
CHANDLER UNIFIED SCHOOL DISTRICT NO. 80

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2016



CHANDLER UNIFIED SCHOOL DISTRICT NO. 80

CHANDLER, ARIZONA

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

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

December 21, 2016

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, 2016.

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, 2016, 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, 2016, 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.

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

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

PROFILE OF THE DISTRICT

The District is one of 58 public school districts located in Maricopa County, Arizona. It 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 30 elementary schools, six 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 (\$118 million for the graduating class of 2016).

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 70 times since 1983 (55 A+ and 11 Blue Ribbons), the most of any school district in Arizona.

In addition to academic success, CUSD schools are leaders in the athletic area. Chandler schools won 28 individual and team state championships through Arizona Interscholastic Association competition.

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 2025 to position CUSD as a premier district of choice. At the heart of Journey 2025 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 2025 on our web site at 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 population is estimated at approximately four million 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 2015-16, the District's net full cash assessed valuation saw a boost of 19.6 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 5.7 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 2025, 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 slight increase in students. The District opened Auxier Elementary School and Casteel High School in 2015. The District has started construction on phase two of Casteel High 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 average age of the school building is 26 years.

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, 2015. 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, 2015. 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, 2016 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, 2015.**

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



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

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

Presented to

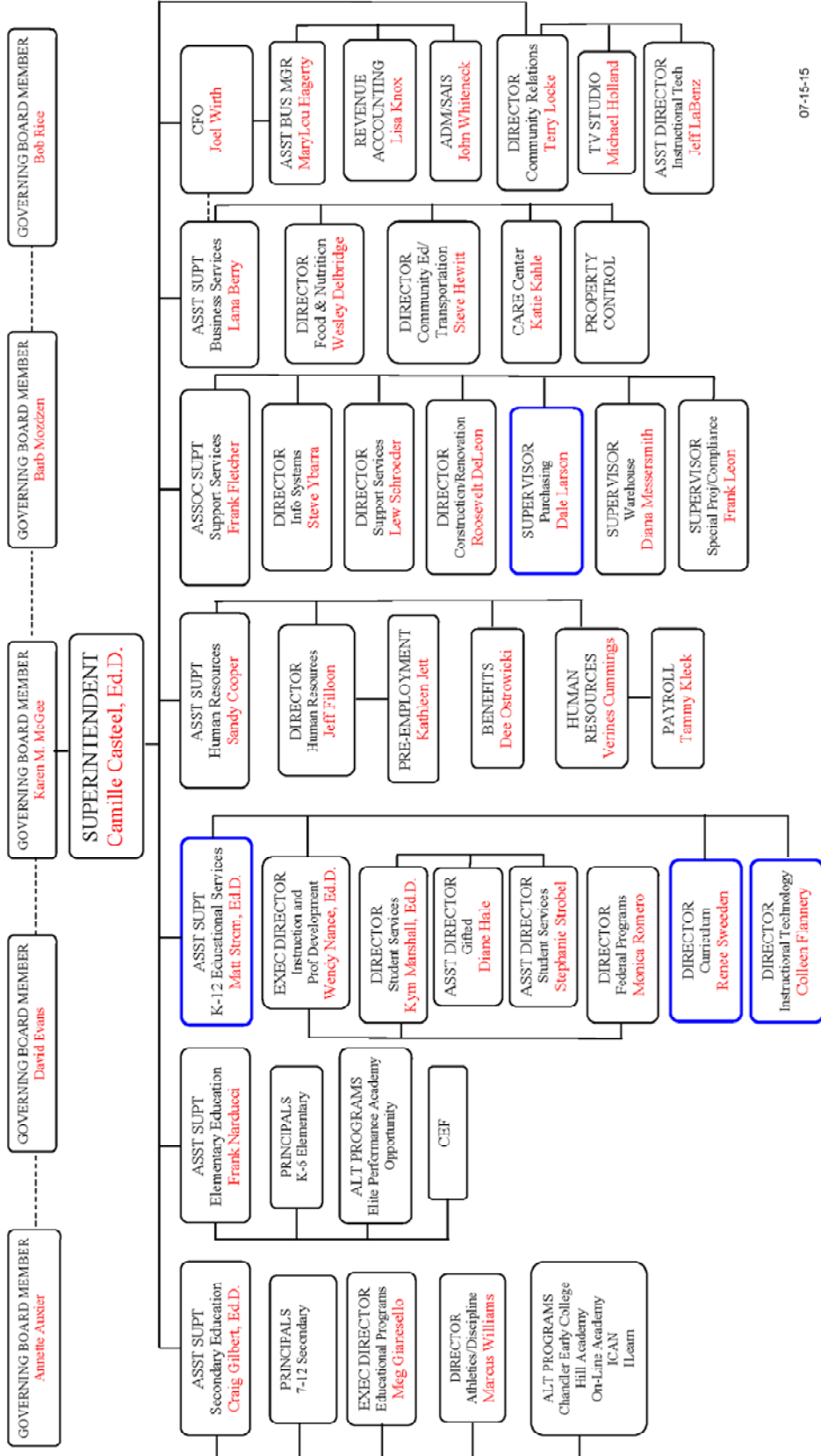
**Chandler Unified School
District No. 80, Arizona**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

CHANDLER UNIFIED SCHOOL DISTRICT
2015-16 ORGANIZATIONAL CHART



CHANDLER UNIFIED SCHOOL DISTRICT NO. 80

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Annette Auxier, President

Barbara Mozdzen, Vice President

Robert J.C. Rice, Member

David F. Evans, Member

Karen M. McGee, Member

ADMINISTRATIVE STAFF

Dr. Camille Casteel, Superintendent of Schools

Joel Wirth, CPA, Chief Financial Officer

Frank Fletcher, Associate Superintendent for Support Services

Lana Berry, CPA, 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, 2016, 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, 2016, 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. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016, 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 December 21, 2016, 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.
Phoenix, Arizona
December 21, 2016

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, 2016**

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, 2016. 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 \$12.8 million which represents an 11 percent increase from the prior fiscal year which was primarily due to an increase in unrestricted state aid.
- General revenues accounted for \$289.4 million in revenue, or 83 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$58.5 million or 17 percent of total current fiscal year revenues.
- The District had approximately \$335.1 million in expenses related to governmental activities, an increase of three percent from the prior fiscal year.
- Among major funds, the General Fund had \$246.5 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$243.2 million in expenditures. The General Fund's fund balance increased from \$30.9 million at the prior fiscal year end to \$34.6 million at the end of the current fiscal year was primarily due to an increase in state aid and grants.

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, 2016**

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

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

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 and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund as required supplementary information. Schedules for the pension plan and other postemployment benefit plan have also been provided as required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$132.7 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, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2016 and June 30, 2015.

	As of June 30, 2016	As of June 30, 2015
Current and other assets	\$ 255,847,235	\$ 211,425,962
Capital assets, net	<u>545,220,520</u>	<u>535,427,606</u>
Total assets	<u>801,067,755</u>	<u>746,853,568</u>
 Deferred outflows	 <u>40,433,008</u>	 <u>39,808,268</u>
Current and other liabilities	83,428,818	82,811,863
Long-term liabilities	<u>599,830,172</u>	<u>535,186,134</u>
Total liabilities	<u>683,258,990</u>	<u>617,997,997</u>
 Deferred inflows	 <u>25,537,904</u>	 <u>48,773,946</u>
Net position:		
Net investment in capital assets	312,910,731	307,865,253
Restricted	52,243,718	45,627,532
Unrestricted	<u>(232,450,580)</u>	<u>(233,602,892)</u>
Total net position	<u>\$ 132,703,869</u>	<u>\$ 119,889,893</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 reported a deficit due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The addition of \$28.8 million in capital assets primarily for the completion of a new elementary school and high school and renovations and additions to school sites and purchases of vehicles, furniture and equipment.
- The increase of \$23.5 million in pension liabilities.
- An increase in accumulated depreciation of \$17.8 million.
- The issuance of \$60.0 million of school improvement bonds.
- The principal retirement of \$19.6 million of bonds.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

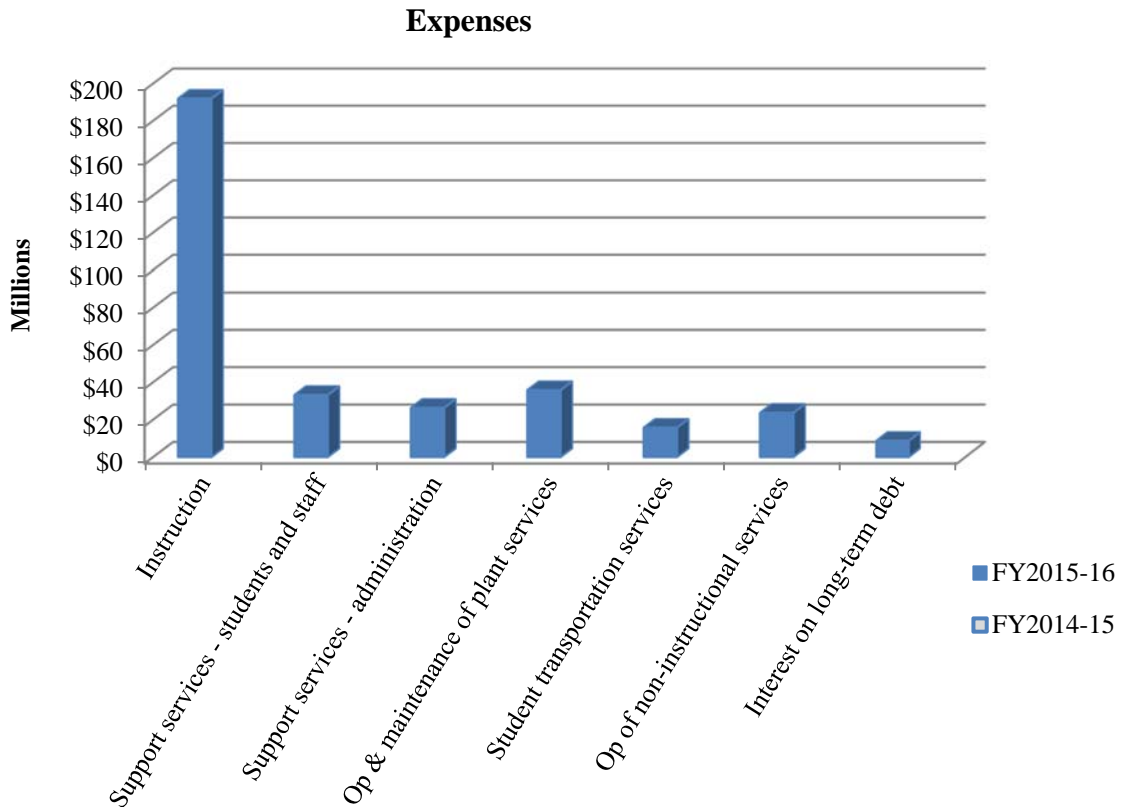
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$347.9 million. The total cost of all programs and services was \$335.1 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2016 and June 30, 2015.

	<u>Fiscal Year Ended June 30, 2016</u>	<u>Fiscal Year Ended June 30, 2015</u>
Revenues:		
Program revenues:		
Charges for services	\$ 28,743,006	\$ 27,194,680
Operating grants and contributions	27,671,862	25,828,399
Capital grants and contributions	2,100,072	1,713,252
General revenues:		
Property taxes	128,101,295	140,433,759
Investment income	585,719	468,173
Unrestricted county aid	11,576,061	10,859,951
Unrestricted state aid	148,132,881	135,555,551
Unrestricted federal aid	1,025,786	885,407
Total revenues	<u>347,936,682</u>	<u>342,939,172</u>
Expenses:		
Instruction	191,898,312	186,429,957
Support services – students and staff	33,152,498	32,515,619
Support services – administration	26,316,599	25,912,476
Operation and maintenance of plant services	35,752,987	33,908,962
Student transportation services	15,678,218	14,578,521
Operation of non-instructional services	23,657,815	23,564,282
Interest on long-term debt	8,666,277	7,273,786
Total expenses	<u>335,122,706</u>	<u>324,183,603</u>
Changes in net position	<u>12,813,976</u>	<u>18,755,569</u>
Net position, beginning	<u>119,889,893</u>	<u>101,134,324</u>
Net position, ending	<u>\$ 132,703,869</u>	<u>\$ 119,889,893</u>

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- An increase of \$12.6 million in unrestricted state aid due to an increase in average daily membership as well as from the passage of Proposition 123.
- An increase of \$5.5 million in instruction expenses due to an increase in employee salaries to service the increase in students.

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, 2016**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	<u>Year Ended June 30, 2016</u>		<u>Year Ended June 30, 2015</u>	
	<u>Total Expenses</u>	<u>Net burden on taxpayers</u>	<u>Total Expenses</u>	<u>Net burden on taxpayers</u>
Instruction	\$191,898,312	\$ (170,296,376)	\$ 186,429,957	\$ (166,190,240)
Support services – students and staff	33,152,498	(26,680,684)	32,515,619	(26,463,491)
Support services – administration	26,316,599	(25,215,556)	25,912,476	(25,473,826)
Operation and maintenance of plant services	35,752,987	(34,375,779)	33,908,962	(32,846,281)
Student transportation services	15,678,218	(14,799,361)	14,578,521	(13,175,923)
Operation of non-instructional services	23,657,815	1,639,474	23,564,282	784,967
Interest on long-term debt	8,666,277	(6,879,484)	7,273,786	(6,082,478)
Total	<u>\$ 335,122,706</u>	<u>\$ (276,607,766)</u>	<u>\$ 324,183,603</u>	<u>\$ (269,447,272)</u>

- The cost of all governmental activities this year was \$335.1 million.
- Federal and state governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$58.5 million.
- Net cost of governmental activities of \$276.6 million was financed by general revenues, which are made up of primarily property taxes of \$128.1 million and state and county aid of \$159.7 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$140.4 million, an increase of \$49.1 million primarily due to the issuance of \$60.0 million in school improvement bonds.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 25 percent of the total fund balance. Approximately \$31.6 million, or 91 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance from \$30.9 million to \$34.7 million as of fiscal year end was a result of an increase in state aid and grants. General Fund revenues increased \$5.7 million, or two percent. General Fund expenditures increased \$10.8 million or five percent.

The fund balance of the Debt Service Fund increased \$713,404 to \$3.6 million as of fiscal year end.

The fund balance of the Bond Building Fund increased \$39.7 million to \$54.7 million as of fiscal year end as a result of the issuance of school improvement bonds.

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 \$17.2 million increase, or eight 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 \$773.4 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$27.6 million from the prior fiscal year, primarily due to the completion of an elementary and high school, renovations and additions to school sites, and roofing projects. Total depreciation expense for the current fiscal year was \$18.7 million.

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

CAPITAL ASSETS AND DEBT ADMINISTRATION

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2016 and June 30, 2015.

	<u>As of June 30, 2016</u>	<u>As of June 30, 2015</u>
Capital assets – non-depreciable	\$ 77,008,464	\$ 117,211,563
Capital assets – depreciable, net	468,212,056	418,216,043
Total	<u>\$ 545,220,520</u>	<u>\$ 535,427,606</u>

The estimated cost to complete current construction projects is \$39.1 million.

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

Debt Administration. At year end, the District had \$291.5 million in long-term debt outstanding, \$20.1 million due within one year. Long-term debt increased by \$40.5 million, primarily a result of the issuance of \$60.0 million of school improvement bonds.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$802.8 million and the Class B debt limit is \$535.2 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 2016-17 Maintenance and Operations Fund budget. Among them:

- Fiscal year 2015-16 budget balance carry forward (\$8,795,520).
- District student population (estimated 43,000).

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2016**

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 increased four percent to \$253.7 million in fiscal year 2016-17. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2016-17 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, 2016

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 194,487,059
Property taxes receivable	10,571,032
Accounts receivable	51,149
Due from governmental entities	48,967,834
Inventory	1,502,303
Total current assets	255,579,377
Noncurrent assets:	
Other postemployment benefit	267,858
Capital assets not being depreciated	77,008,464
Capital assets, net of accumulated depreciation	468,212,056
Total noncurrent assets	545,488,378
Total assets	801,067,755
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	4,505,816
Pension plan items	35,927,192
Total deferred outflows of resources	40,433,008
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	6,553,805
Construction contracts payable	7,126,399
Credit line payable	10,821,000
Accrued payroll and employee benefits	9,122,567
Compensated absences payable	450,000
Accrued interest payable	4,383,211
Unearned revenues	421,836
Bonds payable	20,070,000
Tax anticipation notes payable	45,000,000
Total current liabilities	103,948,818
Noncurrent liabilities:	
Non-current portion of long-term obligations	579,310,172
Total noncurrent liabilities	579,310,172
Total liabilities	683,258,990
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	25,537,904
<u>NET POSITION</u>	
Net investment in capital assets	312,910,731
Restricted for:	
Voter approved initiatives	4,292,660
Food service	1,828,206
Civic center	10,717,465
Community school	16,032,645
Extracurricular activities	3,330,917
Joint technical education	1,673,578
Other local initiatives and federal projects	474,990
Debt service	4,922,072
Capital outlay	8,971,185
Unrestricted	(232,450,580)
Total net position	\$ 132,703,869

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, 2016**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 191,898,312	\$ 8,488,234	\$ 11,013,630	\$ 2,100,072	\$ (170,296,376)
Support services - students and staff	33,152,498	402,315	6,069,499		(26,680,684)
Support services - administration	26,316,599	950,698	150,345		(25,215,556)
Operation and maintenance of plant services	35,752,987	906,347	470,861		(34,375,779)
Student transportation services	15,678,218	198,816	680,041		(14,799,361)
Operation of non-instructional services	23,657,815	17,796,596	7,500,693		1,639,474
Interest on long-term debt	8,666,277		1,786,793		(6,879,484)
Total governmental activities	<u>\$ 335,122,706</u>	<u>\$ 28,743,006</u>	<u>\$ 27,671,862</u>	<u>\$ 2,100,072</u>	<u>(276,607,766)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	97,247,079
Property taxes, levied for debt service	26,589,983
Property taxes, levied for capital outlay	4,264,233
Investment income	585,719
Unrestricted county aid	11,576,061
Unrestricted state aid	148,132,881
Unrestricted federal aid	1,025,786

Total general revenues

289,421,742

Changes in net position

12,813,976

Net position, beginning of year

119,889,893

Net position, end of year

\$ 132,703,869

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, 2016

	General	Debt Service	Bond Building
<u>ASSETS</u>			
Cash and investments	\$ 51,033,827	\$ 27,555,707	\$ 61,789,032
Property taxes receivable	9,812,481	263,880	
Accounts receivable			
Due from governmental entities	40,480,697	1,191,196	
Due from other funds	3,242,889		
Inventory	786,272		
Total assets	\$ 105,356,166	\$ 29,010,783	\$ 61,789,032
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 2,742,232	\$	\$
Construction contracts payable			7,126,399
Credit line payable	10,821,000		
Due to other funds			
Accrued payroll and employee benefits	1,970,257		
Accrued interest payable	364,500		
Unearned revenues			
Bonds payable		20,070,000	
Bond interest payable		4,018,711	
Tax anticipation notes payable	45,000,000		
Total liabilities	60,897,989	24,088,711	7,126,399
Deferred inflows of resources:			
Unavailable revenues - property taxes	9,434,185	166,921	
Unavailable revenues - intergovernmental	372,436	1,191,196	
Total deferred inflows of resources	9,806,621	1,358,117	
Fund balances:			
Nonspendable	786,272		
Restricted		3,563,955	54,662,633
Assigned	2,313,266		
Unassigned	31,552,018		
Total fund balances	34,651,556	3,563,955	54,662,633
 Total liabilities, deferred inflows of resources and fund balances	\$ 105,356,166	\$ 29,010,783	\$ 61,789,032

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 54,108,493	\$ 194,487,059
494,671	10,571,032
51,149	51,149
7,295,941	48,967,834
	3,242,889
716,031	1,502,303
<u>\$ 62,666,285</u>	<u>\$ 258,822,266</u>

\$ 3,811,573	\$ 6,553,805
	7,126,399
	10,821,000
3,242,889	3,242,889
7,152,310	9,122,567
	364,500
421,836	421,836
	20,070,000
	4,018,711
	45,000,000
<u>14,628,608</u>	<u>106,741,707</u>

478,848	10,079,954
	1,563,632
<u>478,848</u>	<u>11,643,586</u>

716,031	1,502,303
46,842,798	105,069,386
	2,313,266
	31,552,018
<u>47,558,829</u>	<u>140,436,973</u>

<u>\$ 62,666,285</u>	<u>\$ 258,822,266</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, 2016

Total governmental fund balances **\$ 140,436,973**

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	\$ 773,407,648	
Less accumulated depreciation	<u>(228,187,128)</u>	545,220,520

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

Property taxes	10,079,954	
Intergovernmental	<u>1,563,632</u>	11,643,586

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.

4,505,816

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	35,927,192	
Deferred inflows of resources related to pensions	<u>(25,537,904)</u>	10,389,288

OPEB contributions net of the OPEB liability recognized to date, are not current financial resources and, therefore are not reported in the funds.

267,858

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

Compensated absences payable	(5,944,962)	
Obligations under capital leases	(43,765,000)	
Net pension liability	(302,406,971)	
Bonds payable	<u>(227,643,239)</u>	<u>(579,760,172)</u>

Net position of governmental activities **\$ 132,703,869**

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, 2016

	<u>General</u>	<u>Debt Service</u>	<u>Bond Building</u>
Revenues:			
Other local	\$ 16,973,707	\$ 99,757	\$ 131,675
Property taxes	103,458,636	26,535,139	
State aid and grants	124,212,285		
Federal aid, grants and reimbursements	1,848,130	595,597	
Total revenues	<u>246,492,758</u>	<u>27,230,493</u>	<u>131,675</u>
Expenditures:			
Current -			
Instruction	146,098,851		
Support services - students and staff	26,405,866		
Support services - administration	24,971,667		
Operation and maintenance of plant services	31,018,021		
Student transportation services	12,921,990		
Operation of non-instructional services	407,980		
Capital outlay	1,335,567		20,285,573
Debt service -			
Principal retirement		20,070,000	
Interest and fiscal charges		7,657,182	
Bond issuance costs			536,500
Total expenditures	<u>243,159,942</u>	<u>27,727,182</u>	<u>20,822,073</u>
Excess (deficiency) of revenues over expenditures	<u>3,332,816</u>	<u>(496,689)</u>	<u>(20,690,398)</u>
Other financing sources (uses):			
Transfers in	352,930	1,210,093	
Transfers out			(1,210,093)
Issuance of school improvement bonds			60,000,000
Premium on sale of bonds			1,571,544
Total other financing sources (uses):	<u>352,930</u>	<u>1,210,093</u>	<u>60,361,451</u>
Changes in fund balances	<u>3,685,746</u>	<u>713,404</u>	<u>39,671,053</u>
Fund balances, beginning of year	30,853,161	2,850,551	14,991,580
Increase (decrease) in reserve for inventory	112,649		
Fund balances, end of year	<u>\$ 34,651,556</u>	<u>\$ 3,563,955</u>	<u>\$ 54,662,633</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 29,317,009	\$ 46,522,148
4,281,964	134,275,739
26,440,968	150,653,253
19,480,522	21,924,249
<u>79,520,463</u>	<u>353,375,389</u>
32,062,303	178,161,154
6,002,599	32,408,465
553,514	25,525,181
533,023	31,551,044
794,334	13,716,324
22,733,347	23,141,327
10,158,709	31,779,849
	20,070,000
1,020,940	8,678,122
	536,500
<u>73,858,769</u>	<u>365,567,966</u>
<u>5,661,694</u>	<u>(12,192,577)</u>
	1,563,023
(352,930)	(1,563,023)
	60,000,000
	1,571,544
<u>(352,930)</u>	<u>61,571,544</u>
<u>5,308,764</u>	<u>49,378,967</u>
42,650,916	91,346,208
(400,851)	(288,202)
<u>\$ 47,558,829</u>	<u>\$ 140,436,973</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, 2016

Changes in fund balances - total governmental funds **\$ 49,378,967**

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	\$ 28,761,040	
Less current year depreciation	<u>(18,715,529)</u>	10,045,511

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

Issuance of school improvement bonds		(60,000,000)
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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	(6,174,444)	
Intergovernmental	178,832	
Other	<u>(38,693)</u>	(6,034,305)

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		20,070,000
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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	20,680,502	
Pension expense	<u>(19,431,877)</u>	1,248,625

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	(108,532)	
Inventory	(288,202)	
Loss on disposal of assets	(252,597)	
Amortization of deferred bond items	(964,101)	
Compensated absences	<u>(281,390)</u>	<u>(1,894,822)</u>

Changes in net position in governmental activities **\$ 12,813,976**

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, 2016

	Agency
<u>ASSETS</u>	
Cash and investments	\$ 2,003,594
Total assets	\$ 2,003,594
<u>LIABILITIES</u>	
Accounts payable	\$ 15,971
Deposits held for others	764,193
Due to governmental entities	151,342
Due to student groups	1,072,088
Total liabilities	\$ 2,003,594

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, 2016

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, 2016, the District implemented the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements and establishes a hierarchy of inputs to valuation techniques used to measure fair value. This Statement also enhances accountability and transparency through revised note disclosures.

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, 2016

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, 2016

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, 2016

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.

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

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, 2016

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, 2016

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, 2016

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, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Long-term Obligations

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

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

O. Interfund Activity

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

P. Net Position Flow Assumption

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

Q. Estimates

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

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2016

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	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$ 786,272	\$	\$	\$ 716,031
Restricted:				
Debt service		3,563,955		
Bond building projects			54,662,633	
Capital projects				8,492,337
Voter-approved initiatives				4,292,660
Food service				1,828,206
Civic center				10,717,465
Community schools				16,032,645
Extracurricular activities				3,330,917
Joint technical education				1,673,578
Other purposes				474,990
Assigned:				
Future employee benefits	2,146,890			
Maintenance	166,376			
Unassigned	31,552,018			
Total fund balances	\$ 34,651,556	\$ 3,563,955	\$ 54,662,633	\$ 47,558,829

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 \$3,327,479 and the bank balance was \$1,966,271. At year end, \$1,713,473 of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent but not in the District’s name. In addition, the District had \$9,480 of cash on hand at year end.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – CASH AND INVESTMENTS

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

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

The County Treasurer’s pool 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. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

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

<u>Investment Type</u>	<u>Category</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years) Less than 1</u>
Money Market U.S. Treasuries and Agencies	Level 1	\$ 521,882	<u>\$ 521,882</u>
			<u>\$ 521,882</u>
County Treasurer’s investment pool	Not applicable	190,484,922	342 days average maturities
Arizona School Risk Retention Trust Investment Pool	Not applicable	<u>2,146,890</u>	628 days average maturities
Total		<u>\$193,153,694</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.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 4 – CASH AND INVESTMENTS

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.

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	Non-Major Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Due from other governmental entities:			
Due from federal government	\$ 565,830	\$ 1,191,196	\$ 3,345,679
Due from state government	39,914,867		2,153,763
Due from other districts			1,796,499
Net due from governmental entities	<u>\$ 40,480,697</u>	<u>\$ 1,191,196</u>	<u>\$ 7,295,941</u>

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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	\$ 64,213,592	\$ 1,917,511	\$	\$ 66,131,103
Construction in progress	52,997,971	18,082,460	60,203,070	10,877,361
Total capital assets, not being depreciated	<u>117,211,563</u>	<u>19,999,971</u>	<u>60,203,070</u>	<u>77,008,464</u>
Capital assets, being depreciated:				
Land improvements	53,127,145	6,980,160		60,107,305
Buildings and improvements	535,993,997	57,378,584		593,372,581
Vehicles, furniture and equipment	39,518,746	4,605,395	1,204,843	42,919,298
Total capital assets being depreciated	<u>628,639,888</u>	<u>68,964,139</u>	<u>1,204,843</u>	<u>696,399,184</u>
Less accumulated depreciation for:				
Land improvements	(22,177,255)	(2,739,251)		(24,916,506)
Buildings and improvements	(166,511,105)	(13,590,322)		(180,101,427)
Vehicles, furniture and equipment	(21,735,485)	(2,385,956)	(952,246)	(23,169,195)
Total accumulated depreciation	<u>(210,423,845)</u>	<u>(18,715,529)</u>	<u>(952,246)</u>	<u>(228,187,128)</u>
Total capital assets, being depreciated, net	<u>418,216,043</u>	<u>50,248,610</u>	<u>252,597</u>	<u>468,212,056</u>
Governmental activities capital assets, net	<u>\$ 535,427,606</u>	<u>\$ 70,248,581</u>	<u>\$60,455,667</u>	<u>\$ 545,220,520</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 11,177,822
Support services – students and staff	499,599
Support services – administration	559,673
Operation and maintenance of plant services	4,248,069
Student transportation services	1,735,045
Operation of non-instructional services	495,321
Total depreciation expense – governmental activities	<u>\$ 18,715,529</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for the construction of Casteel High School Phase II, classroom additions at two schools, and roofing projects at several schools. At year end, the District had spent \$10.9 million on the projects and had estimated remaining contractual commitments of \$39.1 million. These projects are being funded with bond proceeds.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 7 – SHORT TERM DEBT

Tax Anticipation Notes – In July 2015, the District issued \$45,000 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 \$45,410,415 at year end. Property tax revenues of the General Fund will be used to repay these notes in July 2016. Short-term debt activity for the current fiscal year, was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Tax anticipation notes	\$ 40,000,000	\$ 45,000,000	\$ 40,000,000	\$ 45,000,000

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:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$ 18,361,000	\$ 46,513,000	\$ 54,053,000	\$ 10,821,000

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 is included with depreciation expense.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

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

	Governmental Activities
Asset:	
Building and improvements	\$ 36,623,082
Land improvements	4,313,947
Construction in progress	1,152,405
Less: Accumulated depreciation	(869,146)
Total	\$ 41,220,289

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:		
2017	\$	\$ 967,206
2018	5,020,000	942,399
2019	5,600,000	825,656
2020	5,730,000	701,178
2021	5,855,000	573,882
2022-26	21,560,000	929,195
Total minimum lease payments	\$ 43,765,000	\$ 4,939,516

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds of the total amount originally authorized, \$136 million remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. 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 \$595,597 in federal subsidies during the year.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2016	Due Within One Year
Governmental activities:					
Refunding Bonds, Series 2004	\$20,000,000	5.00%	7/1/16	\$ 3,090,000	\$ 3,090,000
School Improvement Bonds, Series 2007	50,250,000	4.00%-4.25%	7/1/16-17	4,400,000	3,900,000
School Improvement Bonds, Series 2008	58,700,000	4.00%	7/1/16-19	15,385,000	5,400,000
School Improvement Bonds, Project of 2010 Tax-Exempt Series A-1	20,000,000	2.50%-5.00%	7/1/16-26	17,000,000	4,000,000
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%	7/1/16-18	6,415,000	2,755,000
School Improvement Bonds, Project of 2010, Series C (2014)	21,940,000	1.75%-3.00%	7/1/16-29	21,940,000	925,000
Refunding Bonds, Series 2015	36,770,000	2.00%-5.00%	7/1/18-23	36,400,000	
School Improvement Bonds, Project of 2015, Series A (2016)	60,000,000	1.20%-4.00%	7/1/17-35	60,000,000	
Total				<u>\$236,680,000</u>	<u>\$ 20,070,000</u>

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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
2017	\$ 20,070,000	\$ 8,122,277
2018	19,417,778	7,906,158
2019	19,272,778	7,363,688
2020	20,892,778	6,840,938
2021	18,627,778	6,311,413
2022-26	76,798,888	22,644,140
2027-31	40,525,000	6,305,221
2032-36	21,075,000	1,350,125
Total	\$ 236,680,000	\$ 66,843,960

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, \$42,030,000 of defeased bonds are still outstanding.

NOTE 10 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$196,270,000	\$ 60,000,000	\$ 19,590,000	\$ 236,680,000	\$ 20,070,000
Premium	10,947,100	1,571,544	1,485,405	11,033,239	
Total bonds payable	<u>207,217,100</u>	<u>61,571,544</u>	<u>21,075,405</u>	<u>247,713,239</u>	<u>20,070,000</u>
Obligations under capital leases	43,765,000			43,765,000	
Net pension liability	278,916,852	23,490,119		302,406,971	
Compensated absences payable	5,663,572	2,896,276	2,614,886	5,944,962	450,000
Governmental activity long-term liabilities	<u>\$535,562,524</u>	<u>\$ 87,957,939</u>	<u>\$ 23,690,291</u>	<u>\$ 599,830,172</u>	<u>\$ 20,520,000</u>

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 \$3,242,889. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

	Transfers in		
	General Fund	Debt Service Fund	Total
Transfers out			
Bond Building Fund	\$	\$1,210,093	\$ 1,210,093
Non-Major Governmental Funds	352,930		352,930
Total	\$ 352,930	\$1,210,093	\$ 1,563,023

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

NOTE 12 – CONTINGENT LIABILITIES

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

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.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 12 – CONTINGENT LIABILITIES

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.

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.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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.

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
JUNE 30, 2016

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 11.47 percent (11.35 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 11.47 percent (10.85 percent for retirement, 0.50 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, 2016 were \$20,680,502.

In addition, the District was required by statute to contribute at the actuarially determined rate of 9.36 percent (9.17 for retirement and 0.13 percent for health insurance premium benefit, 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:				
2016	\$	942,594	\$	226,222
2015		1,042,925		212,120
2014		1,018,491		407,396

Pension Liability. At June 30, 2016, the District reported a liability of \$302.4 million for its proportionate share of the net pension liability of the ASRS. The net pension liability was measured as of June 30, 2015. 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, 2014, to the measurement date of June 30, 2015. 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, 2015, the District's proportion was 1.94 percent, which was an increase of .05 percent from its proportion measured as of June 30, 2014.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 14 – PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Pension Expense and Deferred Outflows/Inflows of Resources. For the year ended June 30, 2016, the District recognized pension expense of \$19,431,877 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	\$ 8,252,030	\$15,846,431
Net difference between projected and actual earnings on pension plan investments		9,691,473
Changes in proportion and differences between contributions and proportionate share of contributions	6,994,660	
Contributions subsequent to the measurement date	<u>20,680,502</u>	
Total	<u>\$35,927,192</u>	<u>\$25,537,904</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, 2017. 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:	
2017	\$ (3,060,592)
2018	(7,808,100)
2019	(6,418,550)
2020	6,996,028

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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, 2014
Actuarial roll forward date	June 30, 2015
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, 2014 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	58%	6.79%
Fixed income	25%	3.70
Real estate	10%	4.25
Multi-asset	5%	3.41
Commodities	2%	3.93
Total	<u>100%</u>	

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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	\$396,256,475	\$302,406,971	\$238,089,306

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.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

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 in fiscal year 2014-15, future retirees may no longer join the plan. For the current fiscal year, the District contributed \$351,936 for these benefits. The number of participants as of the effective date of the biannual OPEB valuation, follows:

	<u>Participants</u>
Retired employees	<u>130</u>
Total	<u><u>130</u></u>

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
JUNE 30, 2016

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	\$ 371,832
Interest on net OPEB obligation	(15,056)
Adjustment to annual required contribution	<u>103,692</u>
Annual OPEB cost (expense)	460,468
Contributions made	(351,936)
Decrease in net OPEB obligation	<u>108,532</u>
Net OPEB obligation – beginning of year	<u>(376,390)</u>
Net OPEB asset – end of year	<u><u>\$ (267,858)</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, 2016 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, 2016	\$ 460,468	\$ 351,936	76.0%	\$ (267,858)
June 30, 2015	351,489	1,998,549	568.6	(376,390)
June 30, 2014	350,711	394,337	112.4	1,270,670

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 15 – OTHER POSTEMPLOYMENT BENEFITS – SINGLE EMPLOYER PLAN

Funded Status and Funding Progress. As of June 30, 2016, the most recent actuarial valuation date, the plan was 0.0 percent funded. The actuarial accrued liability for benefits was \$1,349,711, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability (UAAL) of \$1,349,711. The covered payroll (annual payroll of active employees covered by the plan) was \$0.

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, 2015
Actuarial cost method	Projected Unit Credit
Amortization method for actuarial accrued liabilities	4 year level dollar, open period
Remaining amortization period	4 years as of June 30, 2016
Interest rate	4.00%
Inflation rate	4.00%
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 EVENT

In July 2016, the District issued \$45 million of tax anticipation notes in advance of property collections, depositing the proceeds in its General Fund.

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, 2016**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
Revenues:				
Other local	\$	\$	\$ 11,321,378	\$ 11,321,378
Property taxes			103,458,636	103,458,636
State aid and grants			124,212,285	124,212,285
Total revenues			<u>238,992,299</u>	<u>238,992,299</u>
Expenditures:				
Current -				
Instruction	141,931,904	151,330,274	142,696,538	8,633,736
Support services - students and staff	22,406,611	25,642,950	25,956,939	(313,989)
Support services - administration	23,694,662	25,521,498	24,671,899	849,599
Operation and maintenance of plant services	29,627,819	31,335,601	30,104,505	1,231,096
Student transportation services	9,959,293	11,019,487	12,718,365	(1,698,878)
Operation of non-instructional services	276,508	275,190	377,595	(102,405)
Total expenditures	<u>227,896,797</u>	<u>245,125,000</u>	<u>236,525,841</u>	<u>8,599,159</u>
Changes in fund balances	<u>(227,896,797)</u>	<u>(245,125,000)</u>	<u>2,466,458</u>	<u>247,591,458</u>
Fund balances, beginning of year			11,373,457	11,373,457
Increase (decrease) in reserve for inventory			112,649	112,649
Fund balances (deficits), end of year	<u>\$ (227,896,797)</u>	<u>\$ (245,125,000)</u>	<u>\$ 13,952,564</u>	<u>\$ 259,077,564</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
LAST TWO FISCAL YEARS

	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	1.94%	1.89%
District's proportionate share of the net pension liability (asset)	\$ 302,406,971	\$ 278,916,852
District's covered-employee payroll	\$ 176,766,869	\$ 169,748,523
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	171.08%	164.31%
Plan fiduciary net position as a percentage of the total pension liability	68.35%	69.49%

SCHEDULE OF CONTRIBUTIONS
ARIZONA STATE RETIREMENT SYSTEM
LAST TWO FISCAL YEARS

	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 20,680,502	\$ 19,249,912
Contributions in relation to the actuarially determined contribution	<u>20,680,502</u>	<u>19,249,912</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered-employee payroll	\$ 190,603,705	\$ 176,766,869
Contributions as a percentage of covered-employee payroll	10.85%	10.89%

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

See accompanying notes to this schedule.

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

<u>Actuarial Valuation Date</u>	<u>Actuarial Valuation of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
2015	\$	\$ 1,349,711	\$ 1,349,711	- %	\$ N/A	N/A %
2013		4,123,079	4,123,079	-	29,132,019	14.15
2011		4,167,179	4,167,179	-	33,162,516	12.57

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

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	\$ 243,159,942	\$ 34,651,556
Activity budgeted as special revenue funds	(6,279,192)	(17,095,877)
Activity budgeted as capital projects funds	(354,909)	(3,603,115)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 236,525,841	\$ 13,952,564

NOTE 2 – PENSION PLAN SCHEDULES

Change in Accounting Principle. For the year ended June 30, 2016, the District implemented the provisions of GASB Statement No. 82, Pension Issues. The statement changed the measure of payroll that is required to be presented in required supplementary information from covered-employee payroll to covered payroll. Accordingly, payroll amounts presented in the pension plan schedules and related ratios for prior periods have been restated.

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, 2014, 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, 2014, 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, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Fund</u>
<u>ASSETS</u>			
Cash and investments	\$ 42,325,290	\$ 11,783,203	\$ 54,108,493
Property taxes receivable		494,671	494,671
Accounts receivable	51,149		51,149
Due from governmental entities	7,269,292	26,649	7,295,941
Inventory	528,976	187,055	716,031
Total assets	<u>\$ 50,174,707</u>	<u>\$ 12,491,578</u>	<u>\$ 62,666,285</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 478,235	\$ 3,333,338	\$ 3,811,573
Due to other funds	3,242,889		3,242,889
Accrued payroll and employee benefits	7,152,310		7,152,310
Unearned revenues	421,836		421,836
Total liabilities	<u>11,295,270</u>	<u>3,333,338</u>	<u>14,628,608</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		478,848	478,848
Fund balances:			
Nonspendable	528,976	187,055	716,031
Restricted	38,350,461	8,492,337	46,842,798
Total fund balances	<u>38,879,437</u>	<u>8,679,392</u>	<u>47,558,829</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 50,174,707</u>	 <u>\$ 12,491,578</u>	 <u>\$ 62,666,285</u>

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, 2016

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 28,097,128	\$ 1,219,881	\$ 29,317,009
Property taxes		4,281,964	4,281,964
State aid and grants	20,504,481	5,936,487	26,440,968
Federal aid, grants and reimbursements	<u>19,480,522</u>		<u>19,480,522</u>
Total revenues	<u>68,082,131</u>	<u>11,438,332</u>	<u>79,520,463</u>
Expenditures:			
Current -			
Instruction	32,062,303		32,062,303
Support services - students and staff	6,002,599		6,002,599
Support services - administration	531,936	21,578	553,514
Operation and maintenance of plant services	532,323	700	533,023
Student transportation services	782,542	11,792	794,334
Operation of non-instructional services	22,733,347		22,733,347
Capital outlay	904,435	9,254,274	10,158,709
Debt service -			
Interest and fiscal charges		<u>1,020,940</u>	<u>1,020,940</u>
Total expenditures	<u>63,549,485</u>	<u>10,309,284</u>	<u>73,858,769</u>
Excess (deficiency) of revenues over expenditures	<u>4,532,646</u>	<u>1,129,048</u>	<u>5,661,694</u>
Other financing sources (uses):			
Transfers out	<u>(352,930)</u>		<u>(352,930)</u>
Total other financing sources (uses):	<u>(352,930)</u>		<u>(352,930)</u>
Changes in fund balances	<u>4,179,716</u>	<u>1,129,048</u>	<u>5,308,764</u>
Fund balances, beginning of year	34,713,227	7,937,689	42,650,916
Increase (decrease) in reserve for inventory	(13,506)	(387,345)	(400,851)
Fund balances, end of year	<u>\$ 38,879,437</u>	<u>\$ 8,679,392</u>	<u>\$ 47,558,829</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.

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.

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, 2016

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<u>ASSETS</u>			
Cash and investments	\$ 8,718,065	\$ 249,621	\$
Accounts receivable			
Due from governmental entities	1,351,684	452,959	113,087
Inventory			
Total assets	\$ 10,069,749	\$ 702,580	\$ 113,087
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 6,338	\$ 14,520
Due to other funds			91,074
Accrued payroll and employee benefits	6,470,062	3,269	7,493
Unearned revenues			
Total liabilities	6,470,062	9,607	113,087
Fund balances:			
Nonspendable			
Restricted	3,599,687	692,973	
Total fund balances	3,599,687	692,973	
 Total liabilities and fund balances	 \$ 10,069,749	 \$ 702,580	 \$ 113,087

<u>Structured English Immersion</u>	<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
10,757	1,805,252	236,217	406,080	34,950	494,466
<u>\$ 10,757</u>	<u>\$ 1,805,252</u>	<u>\$ 236,217</u>	<u>\$ 406,080</u>	<u>\$ 34,950</u>	<u>\$ 494,466</u>
\$	\$	\$	\$	\$	\$
4,325	41,065	36	391,109	47	20,302
6,432	1,668,354	231,893	14,971	34,903	354,225
	95,833	4,288			119,939
<u>10,757</u>	<u>1,805,252</u>	<u>236,217</u>	<u>406,080</u>	<u>34,950</u>	<u>494,466</u>
<u>\$ 10,757</u>	<u>\$ 1,805,252</u>	<u>\$ 236,217</u>	<u>\$ 406,080</u>	<u>\$ 34,950</u>	<u>\$ 494,466</u>

(Continued)

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	Johnson O'Malley	Vocational Education	Other Federal Projects
<u>ASSETS</u>			
Cash and investments	\$	\$	\$
Accounts receivable			
Due from governmental entities	3,807	238,368	8,948
Inventory			
Total assets	\$ 3,807	\$ 238,368	\$ 8,948
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 27	\$
Due to other funds	3,807	235,517	8,948
Accrued payroll and employee benefits		2,824	
Unearned revenues			
Total liabilities	3,807	238,368	8,948
Fund balances:			
Nonspendable			
Restricted			
Total fund balances			
Total liabilities and fund balances	\$ 3,807	\$ 238,368	\$ 8,948

<u>State Vocational Education</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>
\$ 58	\$	\$ 2,258,517	\$ 10,752,981	\$ 16,463,671	\$ 3,407,387
	198,627	51,149			
		117,591			
		528,976			
<u>\$ 58</u>	<u>\$ 198,627</u>	<u>\$ 2,956,233</u>	<u>\$ 10,752,981</u>	<u>\$ 16,463,671</u>	<u>\$ 3,407,387</u>
\$	\$	\$ 97,458	\$ 21,096	\$ 203,332	\$ 74,014
	198,376				
	251	79,815	14,420	227,694	2,456
58		421,778			
<u>58</u>	<u>198,627</u>	<u>599,051</u>	<u>35,516</u>	<u>431,026</u>	<u>76,470</u>
		528,976			
		1,828,206	10,717,465	16,032,645	3,330,917
		2,357,182	10,717,465	16,032,645	3,330,917
<u>\$ 58</u>	<u>\$ 198,627</u>	<u>\$ 2,956,233</u>	<u>\$ 10,752,981</u>	<u>\$ 16,463,671</u>	<u>\$ 3,407,387</u>

(Continued)

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>
<u>ASSETS</u>			
Cash and investments	\$ 18,858	\$ 119,761	\$ 336,371
Accounts receivable			
Due from governmental entities			
Inventory			
Total assets	<u>\$ 18,858</u>	<u>\$ 119,761</u>	<u>\$ 336,371</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities	<u> </u>	<u> </u>	<u> </u>
Fund balances:			
Nonspendable			
Restricted	<u>18,858</u>	<u>119,761</u>	<u>336,371</u>
Total fund balances	<u>18,858</u>	<u>119,761</u>	<u>336,371</u>
Total liabilities and fund balances	<u>\$ 18,858</u>	<u>\$ 119,761</u>	<u>\$ 336,371</u>

<u>Joint Technical Education</u>	<u>Totals</u>
\$	\$ 42,325,290
	51,149
1,796,499	7,269,292
	528,976
<u>\$ 1,796,499</u>	<u>\$ 50,174,707</u>

\$	\$ 478,235
20,358	3,242,889
102,563	7,152,310
	421,836
<u>122,921</u>	<u>11,295,270</u>

	528,976
<u>1,673,578</u>	<u>38,350,461</u>
<u>1,673,578</u>	<u>38,879,437</u>
<u>\$ 1,796,499</u>	<u>\$ 50,174,707</u>

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, 2016

	Classroom Site	Instructional Improvement	County, City, and Town Grants
Revenues:			
Other local	\$ 32,182	\$ 2,301	\$
State aid and grants	16,220,210	1,763,899	395,225
Federal aid, grants and reimbursements			
Total revenues	16,252,392	1,766,200	395,225
Expenditures:			
Current -			
Instruction	17,214,838	1,189,807	33,792
Support services - students and staff		20,688	343,607
Support services - administration			995
Operation and maintenance of plant services			126
Student transportation services			
Operation of non-instructional services			
Capital outlay		3,275	161
Total expenditures	17,214,838	1,213,770	378,681
Excess (deficiency) of revenues over expenditures	(962,446)	552,430	16,544
Other financing sources (uses):			
Transfers out			(16,544)
Total other financing sources (uses):			(16,544)
Changes in fund balances	(962,446)	552,430	
Fund balances, beginning of year	4,562,133	140,543	
Increase (decrease) in reserve for inventory			
Fund balances, end of year	\$ 3,599,687	\$ 692,973	\$

Structured English Immersion	Title I Grants	Professional Development and Technology Grants	Limited English & Immigrant Students	Indian Education	Special Education Grants
\$ 273,775	\$ 5,172,759	\$ 609,037	\$ 406,080	\$ 74,400	\$ 5,069,718
<u>273,775</u>	<u>5,172,759</u>	<u>609,037</u>	<u>406,080</u>	<u>74,400</u>	<u>5,069,718</u>
251,994	3,039,286	444	40,989	19,791	3,319,241
19,375	1,837,954	582,661	362,360	45,301	1,454,814
2,406	108,540	40	2,183		27,161
	808				17,780
	9,495				35,196
	97,179			6,173	
<u>273,775</u>	<u>5,093,262</u>	<u>583,145</u>	<u>405,532</u>	<u>71,265</u>	<u>4,854,192</u>
	79,497	25,892	548	3,135	215,526
	(79,497)	(25,892)	(548)	(3,135)	(215,526)
	<u>(79,497)</u>	<u>(25,892)</u>	<u>(548)</u>	<u>(3,135)</u>	<u>(215,526)</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</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, 2016

	Johnson O'Malley	Vocational Education	Other Federal Projects
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	3,807	417,642	226,386
Total revenues	3,807	417,642	226,386
Expenditures:			
Current -			
Instruction	1,399	12,730	150,039
Support services - students and staff	2,246	234,969	22,768
Support services - administration		1,976	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		157,314	52,634
Total expenditures	3,645	406,989	225,441
Excess (deficiency) of revenues over expenditures	162	10,653	945
Other financing sources (uses):			
Transfers out	(162)	(10,653)	(973)
Total other financing sources (uses):	(162)	(10,653)	(973)
Changes in fund balances			(28)
Fund balances, beginning of year			28
Increase (decrease) in reserve for inventory			
Fund balances, end of year	\$	\$	\$

State Vocational Education	Other State Projects	Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
\$ 275,682	\$ 1,575,690	\$ 7,902,846	\$ 1,659,576	\$ 11,693,284	\$ 3,442,800
<u>275,682</u>	<u>1,575,690</u>	<u>7,500,693</u> <u>15,403,539</u>	<u>1,659,576</u>	<u>11,693,284</u>	<u>3,442,800</u>
130,633	1,023,625		42,987	1,250,993	1,809,074
33,398	542,569		24,240	277,518	190,220
3,354	300	31,611	199,060	153,447	
45,097		232,392	186,776	47,768	1,576
			3,735	78,860	634,319
		15,417,308		7,316,039	
<u>63,200</u>	<u>9,196</u>	<u>32,180</u>	<u>80,112</u>	<u>259,627</u>	<u>116,658</u>
<u>275,682</u>	<u>1,575,690</u>	<u>15,713,491</u>	<u>536,910</u>	<u>9,384,252</u>	<u>2,751,847</u>
		<u>(309,952)</u>	<u>1,122,666</u>	<u>2,309,032</u>	<u>690,953</u>
		<u>(309,952)</u>	<u>1,122,666</u>	<u>2,309,032</u>	<u>690,953</u>
		2,680,640	9,594,799	13,723,613	2,639,964
		(13,506)			
<u>\$</u>	<u>\$</u>	<u>\$ 2,357,182</u>	<u>\$ 10,717,465</u>	<u>\$ 16,032,645</u>	<u>\$ 3,330,917</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, 2016

	Fingerprint	Textbooks	Insurance Refund
Revenues:			
Other local	\$ 6,814	\$ 10,185	\$ 1,482
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	6,814	10,185	1,482
Expenditures:			
Current -			
Instruction		1,414	
Support services - students and staff		7,911	
Support services - administration	863		
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		4,455	
Total expenditures	863	13,780	
Excess (deficiency) of revenues over expenditures	5,951	(3,595)	1,482
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	5,951	(3,595)	1,482
Fund balances, beginning of year	12,907	123,356	334,889
Increase (decrease) in reserve for inventory			
Fund balances, end of year	\$ 18,858	\$ 119,761	\$ 336,371

<u>Joint Technical Education</u>	<u>Totals</u>
\$ 3,345,658	\$ 28,097,128
	20,504,481
	19,480,522
<u>3,345,658</u>	<u>68,082,131</u>
2,529,227	32,062,303
	6,002,599
	531,936
	532,323
20,937	782,542
	22,733,347
<u>22,271</u>	<u>904,435</u>
<u>2,572,435</u>	<u>63,549,485</u>
<u>773,223</u>	<u>4,532,646</u>
	<u>(352,930)</u>
	<u>(352,930)</u>
<u>773,223</u>	<u>4,179,716</u>
900,355	34,713,227
	(13,506)
<u>\$ 1,673,578</u>	<u>\$ 38,879,437</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, 2016

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 32,182	\$ 32,182
State aid and grants		16,220,210	16,220,210
Federal aid, grants and reimbursements			
Total revenues		<u>16,252,392</u>	<u>16,252,392</u>
Expenditures:			
Current -			
Instruction	25,254,163	17,214,838	8,039,325
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>25,254,163</u>	<u>17,214,838</u>	<u>8,039,325</u>
Excess (deficiency) of revenues over expenditures	<u>(25,254,163)</u>	<u>(962,446)</u>	<u>24,291,717</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(25,254,163)</u>	<u>(962,446)</u>	<u>24,291,717</u>
Fund balances, beginning of year		4,562,133	4,562,133
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (25,254,163)</u>	<u>\$ 3,599,687</u>	<u>\$ 28,853,850</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,301 1,763,899	\$ 2,301 1,763,899	\$	\$ 395,225	\$ 395,225
	<u>1,766,200</u>	<u>1,766,200</u>		<u>395,225</u>	<u>395,225</u>
1,276,000	1,189,807 20,688	86,193 (20,688)	40,000 397,134	33,792 343,607 995 126	6,208 53,527 (995) (126)
	<u>3,275</u>	<u>(3,275)</u>		<u>161</u>	<u>(161)</u>
<u>1,276,000</u>	<u>1,213,770</u>	<u>62,230</u>	<u>437,134</u>	<u>378,681</u>	<u>58,453</u>
<u>(1,276,000)</u>	<u>552,430</u>	<u>1,828,430</u>	<u>(437,134)</u>	<u>16,544</u>	<u>453,678</u>
			<u>(20,000)</u>	<u>(16,544)</u>	<u>3,456</u>
			<u>(20,000)</u>	<u>(16,544)</u>	<u>3,456</u>
<u>(1,276,000)</u>	<u>552,430</u>	<u>1,828,430</u>	<u>(457,134)</u>		<u>457,134</u>
	140,543	140,543			
<u>\$ (1,276,000)</u>	<u>\$ 692,973</u>	<u>\$ 1,968,973</u>	<u>\$ (457,134)</u>	<u>\$</u>	<u>\$ 457,134</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, 2016

	Structured English Immersion		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		273,775	273,775
Federal aid, grants and reimbursements			
Total revenues		<u>273,775</u>	<u>273,775</u>
Expenditures:			
Current -			
Instruction	251,994	251,994	
Support services - students and staff	19,375	19,375	
Support services - administration	2,406	2,406	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>273,775</u>	<u>273,775</u>	
Excess (deficiency) of revenues over expenditures	<u>(273,775)</u>		<u>273,775</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(273,775)</u>		<u>273,775</u>
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (273,775)</u>	<u>\$</u>	<u>\$ 273,775</u>

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	5,172,759	5,172,759		609,037	609,037
	5,172,759	5,172,759		609,037	609,037
3,742,216	3,039,286	702,930		444	(444)
1,800,000	1,837,954	(37,954)	794,425	582,661	211,764
100,000	108,540	(8,540)		40	(40)
	808	(808)			
	9,495	(9,495)			
100,000	97,179	2,821			
5,742,216	5,093,262	648,954	794,425	583,145	211,280
(5,742,216)	79,497	5,821,713	(794,425)	25,892	820,317
	(79,497)	(79,497)		(25,892)	(25,892)
	(79,497)	(79,497)		(25,892)	(25,892)
(5,742,216)		5,742,216	(794,425)		794,425
\$ (5,742,216)	\$	\$ 5,742,216	\$ (794,425)	\$	\$ 794,425

(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, 2016

	Limited English & Immigrant Students		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		406,080	406,080
Total revenues		406,080	406,080
Expenditures:			
Current -			
Instruction	40,000	40,989	(989)
Support services - students and staff	593,777	362,360	231,417
Support services - administration		2,183	(2,183)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	633,777	405,532	228,245
Excess (deficiency) of revenues over expenditures	(633,777)	548	634,325
Other financing sources (uses):			
Transfers in			
Transfers out		(548)	(548)
Total other financing sources (uses):		(548)	(548)
Changes in fund balances	(633,777)		633,777
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (633,777)	\$	\$ 633,777

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	74,400	74,400		5,069,718	5,069,718
	74,400	74,400		5,069,718	5,069,718
29,684	19,791	9,893	4,210,214	3,319,241	890,973
45,000	45,301	(301)	1,500,000	1,454,814	45,186
			30,000	27,161	2,839
			30,000	17,780	12,220
			40,000	35,196	4,804
10,000	6,173	3,827			
84,684	71,265	13,419	5,810,214	4,854,192	956,022
(84,684)	3,135	87,819	(5,810,214)	215,526	6,025,740
	(3,135)	(3,135)		(215,526)	(215,526)
	(3,135)	(3,135)		(215,526)	(215,526)
(84,684)		84,684	(5,810,214)		5,810,214
\$ (84,684)	\$	\$ 84,684	\$ (5,810,214)	\$	\$ 5,810,214

(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, 2016

	Johnson O'Malley		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		3,807	3,807
Total revenues		<u>3,807</u>	<u>3,807</u>
Expenditures:			
Current -			
Instruction		1,399	(1,399)
Support services - students and staff	21,628	2,246	19,382
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>21,628</u>	<u>3,645</u>	<u>17,983</u>
Excess (deficiency) of revenues over expenditures	<u>(21,628)</u>	<u>162</u>	<u>21,790</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(162)	(162)
Total other financing sources (uses):		<u>(162)</u>	<u>(162)</u>
Changes in fund balances	<u>(21,628)</u>		<u>21,628</u>
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (21,628)</u>	<u>\$</u>	<u>\$ 21,628</u>

Vocational Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 29,390	\$ 29,390
	417,642	417,642		1,025,786	1,025,786
	417,642	417,642		1,055,176	1,055,176
312,511	12,730	(12,730)		931	(931)
	234,969	77,542	50,000	45,990	4,010
	1,976	(1,976)	250,000	161,991	88,009
150,000	157,314	(7,314)	100,000	101,122	(1,122)
462,511	406,989	55,522	400,000	310,034	89,966
(462,511)	10,653	473,164	(400,000)	745,142	1,145,142
	(10,653)	(10,653)			
	(10,653)	(10,653)			
(462,511)		462,511	(400,000)	745,142	1,145,142
				8,597,037	8,597,037
\$ (462,511)	\$	\$ 462,511	\$ (400,000)	\$ 9,342,179	\$ 9,742,179

(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, 2016

	E-Rate		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 890	\$ 890
State aid and grants			
Federal aid, grants and reimbursements		822,344	822,344
Total revenues		<u>823,234</u>	<u>823,234</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	600,000	765,254	(165,254)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>600,000</u>	<u>765,254</u>	<u>(165,254)</u>
Excess (deficiency) of revenues over expenditures	<u>(600,000)</u>	<u>57,980</u>	<u>657,980</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(600,000)</u>	<u>57,980</u>	<u>657,980</u>
Fund balances, beginning of year		7,273	7,273
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (600,000)</u>	<u>\$ 65,253</u>	<u>\$ 665,253</u>

Other Federal Projects			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	226,386	226,386		275,682	275,682
	<u>226,386</u>	<u>226,386</u>		<u>275,682</u>	<u>275,682</u>
404,043	150,039	254,004	196,027	130,633	65,394
	22,768	(22,768)	40,000	33,398	6,602
			50,000	3,354	(3,354)
				45,097	4,903
<u>50,000</u>	<u>52,634</u>	<u>(2,634)</u>	<u>70,000</u>	<u>63,200</u>	<u>6,800</u>
<u>454,043</u>	<u>225,441</u>	<u>228,602</u>	<u>356,027</u>	<u>275,682</u>	<u>80,345</u>
<u>(454,043)</u>	<u>945</u>	<u>454,988</u>	<u>(356,027)</u>		<u>356,027</u>
	<u>(973)</u>	<u>(973)</u>			
	<u>(973)</u>	<u>(973)</u>			
<u>(454,043)</u>	<u>(28)</u>	<u>454,015</u>	<u>(356,027)</u>		<u>356,027</u>
	28	28			
<u>\$ (454,043)</u>	<u>\$</u>	<u>\$ 454,043</u>	<u>\$ (356,027)</u>	<u>\$</u>	<u>\$ 356,027</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, 2016

	Other State Projects		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		1,575,690	1,575,690
Federal aid, grants and reimbursements			
Total revenues		<u>1,575,690</u>	<u>1,575,690</u>
Expenditures:			
Current -			
Instruction	1,239,062	1,023,625	215,437
Support services - students and staff	500,000	542,569	(42,569)
Support services - administration		300	(300)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		9,196	(9,196)
Total expenditures	<u>1,739,062</u>	<u>1,575,690</u>	<u>163,372</u>
Excess (deficiency) of revenues over expenditures	<u>(1,739,062)</u>		<u>1,739,062</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(1,739,062)</u>		<u>1,739,062</u>
Fund balances, beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (1,739,062)</u>	<u>\$</u>	<u>\$ 1,739,062</u>

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 33,782	\$ 33,782	\$	\$ 7,902,846	\$ 7,902,846
				7,500,693	7,500,693
	<u>33,782</u>	<u>33,782</u>		<u>15,403,539</u>	<u>15,403,539</u>
25,000		25,000		31,611	(31,611)
				232,392	(232,392)
			15,200,000	15,417,308	(217,308)
				32,180	(32,180)
<u>25,000</u>		<u>25,000</u>	<u>15,200,000</u>	<u>15,713,491</u>	<u>(513,491)</u>
<u>(25,000)</u>	<u>33,782</u>	<u>58,782</u>	<u>(15,200,000)</u>	<u>(309,952)</u>	<u>14,890,048</u>
<u>(25,000)</u>	<u>33,782</u>	<u>58,782</u>	<u>(15,200,000)</u>	<u>(309,952)</u>	<u>14,890,048</u>
	132,594	132,594		2,680,640	2,680,640
				(13,506)	(13,506)
<u>\$ (25,000)</u>	<u>\$ 166,376</u>	<u>\$ 191,376</u>	<u>\$ (15,200,000)</u>	<u>\$ 2,357,182</u>	<u>\$ 17,557,182</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, 2016

	Civic Center		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,659,576	\$ 1,659,576
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>1,659,576</u>	<u>1,659,576</u>
Expenditures:			
Current -			
Instruction	100,000	42,987	57,013
Support services - students and staff	50,000	24,240	25,760
Support services - administration	855,863	199,060	656,803
Operation and maintenance of plant services	200,000	186,776	13,224
Student transportation services		3,735	(3,735)
Operation of non-instructional services			
Capital outlay	<u>100,000</u>	<u>80,112</u>	<u>19,888</u>
Total expenditures	<u>1,305,863</u>	<u>536,910</u>	<u>768,953</u>
Excess (deficiency) of revenues over expenditures	<u>(1,305,863)</u>	<u>1,122,666</u>	<u>2,428,529</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(1,305,863)</u>	<u>1,122,666</u>	<u>2,428,529</u>
Fund balances, beginning of year		9,594,799	9,594,799
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (1,305,863)</u>	<u>\$ 10,717,465</u>	<u>\$ 12,023,328</u>

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 11,693,284	\$ 11,693,284	\$	\$ 4,097,477	\$ 4,097,477
	<u>11,693,284</u>	<u>11,693,284</u>		<u>4,097,477</u>	<u>4,097,477</u>
1,200,000	1,250,993	(50,993)	3,025,000	3,079,630	(54,630)
300,000	277,518	22,482	125,000	124,797	203
150,000	153,447	(3,447)	100,000	97,070	2,930
	47,768	(47,768)	100,000	109,097	(9,097)
	78,860	(78,860)	200,000	198,816	1,184
7,410,598	7,316,039	94,559		30,385	(30,385)
250,000	259,627	(9,627)	250,000	246,526	3,474
<u>9,310,598</u>	<u>9,384,252</u>	<u>(73,654)</u>	<u>3,800,000</u>	<u>3,886,321</u>	<u>(86,321)</u>
<u>(9,310,598)</u>	<u>2,309,032</u>	<u>11,619,630</u>	<u>(3,800,000)</u>	<u>211,156</u>	<u>4,011,156</u>
<u>(9,310,598)</u>	<u>2,309,032</u>	<u>11,619,630</u>	<u>(3,800,000)</u>	<u>211,156</u>	<u>4,011,156</u>
	13,723,613	13,723,613		2,908,538	2,908,538
<u>\$ (9,310,598)</u>	<u>\$ 16,032,645</u>	<u>\$ 25,343,243</u>	<u>\$ (3,800,000)</u>	<u>\$ 3,119,694</u>	<u>\$ 6,919,694</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, 2016

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 3,442,800	\$ 3,442,800
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		3,442,800	3,442,800
Expenditures:			
Current -			
Instruction	1,750,000	1,809,074	(59,074)
Support services - students and staff	200,000	190,220	9,780
Support services - administration			
Operation and maintenance of plant services		1,576	(1,576)
Student transportation services	650,000	634,319	15,681
Operation of non-instructional services			
Capital outlay	100,000	116,658	(16,658)
Total expenditures	2,700,000	2,751,847	(51,847)
Excess (deficiency) of revenues over expenditures	(2,700,000)	690,953	3,390,953
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	(2,700,000)	690,953	3,390,953
Fund balances, beginning of year		2,639,964	2,639,964
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (2,700,000)	\$ 3,330,917	\$ 6,030,917

Gifts and Donations			Fingerprint		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 739,068	\$ 739,068	\$	\$ 6,814	\$ 6,814
	<u>739,068</u>	<u>739,068</u>		<u>6,814</u>	<u>6,814</u>
340,000	320,349	19,651			
300,000	270,798	29,202			
	40,707	(40,707)	30,000	863	29,137
	21,303	(21,303)			
	4,809	(4,809)			
<u>250,000</u>	<u>257,492</u>	<u>(7,492)</u>			
<u>890,000</u>	<u>915,458</u>	<u>(25,458)</u>	<u>30,000</u>	<u>863</u>	<u>29,137</u>
<u>(890,000)</u>	<u>(176,390)</u>	<u>713,610</u>	<u>(30,000)</u>	<u>5,951</u>	<u>35,951</u>
<u>(890,000)</u>	<u>(176,390)</u>	<u>713,610</u>	<u>(30,000)</u>	<u>5,951</u>	<u>35,951</u>
	2,637,889	2,637,889		12,907	12,907
<u>\$ (890,000)</u>	<u>\$ 2,461,499</u>	<u>\$ 3,351,499</u>	<u>\$ (30,000)</u>	<u>\$ 18,858</u>	<u>\$ 48,858</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, 2016

	Textbooks		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 10,185	\$ 10,185
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>10,185</u>	<u>10,185</u>
Expenditures:			
Current -			
Instruction	5,000	1,414	3,586
Support services - students and staff	10,000	7,911	2,089
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	<u>5,000</u>	<u>4,455</u>	<u>545</u>
Total expenditures	<u>20,000</u>	<u>13,780</u>	<u>6,220</u>
Excess (deficiency) of revenues over expenditures	<u>(20,000)</u>	<u>(3,595)</u>	<u>16,405</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(20,000)</u>	<u>(3,595)</u>	<u>16,405</u>
Fund balances, beginning of year		123,356	123,356
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (20,000)</u>	<u>\$ 119,761</u>	<u>\$ 139,761</u>

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 8,579	\$ 8,579	\$	\$ 1,482	\$ 1,482
	<u>8,579</u>	<u>8,579</u>		<u>1,482</u>	<u>1,482</u>
	1,403	(1,403)	5,000		5,000
	7,342	(7,342)			
	17,862	(17,862)			
<u>700,000</u>	<u>375,518</u>	<u>324,482</u>			
<u>700,000</u>	<u>402,125</u>	<u>297,875</u>	<u>5,000</u>		<u>5,000</u>
<u>(700,000)</u>	<u>(393,546)</u>	<u>306,454</u>	<u>(5,000)</u>	<u>1,482</u>	<u>6,482</u>
	352,930	352,930			
	<u>352,930</u>	<u>352,930</u>			
<u>(700,000)</u>	<u>(40,616)</u>	<u>659,384</u>	<u>(5,000)</u>	<u>1,482</u>	<u>6,482</u>
	1,981,492	1,981,492		334,889	334,889
<u>\$ (700,000)</u>	<u>\$ 1,940,876</u>	<u>\$ 2,640,876</u>	<u>\$ (5,000)</u>	<u>\$ 336,371</u>	<u>\$ 341,371</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, 2016

	Joint Technical Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 3,345,658	\$ 3,345,658
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>3,345,658</u>	<u>3,345,658</u>
Expenditures:			
Current -			
Instruction	2,600,000	2,529,227	70,773
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	100,000	20,937	79,063
Operation of non-instructional services			
Capital outlay	<u>100,000</u>	<u>22,271</u>	<u>77,729</u>
Total expenditures	<u>2,800,000</u>	<u>2,572,435</u>	<u>227,565</u>
Excess (deficiency) of revenues over expenditures	<u>(2,800,000)</u>	<u>773,223</u>	<u>3,573,223</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses):			
Changes in fund balances	<u>(2,800,000)</u>	<u>773,223</u>	<u>3,573,223</u>
Fund balances, beginning of year		900,355	900,355
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (2,800,000)</u>	<u>\$ 1,673,578</u>	<u>\$ 4,473,578</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 33,006,314	\$ 33,006,314
	20,504,481	20,504,481
	21,328,652	21,328,652
	<u>74,839,447</u>	<u>74,839,447</u>
45,708,403	35,464,616	10,243,787
7,058,850	6,451,526	607,324
1,518,269	831,704	686,565
1,005,000	1,445,839	(440,839)
990,000	986,167	3,833
22,610,598	22,763,732	(153,134)
2,235,000	1,885,093	349,907
<u>81,126,120</u>	<u>69,828,677</u>	<u>11,297,443</u>
<u>(81,126,120)</u>	<u>5,010,770</u>	<u>86,136,890</u>
	352,930	352,930
<u>(20,000)</u>	<u>(352,930)</u>	<u>(332,930)</u>
<u>(20,000)</u>		<u>20,000</u>
<u>(81,146,120)</u>	<u>5,010,770</u>	<u>86,156,890</u>
	50,978,050	50,978,050
	(13,506)	(13,506)
<u>\$ (81,146,120)</u>	<u>\$ 55,975,314</u>	<u>\$ 137,121,434</u>

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DEBT SERVICE FUND

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

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE
YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Other local	\$	\$ 99,757	\$ 99,757
Property taxes		26,535,139	26,535,139
Federal aid, grants and reimbursements		595,597	595,597
Total revenues		<u>27,230,493</u>	<u>27,230,493</u>
Expenditures:			
Debt service -			
Principal retirement	20,070,000	20,070,000	
Interest and fiscal charges	7,312,342	7,657,182	(344,840)
Total expenditures	<u>27,382,342</u>	<u>27,727,182</u>	<u>(344,840)</u>
Excess (deficiency) of revenues over expenditures	<u>(27,382,342)</u>	<u>(496,689)</u>	<u>26,885,653</u>
Other financing sources (uses):			
Transfers in		1,210,093	1,210,093
Total other financing sources (uses):		<u>1,210,093</u>	<u>1,210,093</u>
Changes in fund balances	<u>(27,382,342)</u>	<u>713,404</u>	<u>28,095,746</u>
Fund balances, beginning of year		2,850,551	2,850,551
Fund balances (deficits), end of year	<u>\$ (27,382,342)</u>	<u>\$ 3,563,955</u>	<u>\$ 30,946,297</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.

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2016

	<u>Insurance Proceeds</u>	<u>Litigation Recovery</u>	<u>Unrestricted Capital Outlay</u>
<u>ASSETS</u>			
Cash and investments	\$ 159,774	\$ 122,104	\$ 10,412,944
Property taxes receivable			494,671
Due from governmental entities			26,649
Inventory			187,055
Total assets	<u>\$ 159,774</u>	<u>\$ 122,104</u>	<u>\$ 11,121,319</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 11,792	\$	\$ 2,999,243
Total liabilities	<u>11,792</u>	<u></u>	<u>2,999,243</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes			<u>478,848</u>
Fund balances:			
Nonspendable			187,055
Restricted	147,982	122,104	7,456,173
Total fund balances	<u>147,982</u>	<u>122,104</u>	<u>7,643,228</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 159,774</u>	 <u>\$ 122,104</u>	 <u>\$ 11,121,319</u>

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, 2016

	<u>Insurance Proceeds</u>	<u>Litigation Recovery</u>	<u>Unrestricted Capital Outlay</u>
Revenues:			
Other local	\$ 12,689	\$ 4,254	\$ 547,151
Property taxes			4,281,964
State aid and grants			5,936,487
Total revenues	<u>12,689</u>	<u>4,254</u>	<u>10,765,602</u>
Expenditures:			
Current -			
Support services - administration		21,578	
Operation and maintenance of plant services	700		
Student transportation services	11,792		
Capital outlay	1,512		8,930,459
Debt service -			
Interest and fiscal charges			1,020,940
Total expenditures	<u>14,004</u>	<u>21,578</u>	<u>9,951,399</u>
Changes in fund balances	<u>(1,315)</u>	<u>(17,324)</u>	<u>814,203</u>
Fund balances, beginning of year	149,297	139,428	7,216,370
Increase (decrease) in reserve for inventory			(387,345)
Fund balances, end of year	<u>\$ 147,982</u>	<u>\$ 122,104</u>	<u>\$ 7,643,228</u>

<u>Adjacent Ways</u>	<u>Totals</u>
\$ 655,787	\$ 1,219,881
	4,281,964
	5,936,487
<u>655,787</u>	<u>11,438,332</u>
	21,578
	700
	11,792
322,303	9,254,274
	1,020,940
<u>322,303</u>	<u>10,309,284</u>
<u>333,484</u>	<u>1,129,048</u>
432,594	7,937,689
	(387,345)
<u>\$ 766,078</u>	<u>\$ 8,679,392</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, 2016

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 12,689	\$ 12,689
Property taxes			
State aid and grants			
Total revenues		<u>12,689</u>	<u>12,689</u>
Expenditures:			
Current -			
Support services - administration		700	(700)
Operation and maintenance of plant services		11,792	73,208
Student transportation services	85,000	1,512	(1,512)
Capital outlay			
Debt service -			
Bond issuance costs			
Total expenditures	<u>85,000</u>	<u>14,004</u>	<u>70,996</u>
Excess (deficiency) of revenues over expenditures	<u>(85,000)</u>	<u>(1,315)</u>	<u>83,685</u>
Other financing sources (uses):			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses):			
Changes in fund balances	<u>(85,000)</u>	<u>(1,315)</u>	<u>83,685</u>
Fund balances, beginning of year		149,297	149,297
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (85,000)</u>	<u>\$ 147,982</u>	<u>\$ 232,982</u>

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 4,254	\$ 4,254	\$	\$ 544,175	\$ 544,175
				4,281,964	4,281,964
				5,936,487	5,936,487
	<u>4,254</u>	<u>4,254</u>		<u>10,762,626</u>	<u>10,762,626</u>
50,000	21,578	28,422			
			11,239,150	7,425,916	3,813,234
<u>50,000</u>	<u>21,578</u>	<u>28,422</u>	<u>11,239,150</u>	<u>7,425,916</u>	<u>3,813,234</u>
<u>(50,000)</u>	<u>(17,324)</u>	<u>32,676</u>	<u>(11,239,150)</u>	<u>3,336,710</u>	<u>14,575,860</u>
<u>(50,000)</u>	<u>(17,324)</u>	<u>32,676</u>	<u>(11,239,150)</u>	<u>3,336,710</u>	<u>14,575,860</u>
	139,428	139,428		4,171,981	4,171,981
				(387,345)	(387,345)
<u>\$ (50,000)</u>	<u>\$ 122,104</u>	<u>\$ 172,104</u>	<u>\$ (11,239,150)</u>	<u>\$ 7,121,346</u>	<u>\$ 18,360,496</u>

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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, 2016

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 655,787	\$ 655,787
Property taxes			
State aid and grants			
Total revenues		<u>655,787</u>	<u>655,787</u>
Expenditures:			
Current -			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	1,120,000	322,303	797,697
Debt service -			
Bond issuance costs			
Total expenditures	<u>1,120,000</u>	<u>322,303</u>	<u>797,697</u>
Excess (deficiency) of revenues over expenditures	<u>(1,120,000)</u>	<u>333,484</u>	<u>1,453,484</u>
Other financing sources (uses):			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses):			
Changes in fund balances	<u>(1,120,000)</u>	<u>333,484</u>	<u>1,453,484</u>
Fund balances, beginning of year		432,594	432,594
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (1,120,000)</u>	<u>\$ 766,078</u>	<u>\$ 1,886,078</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>
\$	\$ 131,675	\$ 131,675	\$	\$ 743,143	\$ 743,143
	<u>131,675</u>	<u>131,675</u>		<u>743,143</u>	<u>743,143</u>
18,776,785	20,285,573	(1,508,788)	1,650,000	354,909	1,295,091
	536,500	(536,500)			
<u>18,776,785</u>	<u>20,822,073</u>	<u>(2,045,288)</u>	<u>1,650,000</u>	<u>354,909</u>	<u>1,295,091</u>
<u>(18,776,785)</u>	<u>(20,690,398)</u>	<u>(1,913,613)</u>	<u>(1,650,000)</u>	<u>388,234</u>	<u>2,038,234</u>
	(1,210,093)	(1,210,093)			
	60,000,000	60,000,000			
	1,571,544	1,571,544			
	<u>60,361,451</u>	<u>60,361,451</u>			
<u>(18,776,785)</u>	<u>39,671,053</u>	<u>58,447,838</u>	<u>(1,650,000)</u>	<u>388,234</u>	<u>2,038,234</u>
	14,991,580	14,991,580		3,214,881	3,214,881
<u>\$ (18,776,785)</u>	<u>\$ 54,662,633</u>	<u>\$ 73,439,418</u>	<u>\$ (1,650,000)</u>	<u>\$ 3,603,115</u>	<u>\$ 5,253,115</u>

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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, 2016

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 2,091,723	\$ 2,091,723
Property taxes		4,281,964	4,281,964
State aid and grants		5,936,487	5,936,487
Total revenues		<u>12,310,174</u>	<u>12,310,174</u>
Expenditures:			
Current -			
Support services - administration	50,000	21,578	28,422
Operation and maintenance of plant services		700	(700)
Student transportation services	85,000	11,792	73,208
Capital outlay	32,785,935	28,390,213	4,395,722
Debt service -			
Bond issuance costs		536,500	(536,500)
Total expenditures	<u>32,920,935</u>	<u>28,960,783</u>	<u>3,960,152</u>
Excess (deficiency) of revenues over expenditures	<u>(32,920,935)</u>	<u>(16,650,609)</u>	<u>16,270,326</u>
Other financing sources (uses):			
Transfers out		(1,210,093)	(1,210,093)
Issuance of school improvement bonds		60,000,000	60,000,000
Premium on sale of bonds		1,571,544	1,571,544
Total other financing sources (uses):		<u>60,361,451</u>	<u>60,361,451</u>
Changes in fund balances	<u>(32,920,935)</u>	<u>43,710,842</u>	<u>76,631,777</u>
Fund balances, beginning of year		23,099,761	23,099,761
Increase (decrease) in reserve for inventory		(387,345)	(387,345)
Fund balances (deficits), end of year	<u>\$ (32,920,935)</u>	<u>\$ 66,423,258</u>	<u>\$ 99,344,193</u>

AGENCY FUNDS

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

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, 2016

	Student Activities	Employee Insurance	Intergovernment al Agreements
<u>ASSETS</u>			
Cash and investments	\$ 1,088,059	\$ 764,193	\$ 151,342
Total assets	\$ 1,088,059	\$ 764,193	\$ 151,342
 <u>LIABILITIES</u>			
Accounts payable	\$ 15,971	\$	\$
Deposits held for others		764,193	
Due to governmental entities			151,342
Due to student groups	1,072,088		
Total liabilities	\$ 1,088,059	\$ 764,193	\$ 151,342

Totals

\$ 2,003,594
\$ 2,003,594

\$ 15,971
764,193
151,342
1,072,088
\$ 2,003,594

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
COMBINING STATEMENT OF CHANGES ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>STUDENT ACTIVITIES FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 1,010,941	\$ 1,318,774	\$ 1,241,656	\$ 1,088,059
Total assets	<u>\$ 1,010,941</u>	<u>\$ 1,318,774</u>	<u>\$ 1,241,656</u>	<u>\$ 1,088,059</u>
<u>Liabilities</u>				
Accounts payable	\$ 15,583	\$ 15,971	\$ 15,583	\$ 15,971
Due to student groups	<u>995,358</u>	<u>1,302,803</u>	<u>1,226,073</u>	<u>1,072,088</u>
Total liabilities	<u>\$ 1,010,941</u>	<u>\$ 1,318,774</u>	<u>\$ 1,241,656</u>	<u>\$ 1,088,059</u>
<u>EMPLOYEE INSURANCE FUND</u>				
<u>Assets</u>				
Cash and investments	\$ 399,736	\$ 18,842,202	\$ 18,477,745	\$ 764,193
Total assets	<u>\$ 399,736</u>	<u>\$ 18,842,202</u>	<u>\$ 18,477,745</u>	<u>\$ 764,193</u>
<u>Liabilities</u>				
Deposits held for others	\$ 399,736	\$ 18,842,202	\$ 18,477,745	\$ 764,193
Total liabilities	<u>\$ 399,736</u>	<u>\$ 18,842,202</u>	<u>\$ 18,477,745</u>	<u>\$ 764,193</u>
<u>INTERGOVERNMENTAL AGREEMENTS</u>				
<u>Assets</u>				
Cash and investments	\$ 153,877	\$ 224,699	\$ 227,234	\$ 151,342
Total assets	<u>\$ 153,877</u>	<u>\$ 224,699</u>	<u>\$ 227,234</u>	<u>\$ 151,342</u>
<u>Liabilities</u>				
Due to governmental entities	\$ 153,877	\$ 224,699	\$ 227,234	\$ 151,342
Total liabilities	<u>\$ 153,877</u>	<u>\$ 224,699</u>	<u>\$ 227,234</u>	<u>\$ 151,342</u>
<u>TOTAL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash and investments	\$ 1,564,554	\$ 20,385,675	\$ 19,946,635	\$ 2,003,594
Total assets	<u>\$ 1,564,554</u>	<u>\$ 20,385,675</u>	<u>\$ 19,946,635</u>	<u>\$ 2,003,594</u>
<u>Liabilities</u>				
Accounts payable	\$ 15,583	\$ 15,971	\$ 15,583	\$ 15,971
Deposits held for others	399,736	18,842,202	18,477,745	764,193
Due to governmental entities	153,877	224,699	227,234	151,342
Due to student groups	<u>995,358</u>	<u>1,302,803</u>	<u>1,226,073</u>	<u>1,072,088</u>
Total liabilities	<u>\$ 1,564,554</u>	<u>\$ 20,385,675</u>	<u>\$ 19,946,635</u>	<u>\$ 2,003,594</u>

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position:					
Net investment in capital assets	\$ 312,910,731	\$ 307,865,253	\$ 232,870,770	\$ 301,474,433	\$ 299,206,346
Restricted	52,243,718	45,627,532	43,063,447	40,530,253	40,482,863
Unrestricted	(232,450,580)	(233,602,892)	118,927,695	56,159,611	52,639,580
Total net position	\$ 132,703,869	\$ 119,889,893	\$ 394,861,912	\$ 398,164,297	\$ 392,328,789
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net Position:					
Net investment in capital assets	\$ 290,792,490	\$ 280,973,330	\$ 271,346,813	\$ 274,575,054	\$ 235,668,544
Restricted	48,221,343	62,487,821	54,097,818	63,739,848	54,003,411
Unrestricted	44,337,441	34,490,256	25,391,956	20,106,379	26,707,508
Total net position	\$ 383,351,274	\$ 377,951,407	\$ 350,836,587	\$ 358,421,281	\$ 316,379,463

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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses					
Instruction	\$ 191,898,312	\$ 186,429,957	\$ 173,271,438	\$ 168,729,823	\$ 163,526,973
Support services - students and staff	33,152,498	32,515,619	29,785,694	28,882,401	27,076,214
Support services - administration	26,316,599	25,912,476	24,248,461	23,338,498	22,137,479
Operation and maintenance of plant services	35,752,987	33,908,962	33,501,695	32,113,156	30,591,102
Student transportation services	15,678,218	14,578,521	13,188,767	12,100,023	9,719,040
Operation of non-instructional services	23,657,815	23,564,282	21,509,105	20,523,239	19,329,250
Interest on long-term debt	8,666,277	7,273,786	8,037,646	7,804,195	10,027,609
Total expenses	<u>335,122,706</u>	<u>324,183,603</u>	<u>303,542,806</u>	<u>293,491,335</u>	<u>282,407,667</u>
Program Revenues					
Charges for services:					
Instruction	8,488,234	5,570,716	6,359,353	5,219,916	4,996,244
Support services - students and staff	402,315	385,424	117,650		10,034
Support services - administration	950,698	238,136	111,485	178,786	478,513
Operation and maintenance of plant	906,347	212,162	376,764	662,435	997,082
Student transportation	198,816	822,449	438,848	581,916	471,253
Operation of non-instructional services	17,796,596	16,888,844	13,286,083	17,163,282	16,441,126
Operating grants and contributions	27,671,862	25,828,399	24,591,991	25,066,393	24,577,873
Capital grants and contributions	2,100,072	1,713,252	1,257,783	963,200	1,107,427
Total program revenues	<u>58,514,940</u>	<u>51,659,382</u>	<u>46,539,957</u>	<u>49,835,928</u>	<u>49,079,552</u>
Net (Expense)/Revenue	<u>\$ (276,607,766)</u>	<u>\$ (272,524,221)</u>	<u>\$ (257,002,849)</u>	<u>\$ (243,655,407)</u>	<u>\$ (233,328,115)</u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenses					
Instruction	\$ 166,877,011	\$ 161,837,168	\$ 173,594,344	\$ 164,521,068	\$ 146,936,532
Support services - students and staff	28,394,163	26,960,045	28,452,421	26,151,533	23,157,847
Support services - administration	23,509,661	22,166,871	23,604,982	20,836,773	18,881,732
Operation and maintenance of plant services	32,392,290	29,459,009	30,399,754	28,988,546	24,251,469
Student transportation services	10,881,130	9,607,141	9,969,991	7,264,375	8,750,312
Operation of non-instructional services	18,061,525	18,044,380	18,933,055	15,946,075	12,911,424
Interest on long-term debt	7,496,046	9,205,810	9,900,670	9,479,062	7,259,961
Total expenses	<u>287,611,826</u>	<u>277,280,424</u>	<u>294,855,217</u>	<u>273,187,432</u>	<u>242,149,277</u>
Program Revenues					
Charges for services:					
Instruction	5,577,144	773,984	381,205	323,317	1,355,216
Support services - students and staff	629,734	765,296	381,301	305,604	
Support services - administration		88,724	20,061	12,662	
Operation and maintenance of plant	1,877,912	16,947	53,881	1,170,792	944,157
Student transportation			55,918		
Operation of non-instructional services	15,835,658	15,158,016	15,462,819	14,218,683	6,903,187
Operating grants and contributions	30,477,791	50,531,358	36,657,368	40,082,730	35,508,968
Capital grants and contributions	1,261,054	1,190,231	2,254,464	27,149,930	44,854,185
Total program revenues	<u>55,659,293</u>	<u>68,524,556</u>	<u>55,267,017</u>	<u>83,263,718</u>	<u>89,565,713</u>
Net (Expense)/Revenue	<u>\$ (231,952,533)</u>	<u>\$ (208,755,868)</u>	<u>\$ (239,588,200)</u>	<u>\$ (189,923,714)</u>	<u>\$ (152,583,564)</u>

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

(Concluded)

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

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (Expense)/Revenue	\$ (276,607,766)	\$ (272,524,221)	\$ (257,002,849)	\$ (243,655,407)	\$ (233,328,115)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	97,247,079	106,255,122	90,478,185	88,551,962	84,683,551
Property taxes, levied for debt service	26,589,983	25,400,680	23,624,602	24,396,557	25,507,746
Property taxes, levied for capital outlay	4,264,233	8,777,957	1,634	504,545	626,292
Investment income	585,719	468,173	557,934	401,472	615,998
Unrestricted county aid	11,576,061	10,859,951	10,490,856	10,429,044	10,827,469
Unrestricted state aid	148,132,881	135,555,551	131,337,693	124,603,281	119,135,679
Unrestricted federal aid	1,025,786	885,407	483,119	604,054	908,895
Total general revenues	<u>289,421,742</u>	<u>288,202,841</u>	<u>256,974,023</u>	<u>249,490,915</u>	<u>242,305,630</u>
Changes in Net Position	<u>\$ 12,813,976</u>	<u>\$ 15,678,620</u>	<u>\$ (28,826)</u>	<u>\$ 5,835,508</u>	<u>\$ 8,977,515</u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net (Expense)/Revenue	\$ (231,952,533)	\$ (208,755,868)	\$ (239,588,200)	\$ (189,923,714)	\$ (152,583,564)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	82,014,404	86,005,833	82,338,004	71,634,769	62,017,516
Property taxes, levied for debt service	26,344,671	23,257,885	24,711,887	25,864,315	23,698,472
Property taxes, levied for capital outlay		4,389,300	508,750	3,213,099	7,159,439
Investment income	1,214,554	1,148,586	2,930,561	3,277,566	3,081,030
Unrestricted county aid	10,490,730	9,879,568			85,990
Unrestricted state aid	117,269,988	92,305,080	121,094,266	127,415,405	117,159,654
Other		2,141,289	1,635,478	560,378	5,012,903
Total general revenues	<u>238,792,657</u>	<u>232,394,517</u>	<u>233,218,946</u>	<u>231,965,532</u>	<u>218,215,004</u>
Changes in Net Position	<u>\$ 6,840,124</u>	<u>\$ 23,638,649</u>	<u>\$ (6,369,254)</u>	<u>\$ 42,041,818</u>	<u>\$ 65,631,440</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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Nonspendable	\$ 786,272	\$ 673,623	\$ 652,847	\$ 784,259	\$ 832,308
Assigned	2,313,266		2,237,799	2,230,485	103,947
Unassigned	31,552,018	30,179,538	19,052,614	19,244,972	19,901,529
Total General Fund	<u>\$ 34,651,556</u>	<u>\$ 30,853,161</u>	<u>\$ 21,943,260</u>	<u>\$ 22,259,716</u>	<u>\$ 20,837,784</u>
All Other Governmental Funds:					
Nonspendable	\$ 716,031	\$ 1,116,882	\$ 1,139,532	\$ 1,165,402	\$ 864,351
Restricted	105,069,386	59,376,165	76,914,832	62,098,400	59,801,258
Assigned				5,986,839	7,200,390
Unassigned				(242)	
Total all other governmental funds	<u>\$ 105,785,417</u>	<u>\$ 60,493,047</u>	<u>\$ 78,054,364</u>	<u>\$ 69,250,399</u>	<u>\$ 67,865,999</u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
General Fund:					
Nonspendable	\$ 1,242,381	\$	\$	\$	\$
Assigned	2,170,447				
Unassigned	22,585,873				
Reserved		898,110	1,268,583	1,275,595	687,967
Unreserved		9,422,139	5,993,432	11,059,872	10,663,106
Total General Fund	<u>\$ 25,998,701</u>	<u>\$ 10,320,249</u>	<u>\$ 7,262,015</u>	<u>\$ 12,335,467</u>	<u>\$ 11,351,073</u>
All Other Governmental Funds:					
Nonspendable	\$ 472,298	\$	\$	\$	\$
Restricted	95,564,046				
Assigned	10,262,249				
Unassigned	(173,863)				
Reserved		461,660.0	408,259.0	353,626.0	422,466.0
Unreserved, reported in:					
Special revenue funds		33,264,821	28,674,474	32,099,550	24,820,258
Capital projects funds		5,734,017	7,518,124	8,287,982	5,779,631
Debt service fund		39,942,388	49,031,650	16,764,772	54,821,497
Total all other governmental funds	<u>\$ 106,124,730</u>	<u>\$ 79,402,886</u>	<u>\$ 85,632,507</u>	<u>\$ 57,505,930</u>	<u>\$ 85,843,852</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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Federal sources:					
Federal grants	\$ 14,423,556	\$ 14,287,971	\$ 13,131,114	\$ 14,996,461	\$ 15,467,391
Education Jobs					107,704
National School Lunch Program	7,500,693	7,316,703	7,250,621	6,303,395	5,916,349
Total federal sources	<u>21,924,249</u>	<u>21,604,674</u>	<u>20,381,735</u>	<u>21,299,856</u>	<u>21,491,444</u>
State sources:					
State equalization assistance	130,148,772	118,890,542	115,449,634	113,164,519	107,942,906
State grants	2,520,372	1,232,843	1,043,290	992,266	1,062,411
School Facilities Board		26,532	128,063	575	
Other revenues	17,984,109	17,037,061	16,969,134	11,832,638	12,067,804
Total state sources	<u>150,653,253</u>	<u>137,186,978</u>	<u>133,590,121</u>	<u>125,989,998</u>	<u>121,073,121</u>
Local sources:					
Property taxes	134,275,739	140,527,520	113,385,224	112,239,554	108,935,444
County aid	11,576,061	10,859,951	10,490,856	10,429,044	10,827,469
Food service sales	7,891,558	8,167,122	7,544,780	7,905,222	7,873,837
Investment income	585,719	468,173	557,934	401,472	615,998
Other revenues	26,468,810	23,399,205	20,899,249	19,180,174	18,907,653
Total local sources	<u>180,797,887</u>	<u>183,421,971</u>	<u>152,878,043</u>	<u>150,155,466</u>	<u>147,160,401</u>
Total revenues	<u><u>\$ 353,375,389</u></u>	<u><u>\$ 342,213,623</u></u>	<u><u>\$ 306,849,899</u></u>	<u><u>\$ 297,445,320</u></u>	<u><u>\$ 289,724,966</u></u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Federal sources:					
Federal grants	\$ 14,993,389	\$ 13,627,566	\$ 11,885,873	\$ 10,282,581	\$ 10,199,331
State Fiscal Stabilization (ARRA)	1,194,557	13,266,976			
Education Jobs	7,017,462				
National School Lunch Program	6,046,703	5,445,247	4,026,765	3,769,502	3,506,021
Total federal sources	<u>29,252,111</u>	<u>32,339,789</u>	<u>15,912,638</u>	<u>14,052,083</u>	<u>13,705,352</u>
State sources:					
State equalization assistance	108,612,582	87,087,004	121,092,808	127,095,451	114,549,937
State grants	1,043,501	18,128,955	2,958,820	1,581,078	3,817,180
School Facilities Board			2,254,464	26,564,774	44,360,560
Other revenues	11,089,418	10,353,319	12,124,931	17,488,888	13,921,974
Total state sources	<u>120,745,501</u>	<u>115,569,278</u>	<u>138,431,023</u>	<u>172,730,191</u>	<u>176,649,651</u>
Local sources:					
Property taxes	107,114,442	106,475,575	105,315,825	99,895,062	92,894,992
County aid	10,490,730	9,566,820			85,990
Food service sales	7,448,743	7,643,407	7,603,643	7,098,910	6,458,773
Investment income	1,214,554	1,148,586	2,930,561	3,277,566	3,081,030
Other revenues	18,738,151	18,661,714	15,914,823	17,358,317	14,924,494
Total local sources	<u>145,006,620</u>	<u>143,496,102</u>	<u>131,764,852</u>	<u>127,629,855</u>	<u>117,445,279</u>
Total revenues	<u>\$ 295,004,232</u>	<u>\$ 291,405,169</u>	<u>\$ 286,108,513</u>	<u>\$ 314,412,129</u>	<u>\$ 307,800,282</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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenditures:					
Current -					
Instruction	\$ 178,161,154	\$ 168,613,847	\$ 159,893,937	\$ 157,503,654	\$ 154,632,849
Support services - students and staff	32,408,465	30,655,699	28,298,703	27,415,768	27,074,278
Support services - administration	25,525,181	24,158,819	22,774,150	21,751,970	22,163,912
Operation and maintenance of plant services	31,551,044	29,678,347	29,522,186	28,874,870	28,130,506
Student transportation services	13,716,324	11,728,466	10,781,835	9,794,146	9,068,423
Operation of non-instructional services	23,141,327	22,569,225	20,781,733	20,108,022	19,290,993
Capital outlay	31,779,849	79,831,110	22,752,705	21,139,365	46,133,024
Debt service -					
Interest and fiscal charges	8,678,122	7,802,652	8,296,843	8,480,287	9,817,215
Principal retirement	20,070,000	19,590,000	17,780,000	17,875,000	16,605,000
Payment to refunded bond escrow agent					210,394
Bond issuance costs	536,500	399,732	226,110	284,515	306,000
Total expenditures	<u>\$ 365,567,966</u>	<u>\$ 395,027,897</u>	<u>\$ 321,108,202</u>	<u>\$ 313,227,597</u>	<u>\$ 333,432,594</u>
Expenditures for capitalized assets	\$ 28,761,040	\$ 65,649,499	\$ 14,191,078	\$ 11,034,822	\$ 43,897,705
Debt service as a percentage of noncapital expenditures	9%	8%	9%	9%	9%

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Expenditures:					
Current -					
Instruction	\$ 151,400,235	\$ 151,675,594	\$ 162,545,125	\$ 155,380,849	\$ 144,684,544
Support services - students and staff	27,354,414	26,924,216	28,510,174	26,070,330	23,026,061
Support services - administration	21,557,673	21,411,460	22,700,240	20,898,410	18,735,914
Operation and maintenance of plant services	28,782,561	32,792,671	37,055,082	39,631,451	26,933,838
Student transportation services	9,065,798	9,939,226	9,704,720	13,283,853	9,231,317
Operation of non-instructional services	17,751,253	17,911,828	18,836,748	15,863,146	12,753,110
Capital outlay	10,702,323	7,362,435	14,123,195	46,166,521	66,334,405
Debt service -					
Interest and fiscal charges	9,735,025	9,424,601	10,137,272	9,628,353	7,381,343
Principal retirement	20,490,767	16,087,783	17,707,563	15,361,532	17,305,722
Payment to refunded bond escrow agent					
Bond issuance costs	414,250		438,565		359,310
Total expenditures	<u>\$ 297,254,299</u>	<u>\$ 293,529,814</u>	<u>\$ 321,758,684</u>	<u>\$ 342,284,445</u>	<u>\$ 326,745,564</u>
Expenditures for capitalized assets	\$ 7,906,464	\$ 15,586,238	\$ 24,470,854	\$ 73,086,576	\$ 77,737,837
Debt service as a percentage of noncapital expenditures	11%	9%	10%	9%	10%

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

(Concluded)

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)

	Fiscal Year Ended June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ (12,192,577)	\$ (52,814,274)	\$ (14,258,303)	\$ (15,782,277)	\$ (43,707,628)
Other financing sources (uses):					
Issuance of school improvement bonds	60,000,000		21,940,000	17,375,000	
Issuance of refunding bonds		36,770,000		16,880,000	30,000,000
Premium on sale of bonds	1,571,544	5,607,102	963,094	2,075,907	3,623,165
Transfers in	1,563,023	532,891	7,086,908	1,239,507	2,225,435
Transfers out	(1,563,023)	(532,891)	(7,086,908)	(1,239,507)	(2,225,435)
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>61,571,544</u>	<u>44,164,732</u>	<u>22,903,094</u>	<u>18,335,607</u>	<u>306,000</u>
Changes in fund balances	<u>\$ 49,378,967</u>	<u>\$ (8,649,542)</u>	<u>\$ 8,644,791</u>	<u>\$ 2,553,330</u>	<u>\$ (43,401,628)</u>
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Excess (deficiency) of revenues over expenditures	\$ (2,250,067)	\$ (2,124,645)	\$ (35,650,171)	\$ (27,872,316)	\$ (18,945,282)
Other financing sources (uses):					
Issuance of school improvement bonds	45,000,000		58,700,000		51,031,449
Premium on sale of bonds	1,158,832		1,171,115		
Transfers in	1,501,964	456,865	348,101	247,768	284,674
Transfers out	(1,501,964)	(456,865)	(348,101)	(247,768)	(284,674)
Total other financing sources (uses)	<u>46,158,832</u>	<u></u>	<u>59,871,115</u>	<u></u>	<u>51,031,449</u>
Changes in fund balances	<u>\$ 43,908,765</u>	<u>\$ (2,124,645)</u>	<u>\$ 24,220,944</u>	<u>\$ (27,872,316)</u>	<u>\$ 32,086,167</u>

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

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 436,005,673	\$ 421,798,183	\$ 425,479,044	\$ 460,698,786	\$ 506,650,685
Agricultural and Vacant	80,351,982	74,741,486	77,874,589	97,716,507	121,440,385
Residential (Owner Occupied)	1,207,781,038	1,150,537,390	1,062,131,857	1,173,551,420	1,273,261,533
Residential (Rental)	378,854,071	330,311,533	259,303,264	171,404,533	186,983,967
Railroad, Private Cars and Airlines	1,795,679	1,934,935	2,284,251	2,228,679	2,489,942
Historical Property	156,585,974	159,498,893	160,464,140	116,424,251	70,860,605
Certain Government Property Improvements	112,099	102,841	36,359	43,420	2,125
Total	\$ 2,261,486,516	\$ 2,138,925,261	\$ 1,987,573,504	\$ 2,022,067,596	\$ 2,161,689,242
Gross Full Cash Value	\$ 23,693,816,446	\$ 23,410,453,822	\$ 21,104,261,790	\$ 20,421,890,654	\$ 21,184,343,386
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	9%	9%	10%	10%
Total Direct Rate	6.61	7.28	6.46	6.20	5.71

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	\$ 603,873,570	\$ 560,966,287	\$ 466,808,865	\$ 410,878,987	\$ 339,512,204
Agricultural and Vacant	174,981,294	179,069,403	171,749,993	147,898,883	113,350,866
Residential (Owner Occupied)	1,468,955,082	1,654,936,034	1,471,797,690	1,262,351,380	1,029,676,233
Residential (Rental)	213,514,649	202,155,593	173,007,705	139,410,742	118,995,207
Railroad, Private Cars and Airlines	2,540,881	2,668,548	3,085,989	3,084,513	2,274,725
Historical Property	106,551,607	109,711,625	75,645,863	66,879,270	28,870,864
Certain Government Property Improvements	112,099	102,841	36,359	43,420	2,125
Total	\$ 2,570,417,083	\$ 2,709,507,490	\$ 2,362,096,105	\$ 2,030,503,775	\$ 1,632,680,099
Gross Full Cash Value	\$ 25,755,491,706	\$ 29,506,401,969	\$ 29,299,993,619	\$ 25,282,552,724	\$ 15,871,812,853
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	9%	8%	8%	10%
Total Direct Rate	4.84	4.49	4.58	5.16	6.33

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

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

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 473,151,270	\$ 428,489,081	\$ 428,347,889	\$ 463,859,119	\$ 510,752,596
Agricultural and Vacant	107,360,788	83,777,677	82,524,623	103,813,270	125,519,607
Residential (Owner Occupied)	1,459,082,210	1,200,797,172	1,062,725,411	1,173,675,234	1,274,049,523
Residential (Rental)	473,816,571	362,627,777	268,125,969	171,464,535	187,318,640
Railroad, Private Cars and Airlines	1,832,325	1,954,480	2,306,125	2,271,628	2,785,597
Historical Property	160,687,437	160,679,356	160,958,571	117,520,352	70,860,808
Certain Government Property Improvements	128,944	103,516	36,359	43,420	2,125
Total	\$ 2,676,059,545	\$ 2,238,429,059	\$ 2,005,024,947	\$ 2,032,647,558	\$ 2,171,288,896
Gross Full Cash Value	\$ 23,693,816,446	\$ 23,410,453,822	\$ 21,104,261,790	\$ 20,421,890,654	\$ 21,184,343,386
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	10%	10%	10%	10%
Total Direct Rate	6.61	7.28	6.46	6.20	5.71

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Commercial, Industrial, Utilities and Mining	\$ 673,791,378	\$ 802,532,445	\$ 547,658,595	\$ 468,449,852	\$ 375,933,925
Agricultural and Vacant	211,782,651	188,645,271	269,731,945	240,776,178	161,171,839
Residential (Owner Occupied)	1,473,299,511	1,700,032,500	1,975,917,663	1,730,625,064	1,039,867,179
Residential (Rental)	223,007,966	298,018,725	222,189,579	176,595,829	122,253,992
Railroad, Private Cars and Airlines	3,044,235	3,150,912	3,491,125	3,413,346	2,407,408
Historical Property	108,526,907	113,087,536	80,635,102	66,920,073	28,875,620
Certain Government Property Improvements					
Total	\$ 2,693,452,648	\$ 3,105,467,389	\$ 3,099,624,009	\$ 2,686,780,342	\$ 1,730,509,963
Gross Full Cash Value	\$ 25,755,491,706	\$ 29,506,401,969	\$ 29,299,993,619	\$ 25,282,552,724	\$ 15,871,812,853
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	11%	11%	11%	11%
Total Direct Rate	4.84	4.49	4.58	5.16	6.33

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

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

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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</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	15	15	15	17	18

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</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	Overlapping Rates									District Direct Rates		
	State	County	Community College District	Sun Lakes Fire District	City of Chandler	City of Tempe	Town of Gilbert	Town of Queen Creek	Primary	Secondary	Total	
	Equalization											
2016	0.51	1.36	1.49	3.25	1.18	2.52	1.06	1.95	4.16	2.45	6.61	
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	

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>2016</u>		<u>2007</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Assessed Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
Intel Corporation	\$ 156,557,083	6.92 %	\$ 62,177,272	3.94 %
Bank of America	14,767,372	0.65		
Covance Laboratories Inc	10,140,707	0.45		
Iridium Satellite LLC	10,037,029	0.44		
Wells Fargo Bank Na	9,778,842	0.43	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	0.34		
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>10.51 %</u>	<u>\$ 157,494,713</u>	<u>9.98 %</u>

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

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

CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 153,920,357	\$ 152,005,832	98.76 %	\$	\$ 152,005,832	98.76 %
2015	158,182,016	150,417,135	95.09	7,701,204	158,118,339	99.96
2014	129,351,907	128,512,923	99.35	819,568	129,332,491	99.98
2013	127,097,093	120,294,725	94.65	6,792,178	127,086,903	99.99
2012	125,213,643	117,879,099	94.14	5,810,178	123,689,277	98.78
2011	124,872,625	118,099,660	94.58	6,757,638	124,857,298	99.99
2010	126,666,025	112,467,632	88.79	7,987,384	120,455,016	95.10
2009	119,658,082	110,283,421	92.17	7,748,532	118,031,953	98.64
2008	115,522,309	111,669,356	96.66	3,845,893	115,515,249	99.99
2007	107,227,818	104,418,063	97.38	2,805,968	107,224,031	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
2016	\$ 247,713,239	\$ 4,922,072	\$242,791,167	1.02 %	\$ 1,048	\$ 43,765,000	\$291,478,239	1.23 %	\$ 1,258	N/A %
2015	207,217,100	3,558,226	203,658,874	0.87	899	43,765,000	250,982,100	1.07	1,107	0.15
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

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, 2016

<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	\$ 593,820,000	6.53 %	38,776,446
City of Chandler	332,870,000	74.82	249,053,334
Town of Gilbert	122,715,000	14.43	17,707,775
Subtotal, Overlapping Debt			<u>305,537,555</u>
Direct:			
Chandler Unified School District No. 80			<u>291,478,239</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 597,015,794</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		10.47 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,340	
As a Percentage of Net Limited Assessed Valuation		23.98 %
As a Percentage of Gross Full Cash Value		2.29 %

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 a portion of the District's net limited assessed valuation as a percentage of the net limited 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 2016:

Net full cash assessed valuation	\$ 2,676,059,545
Debt limit (20% of assessed value)	535,211,909
Debt applicable to limit	<u>230,265,000</u>
Legal debt margin	<u>\$ 304,946,909</u>

Total Legal Debt Margin Calculation for Fiscal Year 2016:

Net full cash assessed valuation	\$ 2,676,059,545
Debt limit (30% of assessed value)	802,817,864
Debt applicable to limit	<u>236,680,000</u>
Legal debt margin	<u>\$ 566,137,864</u>

Fiscal Year Ended June 30

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 802,817,864	\$ 671,528,718	\$ 601,507,484	\$ 609,794,267	\$ 651,386,669
Total net debt applicable to limit	<u>236,680,000</u>	<u>207,217,100</u>	<u>215,765,000</u>	<u>211,700,000</u>	<u>210,930,000</u>
Legal debt margin	<u>\$ 566,137,864</u>	<u>\$ 464,311,618</u>	<u>\$ 385,742,484</u>	<u>\$ 398,094,267</u>	<u>\$ 440,456,669</u>
Total net debt applicable to the limit as a percentage of debt limit	29%	31%	36%	35%	32%

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt Limit	\$ 808,035,794	\$ 931,640,352	\$ 928,887,203	\$ 806,034,103	\$ 519,152,989
Total net debt applicable to limit	<u>226,925,000</u>	<u>186,420,767</u>	<u>202,508,550</u>	<u>161,516,113</u>	<u>176,877,645</u>
Legal debt margin	<u>\$ 581,110,794</u>	<u>\$ 745,219,585</u>	<u>\$ 726,378,653</u>	<u>\$ 644,517,990</u>	<u>\$ 342,275,344</u>
Total net debt applicable to the limit as a percentage of debt limit	28%	20%	22%	20%	34%

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>
2015	4,076,438	\$ N/A	\$ N/A	5.5 %	231,764
2014	4,008,651	168,483,421	41,222	4.7	226,642
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

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 2006 through 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2015, the source of the information is the Arizona Office of Employment and Population Statistics.

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

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

<u>Employer</u>	<u>2016</u>		<u>2007</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	50,820	2.67 %	49,305	2.68 %
Banner Health Systems	41,530	2.18	16,400	0.89
Wal-Mart Stores Inc.	32,370	1.70	28,800	1.57
Fry's Food and Drug Stores	17,290	0.91	11,780	0.64
City of Phoenix	14,590	0.77	14,166	0.77
Wells Fargo Company	14,480	0.76	11,800	0.64
Maricopa County	13,570	0.71	13,274	0.72
Arizona State University	12,680	0.67	11,533	0.63
Dignity Health	12,100	0.64		
University of Arizona	11,440	0.60		
U.S. Postal Service			11,700	0.64
Honeywell			10,700	0.58
Total	<u>220,870</u>	<u>11.61 %</u>	<u>179,458</u>	<u>9.76 %</u>
Total employment	<u>1,902,687</u>		<u>1,838,500</u>	

Sources: The source of this county-wide information is the Business Journal Book of Lists.
The source of the "Total employment" for 2016 is the U.S. Department of Labor, Bureau of Labor Statistics, by Arizona Department of Administration, Office of Employment and Population Statistics.

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

	Full-time Equivalent Employees as of June 30				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Supervisory					
Instructional administrators	11	8	5	5	5
Noninstructional administrators	11	8	11	13	10
Principals	43	41	41	41	40
Assistant principals	22	20	20	20	21
Total supervisory	<u>87</u>	<u>77</u>	<u>77</u>	<u>79</u>	<u>76</u>
Instruction					
Elementary classroom teachers	911	893	897	889	852
Secondary classroom teachers	693	649	656	639	613
ESE teachers	290	273	276	262	190
Other teachers	338	317	287	285	298
Aides	290	263	266	304	263
Total instruction	<u>2,522</u>	<u>2,395</u>	<u>2,382</u>	<u>2,379</u>	<u>2,216</u>
Student Services					
Counselors	76	77	71	69	66
Psychologists	22	23	21	16	17
Librarians	35	32	33	34	34
Other professionals (noninstructional)	92	96	83	90	68
Technicians	87	82	81	79	74
Total student services	<u>312</u>	<u>310</u>	<u>289</u>	<u>288</u>	<u>259</u>
Support and Administration					
Office/Clerical	241	241	235	218	170
Transportation	226	197	187	180	178
Food Services	206	200	191	192	200
Skilled crafts	241	227	228	232	195
Unskilled laborers	371	363	322	265	345
Total support and administration	<u>1,285</u>	<u>1,228</u>	<u>1,163</u>	<u>1,087</u>	<u>1,088</u>
Total	<u><u>4,206</u></u>	<u><u>4,010</u></u>	<u><u>3,911</u></u>	<u><u>3,833</u></u>	<u><u>3,639</u></u>

(Continued)

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

	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Supervisory					
Instructional administrators	5	5	5	6	5
Noninstructional administrators	10	10	10	10	9
Principals	39	39	39	36	34
Assistant principals	19	19	20	17	17
Total supervisory	<u>73</u>	<u>73</u>	<u>74</u>	<u>69</u>	<u>65</u>
Instruction					
Elementary classroom teachers	847	836	720	851	785
Secondary classroom teachers	596	566	543	591	552
ESE teachers	190	180	200	193	202
Other teachers	291	321	361	221	214
Aides	287	332	444	446	438
Total instruction	<u>2,211</u>	<u>2,235</u>	<u>2,268</u>	<u>2,302</u>	<u>2,191</u>
Student Services					
Counselors	66	66	60	62	57
Psychologists	15	16	15	15	15
Librarians	34	34	31	32	30
Other professionals (noninstructional)	64	64	58	65	43
Technicians	108	77	78	69	62
Total student services	<u>287</u>	<u>257</u>	<u>242</u>	<u>243</u>	<u>207</u>
Support and Administration					
Office/Clerical	170	154	186	174	244
Transportation	176	296	317	265	160
Food Services	204	173	178	157	154
Skilled crafts	199	138	106	140	122
Unskilled laborers	345	350	447	340	259
Total support and administration	<u>1,094</u>	<u>1,111</u>	<u>1,234</u>	<u>1,076</u>	<u>939</u>
Total	<u><u>3,665</u></u>	<u><u>3,676</u></u>	<u><u>3,818</u></u>	<u><u>3,690</u></u>	<u><u>3,402</u></u>

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

(Concluded)

**CHANDLER UNIFIED SCHOOL DISTRICT NO. 80
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2016	42,894	\$ 304,503,495	\$ 7,099	0.82 %	\$ 335,122,706	\$ 7,813	(1.63) %	2,232	19.2	25.3 %
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

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

	Fiscal Year Ended June 30									
	<u>2016</u>	<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>Schools</u>										
<u>Elementary</u>										
Square feet	2,083,045	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
Capacity	25,412	24,276	24,276	24,276	24,276	24,276	24,276	24,276	22,137	22,137
Enrollment	20,765	22,913	22,764	22,306	22,100	22,013	21,145	20,844	19,884	18,990
<u>Middle</u>										
Square feet	715,593	635,092	635,092	635,092	635,092	635,092	635,092	602,322	600,446	600,446
Capacity	8,511	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,505	7,505
Enrollment	6,770	6,569	6,379	6,092	5,982	5,738	5,632	5,474	5,201	5,018
<u>High</u>										
Square feet	1,700,725	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
Capacity	17,301	15,588	15,588	15,588	15,588	15,588	15,588	15,588	15,588	15,588
Enrollment	13,778	13,113	12,521	12,011	11,562	11,154	10,693	10,107	9,717	9,073
<u>Administrative</u>										
Square feet	64,321	64,321	64,321	64,321	64,321	64,321	64,321	64,321	49,437	35,271
<u>Transportation</u>										
Garages	2	2	2	2	2	2	2	2	2	2
Buses	227	213	213	204	204	204	209	N/A	N/A	N/A
<u>Athletics</u>										
Football fields	10	9	9	9	9	9	9	9	9	9
Running tracks	9	9	9	9	9	9	9	9	9	9
Baseball/softball	42	38	38	38	38	38	38	38	38	38
Swimming pools	4	4	4	4	4	4	4	4	4	4
Playgrounds	62	62	62	62	62	62	62	61	60	56

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