,148,586	2,930,561	3,277,566	3,081,030	2,587,993
Unrestricted county aid	9,879,568			85,990	7,231,471
Unrestricted state aid	92,305,080	121,094,266	127,415,405	117,159,654	88,022,699
Other	2,141,289	1,635,478	560,378	5,012,903	3,995,568
<b>Total general revenues</b>	<u>232,394,517</u>	<u>233,218,946</u>	<u>231,965,532</u>	<u>218,215,004</u>	<u>185,136,296</u>
<b>Changes in Net Position</b>	<u>\$ 23,638,649</u>	<u>\$ (6,369,254)</u>	<u>\$ 42,041,818</u>	<u>\$ 65,631,440</u>	<u>\$ 36,007,040</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 2006-07 through 2008-09.

**(Concluded)**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</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>
General Fund:					
Nonspendable	\$ 673,623	\$ 652,847	\$ 784,259	\$ 832,308	\$ 1,242,381
Assigned		2,237,799	2,230,485	103,947	2,170,447
Unassigned	30,179,538	19,052,614	19,244,972	19,901,529	22,585,873
Total General Fund	\$ 30,853,161	\$ 21,943,260	\$ 22,259,716	\$ 20,837,784	\$ 25,998,701
All Other Governmental Funds:					
Nonspendable	\$ 1,116,882	\$ 1,139,532	\$ 1,165,402	\$ 864,351	\$ 472,298
Restricted	59,376,165	76,914,832	62,098,400	59,801,258	95,564,046
Assigned			5,986,839	7,200,390	10,262,249
Unassigned			(242)		(173,863)
Total all other governmental funds	\$ 60,493,047	\$ 78,054,364	\$ 69,250,399	\$ 67,865,999	\$ 106,124,730

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:					
Reserved	\$ 898,110	\$ 1,268,583	\$ 1,275,595	\$ 687,967	\$ 562,652
Unreserved	9,422,139	5,993,432	11,059,872	10,663,106	10,407,583
Total General Fund	<u>\$ 10,320,249</u>	<u>\$ 7,262,015</u>	<u>\$ 12,335,467</u>	<u>\$ 11,351,073</u>	<u>\$ 10,970,235</u>
All Other Governmental Funds:					
Reserved	\$ 461,660	\$ 408,259	\$ 353,626	\$ 422,466	\$ 419,496
Unreserved, reported in:					
Special revenue funds	33,264,821	28,674,474	32,099,550	24,820,258	19,973,955
Capital projects funds	5,734,017	7,518,124	8,287,982	5,779,631	4,793,207
Debt service fund	39,942,388	49,031,650	16,764,772	54,821,497	28,823,580
Total all other governmental funds	<u>\$ 79,402,886</u>	<u>\$ 85,632,507</u>	<u>\$ 57,505,930</u>	<u>\$ 85,843,852</u>	<u>\$ 54,010,238</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)**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 14,287,971	\$ 13,131,114	\$ 14,996,461	\$ 15,467,391	\$ 14,993,389
State Fiscal Stabilization (ARRA)					1,194,557
Education Jobs				107,704	7,017,462
National School Lunch Program	7,316,703	7,250,621	6,303,395	5,916,349	6,046,703
Total federal sources	<u>21,604,674</u>	<u>20,381,735</u>	<u>21,299,856</u>	<u>21,491,444</u>	<u>29,252,111</u>
<b>State sources:</b>					
State equalization assistance	118,890,542	115,449,634	113,164,519	107,942,906	108,612,582
State grants	1,232,843	1,043,290	992,266	1,062,411	1,043,501
School Facilities Board	26,532	128,063	575		
Other revenues	17,037,061	16,969,134	11,832,638	12,067,804	11,089,418
Total state sources	<u>137,186,978</u>	<u>133,590,121</u>	<u>125,989,998</u>	<u>121,073,121</u>	<u>120,745,501</u>
<b>Local sources:</b>					
Property taxes	140,527,520	113,385,224	112,239,554	108,935,444	107,114,442
County aid	10,859,951	10,490,856	10,429,044	10,827,469	10,490,730
Food service sales	8,167,122	7,544,780	7,905,222	7,873,837	7,448,743
Investment income	468,173	557,934	401,472	615,998	1,214,554
Other revenues	23,399,205	20,899,249	19,180,174	18,907,653	18,738,151
Total local sources	<u>183,421,971</u>	<u>152,878,043</u>	<u>150,155,466</u>	<u>147,160,401</u>	<u>145,006,620</u>
<b>Total revenues</b>	<u>\$ 342,213,623</u>	<u>\$ 306,849,899</u>	<u>\$ 297,445,320</u>	<u>\$ 289,724,966</u>	<u>\$ 295,004,232</u>

**(Continued)**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Federal sources:</b>					
Federal grants	\$ 13,627,566	\$ 11,885,873	\$ 10,282,581	\$ 10,199,331	\$ 10,680,149
National School Lunch Program	5,445,247	4,026,765	3,769,502	3,506,021	3,112,417
Total federal sources	<u>32,339,789</u>	<u>15,912,638</u>	<u>14,052,083</u>	<u>13,705,352</u>	<u>13,792,566</u>
<b>State sources:</b>					
State equalization assistance	87,087,004	121,092,808	127,095,451	114,549,937	85,630,454
State grants	18,128,955	2,958,820	1,581,078	3,817,180	4,037,895
School Facilities Board		2,254,464	26,564,774	44,360,560	32,186,576
Other revenues	10,353,319	12,124,931	17,488,888	13,921,974	12,389,986
Total state sources	<u>115,569,278</u>	<u>138,431,023</u>	<u>172,730,191</u>	<u>176,649,651</u>	<u>134,244,911</u>
<b>Local sources:</b>					
Property taxes	106,475,575	105,315,825	99,895,062	92,894,992	83,001,552
County aid	9,566,820			85,990	7,231,471
Food service sales	7,643,407	7,603,643	7,098,910	6,458,773	5,797,920
Investment income	1,148,586	2,930,561	3,277,566	3,081,030	2,587,993
Other revenues	18,661,714	15,914,823	17,358,317	14,924,494	13,447,445
Total local sources	<u>143,496,102</u>	<u>131,764,852</u>	<u>127,629,855</u>	<u>117,445,279</u>	<u>112,066,381</u>
<b>Total revenues</b>	<u>\$ 291,405,169</u>	<u>\$ 286,108,513</u>	<u>\$ 314,412,129</u>	<u>\$ 307,800,282</u>	<u>\$ 260,103,858</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 2006-07 through 2008-09.

**(Concluded)**

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 168,613,847	\$ 159,893,937	\$ 157,503,654	\$ 154,632,849	\$ 151,400,235
Support services - students and staff	30,655,699	28,298,703	27,415,768	27,074,278	27,354,414
Support services - administration	24,158,819	22,774,150	21,751,970	22,163,912	21,557,673
Operation and maintenance of plant services	29,678,347	29,522,186	28,874,870	28,130,506	28,782,561
Student transportation services	11,728,466	10,781,835	9,794,146	9,068,423	9,065,798
Operation of non-instructional services	22,569,225	20,781,733	20,108,022	19,290,993	17,751,253
Capital outlay	79,831,110	22,752,705	21,139,365	46,133,024	10,702,323
Debt service -					
Interest and fiscal charges	7,802,652	8,296,843	8,480,287	9,817,215	9,735,025
Principal retirement	19,590,000	17,780,000	17,875,000	16,605,000	20,490,767
Payment to refunded bond escrow agent				210,394	
Bond issuance costs	399,732	226,110	284,515	306,000	414,250
<b>Total expenditures</b>	<u><u>\$ 395,027,897</u></u>	<u><u>\$ 321,108,202</u></u>	<u><u>\$ 313,227,597</u></u>	<u><u>\$ 333,432,594</u></u>	<u><u>\$ 297,254,299</u></u>
Expenditures for capitalized assets	\$ 65,649,499	\$ 14,191,078	\$ 11,034,822	\$ 43,897,705	\$ 7,906,464
Debt service as a percentage of noncapital expenditures	8%	9%	9%	9%	11%



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 151,675,594	\$ 162,545,125	\$ 155,380,849	\$ 144,684,544	\$ 126,133,490
Support services - students and staff	26,924,216	28,510,174	26,070,330	23,026,061	17,799,708
Support services - administration	21,411,460	22,700,240	20,898,410	18,735,914	15,704,397
Operation and maintenance of plant services	32,792,671	37,055,082	39,631,451	26,933,838	23,117,114
Student transportation services	9,939,226	9,704,720	13,283,853	9,231,317	10,179,399
Operation of non-instructional services	17,911,828	18,836,748	15,863,146	12,753,110	13,377,285
Capital outlay	7,362,435	14,123,195	46,166,521	66,334,405	58,818,356
Debt service -					
Interest and fiscal charges	9,424,601	10,137,272	9,628,353	7,381,343	8,214,100
Principal retirement	16,087,783	17,707,563	15,361,532	17,305,722	17,002,781
Payment to refunded bond escrow agent					
Bond issuance costs		438,565		359,310	
<b>Total expenditures</b>	<u>\$ 293,529,814</u>	<u>\$ 321,758,684</u>	<u>\$ 342,284,445</u>	<u>\$ 326,745,564</u>	<u>\$ 290,346,630</u>
Expenditures for capitalized assets	\$ 15,586,238	\$ 24,470,854	\$ 73,086,576	\$ 77,737,837	\$ 59,750,706
Debt service as a percentage of noncapital expenditures	9%	10%	9%	10%	11%

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (52,814,274)	\$ (14,258,303)	\$ (15,782,277)	\$ (43,707,628)	\$ (2,250,067)
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds		21,940,000	17,375,000		45,000,000
Issuance of refunding bonds	36,770,000		16,880,000	30,000,000	
Premium on sale of bonds	5,607,102	963,094	2,075,907	3,623,165	1,158,832
Transfers in	532,891	7,086,908	1,239,507	2,225,435	1,501,964
Transfers out	(532,891)	(7,086,908)	(1,239,507)	(2,225,435)	(1,501,964)
Payment to refunded bond escrow agent	(41,977,370)		(17,995,300)	(33,317,165)	
Capital lease agreements	43,765,000				
Total other financing sources (uses)	<u>44,164,732</u>	<u>22,903,094</u>	<u>18,335,607</u>	<u>306,000</u>	<u>46,158,832</u>
<b>Changes in fund balances</b>	<u>\$ (8,649,542)</u>	<u>\$ 8,644,791</u>	<u>\$ 2,553,330</u>	<u>\$ (43,401,628)</u>	<u>\$ 43,908,765</u>
	<u><b>2010</b></u>	<u><b>2009</b></u>	<u><b>2008</b></u>	<u><b>2007</b></u>	<u><b>2006</b></u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (2,124,645)	\$ (35,650,171)	\$ (27,872,316)	\$ (18,945,282)	\$ (30,242,772)
<b>Other financing sources (uses):</b>					
Issuance of school improvement bonds		58,700,000		51,031,449	
Premium on sale of bonds		1,171,115			
Transfers in	456,865	348,101	247,768	284,674	260,049
Transfers out	(456,865)	(348,101)	(247,768)	(284,674)	(260,049)
Total other financing sources (uses)	<u></u>	<u>59,871,115</u>	<u></u>	<u>51,031,449</u>	<u></u>
<b>Changes in fund balances</b>	<u>\$ (2,124,645)</u>	<u>\$ 24,220,944</u>	<u>\$ (27,872,316)</u>	<u>\$ 32,086,167</u>	<u>\$ (30,242,772)</u>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**PRIMARY ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 421,798,183	\$ 425,479,044	\$ 460,698,786	\$ 506,650,685	\$ 603,873,570
Agricultural and Vacant	74,741,486	77,874,589	97,716,507	121,440,385	174,981,294
Residential (Owner Occupied)	1,150,537,390	1,062,131,857	1,173,551,420	1,273,261,533	1,468,955,082
Residential (Rental)	330,311,533	259,303,264	171,404,533	186,983,967	213,514,649
Railroad, Private Cars and Airlines	1,934,935	2,284,251	2,228,679	2,489,942	2,540,881
Historical Property	159,498,893	160,464,140	116,424,251	70,860,605	106,551,607
Certain Government Property Improvements	102,841	36,359	43,420	2,125	
<b>Total</b>	<b>\$ 2,138,925,261</b>	<b>\$ 1,987,573,504</b>	<b>\$ 2,022,067,596</b>	<b>\$ 2,161,689,242</b>	<b>\$ 2,570,417,083</b>
Estimated Actual Value (Full Cash Value)	\$ 23,410,453,822	\$ 21,104,261,790	\$ 20,421,890,654	\$ 21,184,343,386	\$ 25,755,491,706
Ratio of Primary Assessed Value to Estimated Actual Value	9%	9%	10%	10%	10%
Total Direct Rate	7.28	6.46	6.20	5.71	4.84

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Commercial, Industrial, Utilities and Mining	\$ 560,966,287	\$ 466,808,865	\$ 410,878,987	\$ 339,512,204	\$ 334,356,139
Agricultural and Vacant	179,069,403	171,749,993	147,898,883	113,350,866	90,545,034
Residential (Owner Occupied)	1,654,936,034	1,471,797,690	1,262,351,380	1,029,676,233	921,804,923
Residential (Rental)	202,155,593	173,007,705	139,410,742	118,995,207	95,971,049
Railroad, Private Cars and Airlines	2,668,548	3,085,989	3,084,513	2,274,725	2,118,538
Historical Property	109,711,625	75,645,863	66,879,270	28,870,864	46,608,943
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 2,709,507,490</b>	<b>\$ 2,362,096,105</b>	<b>\$ 2,030,503,775</b>	<b>\$ 1,632,680,099</b>	<b>\$ 1,491,404,626</b>
Estimated Actual Value (Full Cash Value)	\$ 29,506,401,969	\$ 29,299,993,619	\$ 25,282,552,724	\$ 15,871,812,853	\$ 14,604,165,521
Ratio of Primary Value to Estimated Actual Value	9%	8%	8%	10%	10%
Total Direct Rate	4.49	4.58	5.16	6.33	6.33

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

**Note:** The primary assessed value generates revenues for general District operations.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**SECONDARY ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 428,489,081	\$ 428,347,889	\$ 463,859,119	\$ 510,752,596	\$ 673,791,378
Agricultural and Vacant	83,777,677	82,524,623	103,813,270	125,519,607	211,782,651
Residential (Owner Occupied)	1,200,797,172	1,062,725,411	1,173,675,234	1,274,049,523	1,473,299,511
Residential (Rental)	362,627,777	268,125,969	171,464,535	187,318,640	223,007,966
Railroad, Private Cars and Airlines	1,954,480	2,306,125	2,271,628	2,785,597	3,044,235
Historical Property	160,679,356	160,958,571	117,520,352	70,860,808	108,526,907
Certain Government Property Improvements	103,516	36,359	43,420	2,125	
<b>Total</b>	<b>\$ 2,238,429,059</b>	<b>\$ 2,005,024,947</b>	<b>\$ 2,032,647,558</b>	<b>\$ 2,171,288,896</b>	<b>\$ 2,693,452,648</b>
Ratio of Secondary Assessed Value to Estimated Actual Value	10%	10%	10%	10%	10%
Total Direct Rate	7.28	6.46	6.20	5.71	4.84

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Commercial, Industrial, Utilities and Mining	\$ 802,532,445	\$ 547,658,595	\$ 468,449,852	\$ 375,933,925	\$ 358,916,138
Agricultural and Vacant	188,645,271	269,731,945	240,776,178	161,171,839	113,829,527
Residential (Owner Occupied)	1,700,032,500	1,975,917,663	1,730,625,064	1,039,867,179	954,514,932
Residential (Rental)	298,018,725	222,189,579	176,595,829	122,253,992	101,686,594
Railroad, Private Cars and Airlines	3,150,912	3,491,125	3,413,346	2,407,408	2,320,715
Historical Property	113,087,536	80,635,102	66,920,073	28,875,620	46,611,078
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 3,105,467,389</b>	<b>\$ 3,099,624,009</b>	<b>\$ 2,686,780,342</b>	<b>\$ 1,730,509,963</b>	<b>\$ 1,577,878,984</b>
Ratio of Secondary Assessed Value to Estimated Actual Value	11%	11%	11%	11%	11%
Total Direct Rate	4.49	4.58	5.16	6.33	6.33

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

**Note:** The secondary assessed value generates revenues to service District bonded debt requirements and other voter-approved overrides.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	19 %	20 %	20 %	21 %	22 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	16	15	15	17	18

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Commercial, Industrial, Utilities and Mining	23 %	24 %	25 %	25 %	25 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	1	10	10	10
Railroad, Private Cars and Airlines	0	21	22	21	21

**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.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	<u>Overlapping Rates</u>										
	State Equalization	County	Community College District	Sun Lakes Fire District	City of Chandler	City of Tempe	Town of Gilbert	Town of Queen Creek	District Direct Rates		
									Primary	Secondary	Total
2015	0.51	1.32	1.52	3.25	1.18	2.44	1.07	1.95	4.89	2.39	7.28
2014	0.51	1.28	1.53	3.19	1.27	2.49	1.15	1.95	4.39	2.07	6.46
2013	0.47	1.24	1.38	3.09	1.27	2.14	1.15	1.95	4.12	2.08	6.20
2012	0.43	1.24	1.21	2.87	1.27	1.79	1.15	1.95	3.73	1.98	5.71
2011	0.36	1.05	0.97	2.60	1.18	1.40	1.15	1.95	3.18	1.66	4.84
2010	0.33	0.99	0.88	2.33	1.18	1.40	1.15	1.95	3.18	1.31	4.49
2009		1.03	0.94	2.17	1.18	1.40	1.15	1.95	3.26	1.32	4.58
2008		1.10	0.98	2.17	1.25	1.40	1.15	1.95	3.64	1.52	5.16
2007		1.18	1.06	2.68	1.28	1.40	1.15		4.18	2.15	6.33
2006		1.20	1.03	2.68	1.25	1.40	1.15		4.09	2.24	6.33

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

**Note:** There was no state equalization overlapping rate prior to 2010. Additionally, the Town of Queen Creek had no overlap prior to 2008.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2015</u>		<u>2006</u>	
	<u>Secondary Assessed Valuation</u>	<u>Percentage of District's Net Assessed Valuation</u>	<u>Secondary Assessed Valuation</u>	<u>Percentage of District's Net Assessed Valuation</u>
Intel Corporation	\$ 156,557,083	6.99 %	\$ 62,177,272	3.94 %
Bank of America	14,767,372	0.66		
Covance Laboratories Inc	10,140,707	0.45		
Iridium Satellite LLC	10,037,029	0.45		
Wells Fargo Bank Na	9,778,842	0.44	13,571,689	0.86
Southwest Gas Corporation (T&D)	8,392,203	0.37	8,363,948	0.53
Digital 2121 South Price LLC	7,757,700	0.35		
Chandler Festival Spe Llc	7,396,517	0.33	8,837,379	0.56
Freescale Semiconductor Inc	6,816,744	0.30	25,565,274	1.62
Caz 1 LLC	6,287,271	0.28		
Qwest Corporation			12,309,206	0.78
Countrywide Home Loans Inc.			7,101,465	0.45
Motorola Inc			6,943,655	0.44
Fulton Homes Sales Corporation			6,628,034	0.42
Gould Electronics			5,996,793	0.38
Albertsons Inc				
Charles Schwab & Co Inc				
Total	<u>\$ 237,931,468</u>	<u>10.62 %</u>	<u>\$ 157,494,713</u>	<u>9.98 %</u>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**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>
2015	\$ 158,182,016	\$ 150,417,135	95.09 %	\$	\$ 150,417,135	95.09 %
2014	129,351,907	128,512,923	99.35	812,182	129,325,105	99.98
2013	127,097,093	120,294,725	94.65	6,790,493	127,085,218	99.99
2012	125,213,643	117,879,099	94.14	5,806,826	123,685,925	98.78
2011	124,872,625	118,099,660	94.58	6,753,706	124,853,366	99.98
2010	126,666,025	112,467,632	88.79	7,974,873	120,442,505	95.09
2009	119,658,082	110,283,421	92.17	7,734,391	118,017,812	98.63
2008	115,522,309	111,669,356	96.66	3,843,357	115,512,713	99.99
2007	107,227,818	104,418,063	97.38	2,803,849	107,221,912	99.99
2006	93,940,905	90,388,629	96.22	3,548,173	93,936,802	100.00

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

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

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



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2015	\$ 207,217,100	\$ 3,558,226	\$ 203,658,874	0.87 %	\$ 817	\$ 43,765,000	\$ 250,982,100	1.07 %	\$ 1,007	N/A %
2014	215,765,000	3,984,787	211,780,213	1.00	941		215,765,000	1.02	959	0.15
2013	211,700,000	4,306,912	207,393,088	1.02	932		211,700,000	1.04	952	0.14
2012	210,930,000	4,059,276	206,870,724	0.98	922		210,930,000	1.00	940	0.15
2011	226,925,000	3,153,326	223,771,674	0.87	939		226,925,000	0.88	953	0.16
2010	186,420,767	5,734,017	180,686,750	0.61	715		186,420,767	0.63	737	0.13
2009	202,508,550	7,518,124	194,990,426	0.67	774		202,508,550	0.69	804	0.14
2008	161,516,113	8,287,982	153,228,131	0.61	615		161,516,113	0.64	649	0.12
2007	176,877,645	5,779,631	171,098,014	1.08	707		176,877,645	1.11	731	0.15
2006	143,933,367	986,424	142,946,943	0.98	603		143,933,367	0.99	608	0.13

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

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2015**

<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:			
Maricopa County Community College District	\$ 654,190,000	6.38 %	41,737,322
City of Chandler	362,215,000	71.69	259,671,934
Town of Gilbert	135,310,000	14.09	19,065,179
Subtotal, Overlapping Debt			<u>320,474,435</u>
Direct:			
Chandler Unified School District No. 80			<u>250,982,100</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 571,456,535</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Secondary Assessed Valuation		8.77 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,073	
As a Percentage of Net Secondary Assessed Valuation		23.09 %
As a Percentage of Estimated Actual Value (Full Cash Value)		2.21 %

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

**Note:** Estimated percentage of debt outstanding applicable to the District is calculated based on the District's secondary assessed valuation as a percentage of the secondary assessed valuation of the overlapping jurisdiction.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2015:**

Secondary assessed valuation	\$ 2,238,429,059
Debt limit (20% of assessed value)	447,685,812
Debt applicable to limit	<u>189,825,000</u>
Legal debt margin	<u>\$ 257,860,812</u>

**Total Legal Debt Margin Calculation for Fiscal Year 2015:**

Secondary assessed valuation	\$ 2,238,429,059
Debt limit (30% of assessed value)	671,528,718
Debt applicable to limit	<u>196,270,000</u>
Legal debt margin	<u>\$ 475,258,718</u>

**Fiscal Year Ended June 30**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Debt Limit	\$ 671,528,718	\$ 601,507,484	\$ 609,794,267	\$ 651,386,669	\$ 808,035,794
Total net debt applicable to limit	<u>196,270,000</u>	<u>215,765,000</u>	<u>211,700,000</u>	<u>210,930,000</u>	<u>226,925,000</u>
Legal debt margin	<u>\$ 475,258,718</u>	<u>\$ 385,742,484</u>	<u>\$ 398,094,267</u>	<u>\$ 440,456,669</u>	<u>\$ 581,110,794</u>
Total net debt applicable to the limit as a percentage of debt limit	29%	36%	35%	32%	28%

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debt Limit	\$ 931,640,352	\$ 928,887,203	\$ 806,034,103	\$ 519,152,989	\$ 447,421,388
Total net debt applicable to limit	<u>186,420,767</u>	<u>202,508,550</u>	<u>161,516,113</u>	<u>176,877,645</u>	<u>143,933,367</u>
Legal debt margin	<u>\$ 745,219,585</u>	<u>\$ 726,378,653</u>	<u>\$ 644,517,990</u>	<u>\$ 342,275,344</u>	<u>\$ 303,488,021</u>
Total net debt applicable to the limit as a percentage of debt limit	20%	22%	20%	34%	32%

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

- Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Bond premium is not subject to the statutory debt limit.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
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>
2014	4,008,651	\$ 168,483,421	\$ 41,222	4.7 %	249,243
2013	4,009,412	147,700,000	27,552	6.2	225,000
2012	3,824,058	147,374,500	38,238	9.1	222,442
2011	3,843,370	142,864,275	37,352	8.4	224,442
2010	3,817,117	142,091,618	35,319	8.7	238,199
2009	4,023,331	147,122,078	29,395	8.3	252,856
2008	3,987,942	139,665,253	29,005	4.9	251,788
2007	3,907,492	132,423,154	25,951	3.2	249,056
2006	3,792,675	120,716,738	30,693	3.5	241,910
2005	3,648,545	111,103,576	30,667	4.1	236,877

**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 2005 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2014, the source of the information is the Arizona Office of Employment and Population Statistics.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2015</u>		<u>2006</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	49,800	2.71	49,958	2.61 %
Wal-Mart Stores Inc.	30,634	1.67	28,246	1.47
Banner Health Systems	24,825	1.35	19,250	1.00
City of Phoenix	15,100	0.82	13,844	0.72
Wells Fargo Company	13,308	0.72	11,533	0.60
Bank of America	13,300	0.72	7,268	0.38
Maricopa County	12,792	0.70	13,002	0.68
Arizona State University	11,185	0.61	11,202	0.58
Intel Corp.	11,800	0.64	10,100	0.53
Apollo Group Inc.	11,000	0.60	6,921	0.36
Honeywell International Inc.			10,700	0.56
U.S. Postal Service			11,000	0.57
US Airways			9,940	0.52
Total	<u>193,744</u>	<u>10.55 %</u>	<u>202,964</u>	<u>10.59 %</u>
Total employment	<u>1,836,600</u>		<u>1,916,003</u>	

**Source:** The source of this information is the Greater Phoenix Economic Council.

**Note:** Information is presented County-wide.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Supervisory</b>					
Instructional administrators	8	5	5	5	5
Noninstructional administrators	8	11	13	10	10
Principals	41	41	41	40	39
Assistant principals	20	20	20	21	19
Total supervisory	<u>77</u>	<u>77</u>	<u>79</u>	<u>76</u>	<u>73</u>
<b>Instruction</b>					
Elementary classroom teachers	893	897	889	852	847
Secondary classroom teachers	649	656	639	613	596
ESE teachers	273	276	262	190	190
Other teachers	317	287	285	298	291
Aides	263	266	304	263	287
Total instruction	<u>2,395</u>	<u>2,382</u>	<u>2,379</u>	<u>2,216</u>	<u>2,211</u>
<b>Student Services</b>					
Counselors	77	71	69	66	66
Psychologists	23	21	16	17	15
Librarians	32	33	34	34	34
Other professionals (noninstructional)	96	83	90	68	64
Technicians	82	81	79	74	108
Total student services	<u>310</u>	<u>289</u>	<u>288</u>	<u>259</u>	<u>287</u>
<b>Support and Administration</b>					
Office/Clerical	241	235	218	170	170
Transportation	197	187	180	178	176
Food Services	200	191	192	200	204
Skilled crafts	227	228	232	195	199
Unskilled laborers	363	322	265	345	345
Total support and administration	<u>1,228</u>	<u>1,163</u>	<u>1,087</u>	<u>1,088</u>	<u>1,094</u>
<b>Total</b>	<u>4,010</u>	<u>3,911</u>	<u>3,833</u>	<u>3,639</u>	<u>3,665</u>

(Continued)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Supervisory</b>					
Instructional administrators	5	5	6	5	5
Noninstructional administrators	10	10	10	9	9
Principals	39	39	36	34	31
Assistant principals	19	20	17	17	16
Total supervisory	<u>73</u>	<u>74</u>	<u>69</u>	<u>65</u>	<u>61</u>
<b>Instruction</b>					
Elementary classroom teachers	836	720	851	785	718
Secondary classroom teachers	566	543	591	552	520
ESE teachers	180	200	193	202	189
Other teachers	321	361	221	214	195
Aides	332	444	446	438	494
Total instruction	<u>2,235</u>	<u>2,268</u>	<u>2,302</u>	<u>2,191</u>	<u>2,116</u>
<b>Student Services</b>					
Counselors	66	60	62	57	54
Psychologists	16	15	15	15	14
Librarians	34	31	32	30	28
Other professionals (noninstructional)	64	58	65	43	39
Technicians	77	78	69	62	56
Total student services	<u>257</u>	<u>242</u>	<u>243</u>	<u>207</u>	<u>191</u>
<b>Support and Administration</b>					
Office/Clerical	154	186	174	244	229
Transportation	296	317	265	160	159
Food Services	173	178	157	154	220
Skilled crafts	138	106	140	122	121
Unskilled laborers	350	447	340	259	204
Total support and administration	<u>1,111</u>	<u>1,234</u>	<u>1,076</u>	<u>939</u>	<u>933</u>
<b>Total</b>	<u><u>3,676</u></u>	<u><u>3,818</u></u>	<u><u>3,690</u></u>	<u><u>3,402</u></u>	<u><u>3,301</u></u>

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**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>
2015	40,819	\$ 287,404,403	\$ 7,041	2.78 %	\$ 324,183,603	\$ 7,942	3.91 %	2,132	19.1	32.0 %
2014	39,714	272,052,544	6,850	(2.47)	303,542,806	7,643	(1.58)	2,116	18.8	31.0
2013	37,793	265,448,430	7,024	1.89	293,491,335	7,766	3.86	2,075	18.2	30.3
2012	37,771	260,360,961	6,893	(0.04)	282,407,667	7,477	(3.53)	1,953	19.3	32.8
2011	37,110	255,911,934	6,896	(4.32)	287,611,826	7,750	1.09	1,924	19.3	31.8
2010	36,166	260,654,995	7,207	(9.00)	277,280,424	7,667	(8.29)	1,903	19.0	29.3
2009	35,270	279,352,089	7,920	(1.22)	294,855,217	8,360	3.48	1,824	19.3	24.7
2008	33,815	271,128,039	8,018	9.23	273,187,432	8,079	6.97	1,856	18.2	22.2
2007	32,063	235,364,784	7,341	8.27	242,149,277	7,552	2.42	1,753	18.3	24.2
2006	30,430	206,311,393	6,780	8.30	224,393,831	7,374	7.81	1,622	18.8	28.5

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

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



**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Schools</b>										
<b>Elementary</b>										
Square feet	1,992,200	1,992,200	1,992,200	1,942,250	1,942,250	1,942,250	1,942,250	1,771,092	1,771,092	1,454,714
Capacity	24,276	24,276	24,276	24,276	24,276	24,276	24,276	22,137	22,137	18,182
Enrollment	22,913	22,764	22,306	22,100	22,013	21,145	20,844	19,884	18,990	17,876
<b>Middle</b>										
Square feet	635,092	635,092	635,092	635,092	635,092	635,092	602,322	600,446	600,446	562,923
Capacity	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,036
Enrollment	6,569	6,379	6,092	5,982	5,738	5,632	5,474	5,201	5,018	4,921
<b>High</b>										
Square feet	1,539,724	1,492,717	1,492,717	1,492,717	1,492,717	1,492,717	1,467,183	1,465,307	1,465,307	1,133,798
Capacity	15,588	15,588	15,588	15,588	15,588	15,588	15,588	15,588	15,588	12,061
Enrollment	13,113	12,521	12,011	11,562	11,154	10,693	10,107	9,717	9,073	8,253
<b>Administrative</b>										
Square feet	64,321	64,321	64,321	64,321	64,321	64,321	64,321	49,437	35,271	35,271
<b>Transportation</b>										
Garages	2	2	2	2	2	2	2	2	2	1
Buses	213	213	204	204	204	209	N/A	N/A	N/A	N/A
<b>Athletics</b>										
Football fields	9	9	9	9	9	9	9	9	9	8
Running tracks	9	9	9	9	9	9	9	9	9	8
Baseball/softball	38	38	38	38	38	38	38	38	38	34
Swimming pools	4	4	4	4	4	4	4	4	4	2
Playgrounds	62	62	62	62	62	62	61	60	56	51

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