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# WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6

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## Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**

**GLENDALE, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Issued by:  
Business and Finance Department

# WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6

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## **INTRODUCTORY SECTION**



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December 17, 2019

Citizens and Governing Board  
Washington Elementary School District No. 6  
4650 West Sweetwater Avenue  
Glendale, Arizona 85304

State law mandates that school districts are 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 Washington Elementary School District No. 6 (District) for the fiscal year ended June 30, 2019.

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, 2019, 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, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **PROFILE OF THE DISTRICT**

The Washington Elementary School District No. 6 was established in 1891 and is one of 58 public school districts located in Maricopa County, Arizona. It is the largest elementary district in the state of Arizona and provides a program of public education from Pre-Kindergarten through grade eight. Other supplemental programs are offered such as Head Start, early childhood and daycare programs providing services before and after school, and other community-based education programs.

Washington Elementary School District operates 32 school sites and three District administrative sites. The District currently maintains 264 buildings totaling nearly three million square feet. The average age of buildings in the District is 40 years. The District is consistently evaluating buildings to determine the need for general repair, renovation, or rebuild – based on building system condition and ongoing issues that occur. A plan for scope and funding options for major renovations and/or rebuilds is under continuous review and revision.

The District serves approximately 23,026 students in north central Phoenix and eastern Glendale. Projections indicate that enrollment should remain relatively constant with slight fluctuations up or down each year. Our schools continue to offer a variety of choice to parents related to the education of their children including a K-8 traditional school option. The District continues to expand STEM, Gifted, robotics and early childhood enrichment programs at seven schools. Recently, the district has prioritized the identification of high needs, high potential students for gifted Pre-K through 8<sup>th</sup> grade opportunities. The District continues to evaluate input received by parents to consider the feasibility of increasing more childhood opportunities and other alternatives within the District that would best support our students and families.

Washington Elementary School District has embarked on a system-wide program that encourages and expects continuous improvement for all aspects of the District. Each school and department develops action plans that reflect what goals they will address in the immediate future related to the four areas of focus for the District. These areas include: Staff Retention and Recruitment, Instructional Improvement, Climate and Culture, and Family and Community Engagement.

To facilitate community outreach and increase transparency, the District works with several committees and has begun to incorporate multiple web based applications and programs to increase public awareness. Links to applications such as School Locator Tool, Bond Projects, Peachjar flyer distribution, Budget Reports and many more allow anyone to see progress and developments in the WESD as it pertains to the District as a whole and on a smaller school-focused level as well.

The Business Advisory and Budget Committees provide opportunities for the District to ensure a common purpose with our stakeholders and create a better understanding of district educational and business practices. These committees also provide a platform for stakeholders to provide feedback and suggestions to the District. As the District continues to focus on the whole child, the Climate and Culture Committee encourages dialogue and action in order to increase positive and productive learning environments for all campuses. The Family and Community Engagement Committee increases opportunities for family and community to be involved in improving academic and social emotional growth and outcomes for all students.

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, component units combined with the District for financial statement purposes and the District are not included in any other governmental entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of district facilities, nutrition services, and extracurricular functions.

For fiscal year 2018-2019, the District experienced a 6.8 percent increase in its primary assessed valuation. The economy of the District is representative of the economies of the cities that overlap the District. Approximately 92 percent of the District lies within the boundaries of the City of Phoenix with only 8 percent falling within the boundaries of the City of Glendale.

## **BUDGETARY SYSTEMS AND CONTROLS**

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 Washington Elementary School District utilizes a "Student-Based Budget Process", meaning that schools and students are budget priorities. The budget for staffing and other resources is based on the number of students enrolled at each site and funds are allocated for these needs prior to evaluating the needs for departments. These budgets are set each year based on consistent standards and rubrics adopted by the Governing Board. Standards are developed and recommended to the Governing Board after receiving input from committees consisting of staff and other stakeholders involved in each particular area.

The Governing Board annually reviews any budget items that are outside the general state budget limits, e.g. Adjacent Ways, Desegregation. These items are approved individually after consideration of defined needs of the District and evaluation of any proposed impact to taxpayers in the District. The Governing Board has approved a Debt Management and Special Levy Policy to provide guidance for staff to consider when evaluating the need for additional levies or long-term debt such as bonds.

The District's proposed expenditure budget is presented to the Governing Board for review prior to July 15. The Governing Board is required to hold a public hearing on the proposed budget and to adopt the final budget by no later than July 15. The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code detail for the General and some Capital Project Funds. The level of budgetary control is established at the individual fund level for all funds. The Governing Board has given staff authorization to exceed subsections of a budget, if needed, with the stipulation that expenditures never exceed the total appropriated budget in a particular fund.

In order to ensure compliance with the legal provisions applicable to the annual appropriated budget, Washington Elementary School District maintains several budgetary controls. Budget-controlled funds are monitored consistently to ensure that schools and departments stay within their allocated budgets, and that expenditures are proper for the designated fund. The Finance Director can at any time reallocate budget capacity between accounts within a fund or from the contingency fund designated for emergencies and other needs that were not identified previously. The workflow for approval of purchases, budget transfers and journal entries has several levels for review before being posted. Budgets for cash-controlled funds are updated automatically within the financial system as revenue is received and these funds are reconciled throughout the year to ensure that cash available is sufficient to meet the appropriated budget.

Although not adopted, an annual revenue budget for all sources is prepared. The expenditure budget can be revised annually in accordance with Arizona Revised Statutes; however the revenue budget is not revised. Therefore a deficit budgeted fund balance can occur when the expenditure budget is increased during a revision. Funds that have over expenditures of budgeted funds have revenue earned throughout the year. 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's administration is charged with the responsibility of supervising the protection of the District's assets by employing various risk management techniques and procedures to reduce, absorb, minimize or transfer risk. The District carries insurance for general liability, auto liability and workers' compensation. The administration is also responsible for directing the District's benefits program, which includes the administration of health, life and other benefits for all full-time and some part-time employees. These activities are accounted for in the Internal Service Funds.

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** The City of Phoenix enjoys a highly diversified economic base consisting of manufacturing, agriculture, tourism, construction, education, distribution centers, finance and retailing. Tourism is an important income producer. Many world-class hotels and resorts cater to visitors. The city's light rail system offers a convenient transportation link from the airport to downtown Phoenix, with stops at the convention center and several downtown hotels. The light rail system includes several miles within the District boundaries. The greater Phoenix area serves as a hub for innovation and entrepreneurs by providing international access for aerospace, high-technology, bioscience, advanced business services and sustainable technologies companies.

The City of Phoenix is the Capitol and largest city of Arizona and is the county seat as well. Phoenix is also the fifth largest city in the nation by population, with more than 1.6 million residents and growing. The city encompasses an area approximately 519 square miles. The Phoenix metropolitan area is the population and economic activity center of the entire state. Phoenix is one of the leaders in the economics of the Southwestern area of the United States.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. The County was identified by the U.S. Census Bureau in 2019 as the fastest growing county in the country for the 3<sup>rd</sup> year in a row. Its boundaries encompass the cities of Phoenix, Mesa, Glendale, Scottsdale, Tempe, Chandler, Peoria and Gilbert. The County's population is estimated at 4.4 million or about 60 percent of the total population of the state. Maricopa County has a very wide range of economic sectors supporting its substantial growth. As of June 2019, the unemployment rate in the Phoenix area and Maricopa County was approximately 4.6 percent, just slightly higher than the national average of 3.7 percent.

Several years ago, the economic downturn greatly affected the State of Arizona, but statewide revenues have been performing far above projections over the last few years. This recent growth in revenue and an increase in public awareness related to education funding has provided a new focus on developing a sustainable funding system for the future. However, increased rent and home values present a challenge to school districts such as ours with a population of varied demographics. Washington Elementary School District is working with city leaders to create policies that encourage job creation and affordable housing within our boundaries. A voter initiative approved in May 2016 provides a consistent factor for an inflation increase added to school district budgets each year. Additional funding was also provided with this initiative for a period of ten years. The legislative session in 2018 resulted in a budget that favored K-12 education by providing funds to increase teacher salaries and a plan to continue this increase through at least fiscal year 2019-2020.

**Long-term Financial Planning.** The District incorporates shared-decision making processes into every aspect of District management and planning. The shared-decision making process allows the input of stakeholders (to include parents, employees and community members) into the decision-making and financial planning of the District. From these processes, advisory committees are formed to evaluate and make recommendations to the Superintendent in regard to the needs of the District. Committees related to bonds, overrides, business and community interests are just some of the progressive groups WESD has established to further successful planning for our District.

One such committee is the Bond Task Force. The District has recently evaluated all elements in its school buildings using a comprehensive tiered structure software and determined the condition of these elements as well as projected replacement date and cost to replace. Future capital plans have been updated to account for this information and changes in projected enrollment, based on demographic studies. The Bond Task Force reviewed recommendations related to building needs throughout the District and recommended a bond authorization election in November 2016. Voters approved this authorization and the District will continue to implement the capital improvement plan moved forward by the task force. Although demographic studies illustrate a slight decrease in student enrollment over the next few years, the capital plan continues to address aging facilities to meet the needs of all grade configurations, and is consistent with the vision of the learning environment embraced by the stakeholders of the District.

With annual budgets and funding now based on current year student enrollment, it is necessary to build reasonable reserves to offset the anticipated fluctuation in student average daily membership over the course of the next three to five years. The Governing Board at Washington Elementary School District supports this approach and understands the need to balance staff and student needs with conservative budget strategies.

## **AWARDS AND ACKNOWLEDGMENTS**

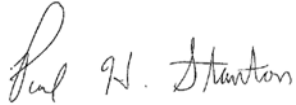
**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2018. In addition, the Government Finance Officers Association (GFOA) 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, 2018. 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, 2019 certificates.

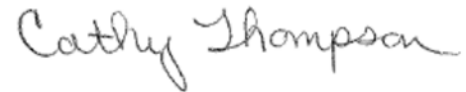
**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the business and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation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

In closing, we would like to extend our appreciation to the Governing Board for their leadership and support in attaining the highest standards of professionalism regarding the management of the District's finances.

Respectfully submitted,



Dr. Paul Stanton  
Superintendent



Cathy Thompson  
Director of Business Services





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

**Washington Elementary School District No. 6**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.**

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



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

Tom Wohlleber, CSR  
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

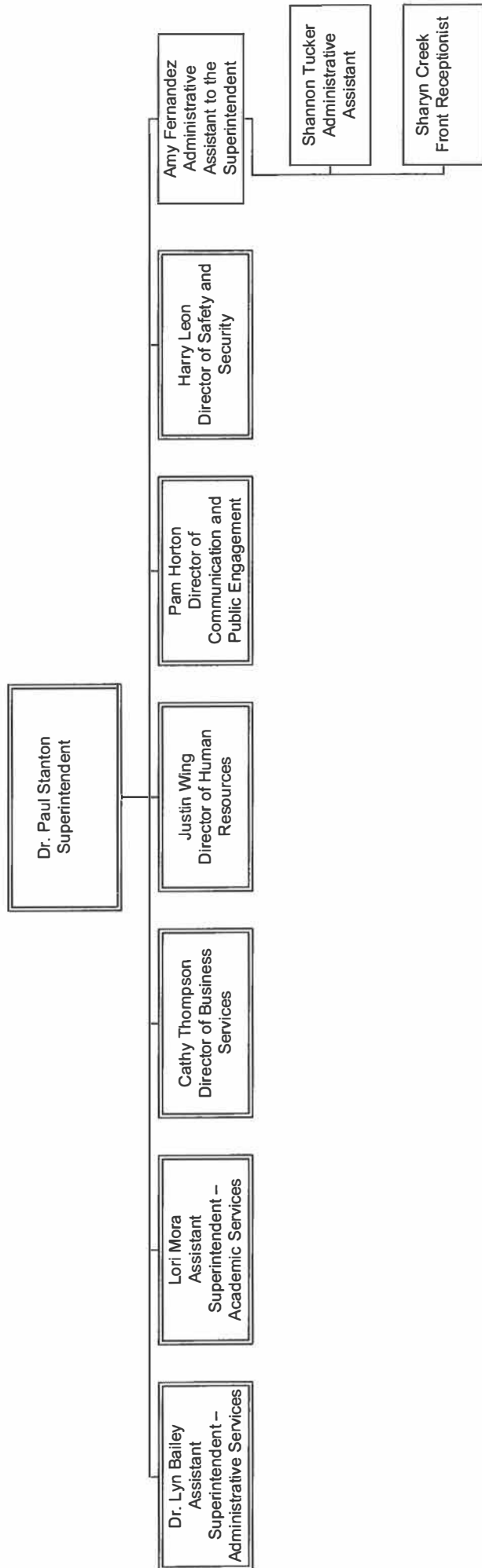
**Washington Elementary School  
District No. 6, Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Aaron Jahneke, President

Tee Lambert, Vice President

Bill Adams, Member

Larry Herrera, Member

Nikkie Whaley, Member

**ADMINISTRATIVE STAFF**

Paul Stanton, Ed.D., Superintendent

Cathy Thompson, Director of Business Services

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Washington Elementary School District No. 6

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Washington Elementary School District No. 6 (District), as of and for the year ended June 30, 2019, 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Washington Elementary School District No. 6, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows 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. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, for the year ended June 30, 2019, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.



## ***Other Matters***

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

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

### ***Other Information***

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

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

The Introductory Section and Statistical Sections 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 17, 2019 on our consideration of Washington Elementary School District No. 6's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Washington Elementary School District No. 6's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Washington Elementary School District No. 6's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Phoenix, Arizona  
December 17, 2019

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

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**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

As management of the Washington Elementary School District No. 6 (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, 2019. 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 \$16.0 million to \$82.6 million and the business-type activities decreased \$70,442 to \$1.2 million. The increase in net position for governmental activities is primarily due to a decrease in the net pension liability of \$22.2 million.
- General revenues from governmental activities accounted for \$181.5 million in revenue, or 77 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$53.3 million or 23 percent of total governmental activities revenues. The District had \$1.2 million in program revenues and \$14,521 in general revenues related to business-type activities.
- The District had approximately \$218.8 million in expenses related to governmental activities, an increase of eight percent from the prior fiscal year. The District had \$1.3 million in expenses related to business-type activities, an increase of \$59,944 from the prior fiscal year.
- Among major funds, the General Fund had \$155.0 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$154.9 million in expenditures. The General Fund's fund balance increased \$1.3 million from the prior fiscal year end.
- The Bond Building Fund's fund balance increased \$16.1 million due to the issuance of \$36.0 million in school improvement bonds.
- Net position for the Internal Service Funds decreased \$576,508 from the prior fiscal year. Operating expenses of \$20.9 million exceeded operating revenues of \$20.2 million at the end of the current year.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**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.

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).

In the government-wide financial statements, the District's activities are presented in the following categories:

- **Governmental activities** – 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. Property taxes and intergovernmental revenues support these activities.
- **Business-type activities** – The business-type activities of the District include Title I equitable services to students attending private schools through the Private School Consortium and public purchases of alternative fuel. These services are supported by user fees and costs of services.

**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 three categories: governmental funds, proprietary funds, and fiduciary funds.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

**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, Food Service, Debt Service, Bond Building, 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.

**Proprietary funds.** The District maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District uses separate enterprise funds to account for its private school consortium and alternative fuel services. The internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for its Employee Benefit Trust, Workers' Compensation, and Property and Casualty Insurance. Although legally separate component units, they function for all employees of the District and therefore have been included as internal service funds. In addition, the Print Shop Fund accounts for charges to other departments for printing and copying services. Because these activities predominately benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information for both of the enterprise funds, neither of which are considered to be major funds. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the proprietary funds is provided in the form of combining 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 and Food Service Fund as required supplementary information. Schedules for the pension and other postemployment benefit plans have been provided as required supplementary information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, governmental activities assets and deferred outflows exceeded liabilities and deferred inflows by \$82.6 million at the current fiscal year end.

The largest portion of the District's governmental activities 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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	Governmental Activities		Business-Type Activities		Total	
	As of June 30, 2019	As of June 30, 2018	As of June 30, 2019	As of June 30, 2018	As of June 30, 2019	As of June 30, 2018
Current and other assets	\$ 137,135,129	\$ 116,145,185	\$ 834,681	\$ 767,481	\$ 137,969,810	\$ 116,912,666
Capital assets, net	257,898,930	246,392,730	1,085,590	1,324,248	258,984,520	247,716,978
Total assets	<u>395,034,059</u>	<u>362,537,915</u>	<u>1,920,271</u>	<u>2,091,729</u>	<u>396,954,330</u>	<u>364,629,644</u>
Deferred outflows	<u>25,329,008</u>	<u>24,453,789</u>	<u>110,648</u>	<u>109,532</u>	<u>25,439,656</u>	<u>24,563,321</u>
Current and other Liabilities	10,648,609	15,117,555	23,746	64,067	10,672,355	15,181,622
Long-term liabilities	304,383,464	292,373,451	741,984	844,760	305,125,448	293,218,211
Total liabilities	<u>315,032,073</u>	<u>307,491,006</u>	<u>765,730</u>	<u>908,827</u>	<u>315,797,803</u>	<u>308,399,833</u>
Deferred inflows	<u>22,777,834</u>	<u>12,947,281</u>	<u>99,453</u>	<u>56,256</u>	<u>22,877,287</u>	<u>13,003,537</u>
Net position:						
Net investment in capital assets	169,329,032	171,036,125	1,085,590	1,324,248	170,414,622	172,360,373
Restricted	34,007,077	31,646,079			34,007,077	31,646,079
Unrestricted	<u>(120,782,949)</u>	<u>(136,128,787)</u>	<u>80,146</u>	<u>(88,070)</u>	<u>(120,702,803)</u>	<u>(136,216,857)</u>
Total net position	<u>\$ 82,553,160</u>	<u>\$ 66,553,417</u>	<u>\$ 1,165,736</u>	<u>\$ 1,236,178</u>	<u>\$ 83,718,896</u>	<u>\$ 67,789,595</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position for both governmental and business-type activities. Governmental activities unrestricted net position, which is normally used to meet the District's mission reported a deficit of \$120.8 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability.

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

- The principal retirement of \$11.5 million of bonds.
- The decrease of \$22.2 million in pension liabilities for governmental activities.
- The addition of \$22.1 million in capital assets for governmental activities.
- The issuance of \$36.0 million in school improvement bonds.



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

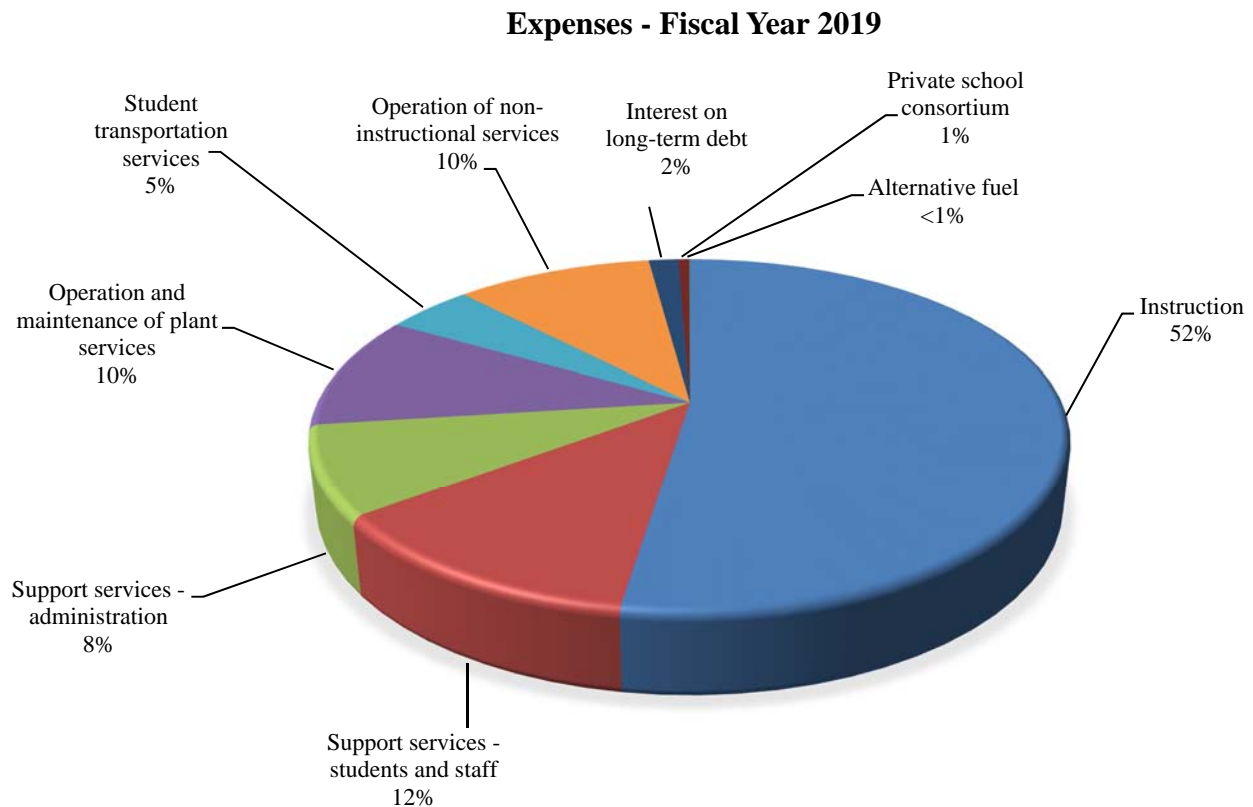
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$236.0 million. The total cost of all programs and services was \$220.1 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2019 and June 30, 2018.

	Governmental Activities		Business-Type Activities		Total	
	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 5,057,722	\$ 4,690,681	\$ 1,197,081	\$ 1,105,138	\$ 6,254,803	\$ 5,795,819
Operating grants and contributions	47,990,738	43,691,986			47,990,738	43,691,986
Capital grants and contributions	271,618	1,720,923			271,618	1,720,923
General revenues:						
Property taxes	60,967,583	58,605,086			60,967,583	58,605,086
Investment income	1,686,275	896,899	14,521	6,650	1,700,796	903,549
Unrestricted county aid	9,599,586	9,685,188			9,599,586	9,685,188
Unrestricted state aid	107,195,752	99,673,014			107,195,752	99,673,014
Unrestricted federal aid	2,020,790	1,927,651			2,020,790	1,927,651
<b>Total revenues</b>	<b>234,790,064</b>	<b>220,891,428</b>	<b>1,211,602</b>	<b>1,111,788</b>	<b>236,001,666</b>	<b>222,003,216</b>
<b>Expenses:</b>						
Instruction	115,423,800	105,181,329			115,423,800	105,181,329
Support services – students and staff	27,007,035	27,358,008			27,007,035	27,358,008
Support services – administration	18,138,223	16,094,942			18,138,223	16,094,942
Operation and maintenance of plant services	22,794,221	22,058,166			22,794,221	22,058,166
Student transportation services	9,885,626	8,601,342			9,885,626	8,601,342
Operation of non-instructional services	22,187,887	20,537,365			22,187,887	20,537,365
Interest on long-term debt	3,353,529	3,196,178			3,353,529	3,196,178
Private school consortium			1,177,029	1,124,241	1,177,029	1,124,241
Alternative fuel			105,015	97,859	105,015	97,859
<b>Total expenses</b>	<b>218,790,321</b>	<b>203,027,330</b>	<b>1,282,044</b>	<b>1,222,100</b>	<b>220,072,365</b>	<b>204,249,430</b>
<b>Changes in net position</b>	<b>15,999,743</b>	<b>17,864,098</b>	<b>(70,442)</b>	<b>(110,312)</b>	<b>15,929,301</b>	<b>17,753,786</b>
<b>Net position, beginning</b>	<b>66,553,417</b>	<b>48,689,319</b>	<b>1,236,178</b>	<b>1,346,490</b>	<b>67,789,595</b>	<b>50,035,809</b>
<b>Net position, ending</b>	<b>\$ 82,553,160</b>	<b>\$ 66,553,417</b>	<b>\$ 1,165,736</b>	<b>\$ 1,236,178</b>	<b>\$ 83,718,896</b>	<b>\$ 67,789,595</b>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- Instruction expenses increased \$10.2 million as a result of salary raises given to instructional staff.
- State aid revenues increased \$7.5 million as a result of increased funding received from the State legislature.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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.

	<u>Year Ended June 30, 2019</u>		<u>Year Ended June 30, 2018</u>	
	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>	<u>Total Expenses</u>	<u>Net (Expense)/ Revenue</u>
<b>Governmental Activities</b>				
Instruction	\$115,423,800	\$ (96,629,716)	\$105,181,329	\$ (88,528,107)
Support services – students and staff	27,007,035	(18,997,445)	27,358,008	(19,863,521)
Support services – administration	18,138,223	(17,913,936)	16,094,942	(15,853,064)
Operation and maintenance of plant services	22,794,221	(20,867,050)	22,058,166	(19,133,925)
Student transportation services	9,885,626	(9,819,071)	8,601,342	(8,538,781)
Operation of non-instructional services	22,187,887	2,110,504	20,537,365	2,189,836
Interest on long-term debt	3,353,529	(3,353,529)	3,196,178	(3,196,178)
<b>Total expenses</b>	<u>218,790,321</u>	<u>(165,470,243)</u>	<u>203,027,330</u>	<u>(152,923,740)</u>
<b>Business-Type Activities</b>				
Private school consortium	1,177,029	(66,631)	1,124,241	(99,429)
Alternative fuel	105,015	(18,332)	97,859	(17,533)
<b>Total expenses</b>	<u>1,282,044</u>	<u>(84,963)</u>	<u>1,222,100</u>	<u>(116,962)</u>
<b>Total</b>	<u>\$220,072,365</u>	<u>\$(165,555,206)</u>	<u>\$204,249,430</u>	<u>\$(153,040,702)</u>

- The cost of all governmental activities this year was \$218.8 million. The cost of all business-type activities this year was \$1.3 million.
- Federal and State governments and charges for services subsidized certain governmental and business-type programs with grants and contributions and other local revenues of \$54.5 million.
- Net cost of governmental activities of \$165.5 million was financed by general revenues, which are made up of primarily property taxes of \$61.0 million and state and county aid of \$116.8 million.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**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 \$101.8 million, an increase of \$22.4 million due primarily to the issuance of \$36.0 million in school improvement bonds.

The General Fund comprises 35 percent of the total fund balance. Approximately \$26.1 million, or 74 percent of the General Fund's fund balance is unassigned. Fund balance increased \$1.3 million to \$35.2 million as of the end of the fiscal year.

The fund balance in the Food Service Fund increased \$682,682 primarily due to an excess of revenues over expenditures resulting from efficient food service operations.

The fund balance for the Debt Service Fund increased \$1.3 million as a result of a deposit related to the issuance of the school improvement bonds.

Fund balance in the Bond Building Fund increased \$16.1 million due to the issuance of \$36.0 million in school improvement bonds.

**Proprietary funds.** Total net position of the Enterprise Funds and Internal Service Funds at the end of the fiscal year amounted to \$1.2 million and \$2.9 million, respectively. Net position for the Enterprise Funds decreased \$70,442, while net position for the Internal Service Funds decreased \$576,508 due to higher claims expense than expected.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$1.2 million decrease.

The revenue budget for the General Fund was not revised. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant expenditure variances are summarized as follows:

- The favorable variances in instruction, support services-students and staff, support services-administration, operation and maintenance of plant services, and student transportation services were primarily due to the number of vacant/unfilled positions and a greater than expected FY2018 carryforward.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District's investment in capital assets for its governmental and business-type activities totaled \$429.4 million. The investment in capital assets includes school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$18.0 million from the prior fiscal year, primarily due to the completion of various school renovation projects. Total depreciation expense for the current fiscal year was \$9.4 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2019 and June 30, 2018.

	Governmental Activities		Business-Type Activities		Total	
	As of June 30, 2019	As of June 30, 2018	As of June 30, 2019	As of June 30, 2018	As of June 30, 2019	As of June 30, 2018
Capital assets – non-depreciable	\$ 18,644,155	\$ 29,290,868	\$	\$	\$ 18,644,155	\$ 29,290,868
Capital assets – depreciable, net	239,254,775	217,101,862	1,085,590	1,324,248	240,340,365	218,426,110
<b>Total</b>	<b>\$ 257,898,930</b>	<b>\$ 246,392,730</b>	<b>\$ 1,085,590</b>	<b>\$ 1,324,248</b>	<b>\$ 258,984,520</b>	<b>\$ 247,716,978</b>

The estimated cost to complete current construction projects is \$40.6 million.

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Debt Administration.** At year end, the District had \$135.5 million in long-term debt outstanding, \$12.7 million due within one year. Long-term debt increased by \$28.9 million due to the issuance of \$36.0 million in 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 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$277.1 million and the Class B debt limit is \$184.7 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

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

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

Many factors were considered by the District's administration during the process of developing the fiscal year 2019-20 budget. Among them:

- An estimated budget balance carryforward of \$15.9 million in the Maintenance and Operation budget for the 2018-2019 fiscal year.
- An increase in assess values by 4.6 percent for the 2019 tax year due to improved economic conditions in the Phoenix metro area. Projections indicate that the assessed values will continue to slowly increase through fiscal year 2020.
- An increase in Employee health insurance costs.
- An average 5.3 percent increase in employee salaries due to the state's commitment to increase teacher salaries.
- A one-time lump sum payment to be awarded to continuing employees with an aggregate cost of approximately \$2.5 million by utilizing unexpended budget balance carryforward and additional funding from the state.
- Continued reductions in capital funding to school districts by the state legislature. The District continues to seek alternative funding sources to meet capital needs.
- Continued commitment to provide full-day kindergarten. The State Legislature funds for half-day kindergarten. The District funds the remaining half-day with a voter approved override.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

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

- The utilization of bond funds to renovate facilities in accordance with the Bond Master Plan.
- The rising cost of building materials, equipment and technology infrastructure, which affects the number of projects that can be completed in the Bond Master Plan.
- The utilization of Adjacent Ways funds for eligible projects in the Bond Master Plan.
- The utilization of bond funds and E-Rate funds to update technology infrastructure and technology devices for students and employees.
- Changes to E-Rate funding in which certain expenditures may no longer be eligible for reimbursement in future years.
- A 2.4 percent increase in utilities, such as water, electricity and communications.
- The utilization of the capital equipment replacement plan to prioritize the replacement of capital assets.
- Continuation of a district-wide energy conservation plan to reduce energy costs.
- An increased focus on recruitment and retention strategies due to a statewide and nationwide teacher shortage and hard to fill classified positions.
- Utilization of demographic analysis software to address the changes in the school funding formula which is based on estimated current year enrollment instead of actual prior year enrollment.
- Decrease in projected student enrollment based on student mobility and historical trends.
- Possible reductions in federal funding of approximately 10 percent for fiscal year 2020.

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 three percent to \$167.7 million in fiscal year 2019-20. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2019-20 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, Washington Elementary School District No. 6, 4650 West Sweetwater Avenue, Glendale, Arizona 85304.

## **BASIC FINANCIAL STATEMENTS**



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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	Governmental Activities	Business-type Activities	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 96,901,109	\$ 773,771	\$ 97,674,880
Property taxes receivable	3,560,658		3,560,658
Accounts receivable	650,687	60,910	711,597
Due from governmental entities	34,676,794		34,676,794
Prepaid items	89,221		89,221
Inventory	848,645		848,645
Total current assets	136,727,114	834,681	137,561,795
Noncurrent assets:			
Net other postemployment benefit assets	408,015		408,015
Capital assets not being depreciated	18,644,155		18,644,155
Capital assets, net of accumulated depreciation	239,254,775	1,085,590	240,340,365
Total noncurrent assets	258,306,945	1,085,590	259,392,535
<b>Total assets</b>	<b>395,034,059</b>	<b>1,920,271</b>	<b>396,954,330</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension and other postemployment benefit plan items	25,329,008	110,648	25,439,656
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	3,503,761	7,522	3,511,283
Construction contracts payable	4,181,583		4,181,583
Claims payable	4,021,503		4,021,503
Accrued payroll and employee benefits	424,538	16,224	440,762
Compensated absences payable	786,156		786,156
Accrued interest payable	2,143,848		2,143,848
Unearned revenues	394,879		394,879
Obligations under capital leases	699,848		699,848
Bonds payable	12,025,000		12,025,000
Total current liabilities	28,181,116	23,746	28,204,862
Noncurrent liabilities:			
Non-current portion of long-term obligations	286,850,957	741,984	287,592,941
Total noncurrent liabilities	286,850,957	741,984	287,592,941
<b>Total liabilities</b>	<b>315,032,073</b>	<b>765,730</b>	<b>315,797,803</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension and other postemployment benefit plan items	22,777,834	99,453	22,877,287
<b><u>NET POSITION</u></b>			
Net investment in capital assets	169,329,032	1,085,590	170,414,622
Restricted	34,007,077		34,007,077
Unrestricted	(120,782,949)	80,146	(120,702,803)
<b>Total net position</b>	<b>\$ 82,553,160</b>	<b>\$ 1,165,736</b>	<b>\$ 83,718,896</b>

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

<b>Functions/Programs</b>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Primary Government</b>					
Governmental activities:					
Instruction	\$ 115,423,800	\$ 859,248	\$ 17,907,253	\$ 27,583	\$ (96,629,716)
Support services - students and staff	27,007,035		8,009,590		(18,997,445)
Support services - administration	18,138,223		224,287		(17,913,936)
Operation and maintenance of plant services	22,794,221	134,524	1,548,612	244,035	(20,867,050)
Student transportation services	9,885,626		66,555		(9,819,071)
Operation of non-instructional services	22,187,887	4,063,950	20,234,441		2,110,504
Interest on long-term debt	3,353,529				(3,353,529)
Total governmental activities	<u>218,790,321</u>	<u>5,057,722</u>	<u>47,990,738</u>	<u>271,618</u>	<u>(165,470,243)</u>
Business-type activities:					
Private school consortium	1,177,029	1,110,398			
Alternative fuel	105,015	86,683			
Total business-type activities	<u>1,282,044</u>	<u>1,197,081</u>			
<b>Total primary government</b>	<u>\$ 220,072,365</u>	<u>\$ 6,254,803</u>	<u>\$ 47,990,738</u>	<u>\$ 271,618</u>	<u>(165,470,243)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	42,433,833
Property taxes, levied for debt service	14,915,494
Property taxes, levied for capital outlay	3,618,256
Investment income	1,686,275
Unrestricted county aid	9,599,586
Unrestricted state aid	107,195,752
Unrestricted federal aid	2,020,790
<b>Total general revenues</b>	<u>181,469,986</u>

**Changes in net position**

15,999,743

**Net position, beginning of year**

66,553,417

**Net position, end of year**

\$ 82,553,160

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

Net (Expense) Revenue and  
Changes in Net Position

Business-type Activities	Totals
\$	\$ (96,629,716)
	(18,997,445)
	(17,913,936)
	(20,867,050)
	(9,819,071)
	2,110,504
	(3,353,529)
	(165,470,243)
	(66,631)
	(66,631)
	(18,332)
	(18,332)
	(84,963)
	(84,963)
	(165,555,206)
	42,433,833
	14,915,494
	3,618,256
14,521	1,700,796
	9,599,586
	107,195,752
	2,020,790
	181,484,507
	(70,442)
15,929,301	
1,236,178	67,789,595
\$ 1,165,736	\$ 83,718,896

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**FUND FINANCIAL STATEMENTS**



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	General	Food Service	Debt Service
<b><u>ASSETS</u></b>			
Cash and investments	\$ 4,517,352	\$ 15,085,048	\$ 16,585,180
Property taxes receivable	3,302,745		257,913
Accounts receivable			
Due from governmental entities	27,529,571	273,020	
Due from other funds	4,718,213		
Inventory	672,932	175,713	
<b>Total assets</b>	<b>\$ 40,740,813</b>	<b>\$ 15,533,781</b>	<b>\$ 16,843,093</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 2,198,515	\$ 455,810	\$
Construction contracts payable			
Due to other funds			
Accrued payroll and employee benefits	304,650	19,565	
Unearned revenues			
Bonds payable			12,025,000
Bond interest payable			2,143,848
<b>Total liabilities</b>	<b>2,503,165</b>	<b>475,375</b>	<b>14,168,848</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	3,045,089		186,054
Unavailable revenues - intergovernmental			
<b>Total deferred inflows of resources</b>	<b>3,045,089</b>		<b>186,054</b>
Fund balances (deficits):			
Nonspendable	672,932	175,713	
Restricted	8,413,650	14,882,693	2,488,191
Unassigned	26,105,977		
<b>Total fund balances</b>	<b>35,192,559</b>	<b>15,058,406</b>	<b>2,488,191</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 40,740,813</b>	 <b>\$ 15,533,781</b>	 <b>\$ 16,843,093</b>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 46,806,811	\$ 6,924,813	\$ 89,919,204
		3,560,658
	75,134	75,134
	6,874,203	34,676,794
		4,718,213
		848,645
<u>\$ 46,806,811</u>	<u>\$ 13,874,150</u>	<u>\$ 133,798,648</u>
\$ 4,139,547	\$ 775,272	\$ 3,429,597
	42,036	4,181,583
	4,718,213	4,718,213
	100,323	424,538
	394,879	394,879
		12,025,000
		2,143,848
<u>4,139,547</u>	<u>6,030,723</u>	<u>27,317,658</u>
		3,231,143
	1,446,138	1,446,138
	<u>1,446,138</u>	<u>4,677,281</u>
		848,645
42,667,264	7,578,109	76,029,907
	(1,180,820)	24,925,157
<u>42,667,264</u>	<u>6,397,289</u>	<u>101,803,709</u>
<u>\$ 46,806,811</u>	<u>\$ 13,874,150</u>	<u>\$ 133,798,648</u>

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**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

**Total governmental fund balances** **\$ 101,803,709**

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	\$ 426,736,422	
Less accumulated depreciation	<u>(169,161,189)</u>	257,575,233

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

Property taxes	3,231,143	
Intergovernmental	<u>1,446,138</u>	4,677,281

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

Deferred outflows of resources related to pensions/OPEB	25,329,008	
Deferred inflows of resources related to pensions/OPEB	<u>(22,777,834)</u>	2,551,174

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.

408,015

The Internal Service Funds are used by management to charge the cost of insurance and printing fees to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.

2,900,641

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

Compensated absences payable	(2,712,572)	
Obligations under capital leases	(5,344,136)	
Net OPEB liability	(604,120)	
Net pension liability	(160,558,828)	
Bonds payable	<u>(118,143,237)</u>	<u>(287,362,893)</u>

**Net position of governmental activities** **\$ 82,553,160**

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	General	Food Service	Debt Service
<b>Revenues:</b>			
Other local	\$ 11,314,531	\$ 503,820	\$ 53,452
Property taxes	46,064,605		14,864,807
State aid and grants	95,575,111		
Federal aid, grants and reimbursements	2,020,790	19,981,278	
<b>Total revenues</b>	154,975,037	20,485,098	14,918,259
<b>Expenditures:</b>			
Current -			
Instruction	87,640,805		
Support services - students and staff	20,763,009		
Support services - administration	16,370,201		
Operation and maintenance of plant services	18,907,322	63,632	
Student transportation services	8,063,661		
Operation of non-instructional services	550,568	17,652,820	
Capital outlay	2,203,430	585,964	
Debt service -			
Principal retirement	331,448		12,025,000
Interest and fiscal charges	51,254		3,589,522
Bond issuance costs			
<b>Total expenditures</b>	154,881,698	18,302,416	15,614,522
<b>Excess (deficiency) of revenues over expenditures</b>	93,339	2,182,682	(696,263)
<b>Other financing sources (uses):</b>			
Transfers in	1,711,258		2,014,864
Transfers out	(520,000)	(1,500,000)	
Issuance of school improvement bonds			
Premium on sale of bonds			
Insurance recoveries	25,587		
<b>Total other financing sources (uses)</b>	1,216,845	(1,500,000)	2,014,864
<b>Changes in fund balances</b>	1,310,184	682,682	1,318,601
<b>Fund balances, beginning of year</b>	33,847,448	14,388,944	1,169,590
Increase (decrease) in reserve for inventory	34,927	(13,220)	
<b>Fund balances, end of year</b>	\$ 35,192,559	\$ 15,058,406	\$ 2,488,191

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 760,619	\$ 4,435,653	\$ 17,068,075
	450,001	61,379,413
	17,202,810	112,777,921
	23,118,158	45,120,226
<u>760,619</u>	<u>45,206,622</u>	<u>236,345,635</u>
	27,919,998	115,560,803
	8,163,352	28,926,361
	309,611	16,679,812
	1,084,130	20,055,084
	146,685	8,210,346
	3,992,228	22,195,616
23,833,997	387,011	27,010,402
	342,602	12,699,050
	179,053	3,819,829
427,799		427,799
<u>24,261,796</u>	<u>42,524,670</u>	<u>255,585,102</u>
<u>(23,501,177)</u>	<u>2,681,952</u>	<u>(19,239,467)</u>
	520,000	4,246,122
(2,014,864)	(211,258)	(4,246,122)
36,000,000		36,000,000
5,578,445		5,578,445
		25,587
<u>39,563,581</u>	<u>308,742</u>	<u>41,604,032</u>
<u>16,062,404</u>	<u>2,990,694</u>	<u>22,364,565</u>
26,604,860	3,406,595	79,417,437
		21,707
<u>\$ 42,667,264</u>	<u>\$ 6,397,289</u>	<u>\$ 101,803,709</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2019**

<b>Changes in fund balances - total governmental funds</b>		<b>\$ 22,364,565</b>
<p>Amounts reported for <i>governmental activities</i> in the Statement of Activities are different because:</p>		
<p>Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense.</p>		
Expenditures for capitalized assets	\$ 22,014,231	
Less current year depreciation	<u>(9,175,987)</u>	12,838,244
<p>Issuance of school improvement bonds provides current financial resources to governmental funds, but the issuance increases long term liabilities in the Statement of Net Position.</p>		
		(36,000,000)
<p>Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes	(411,830)	
Intergovernmental	<u>(1,249,465)</u>	(1,661,295)
<p>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.</p>		
Capital lease principal retirement	674,050	
Bond principal retirement	<u>12,025,000</u>	12,699,050
<p>Governmental funds report pension/OPEB contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension/OPEB liability, adjusted for deferred items, is reported as pension/OPEB expense in the Statement of Activities.</p>		
Current year pension/OPEB contributions	14,605,756	
Pension/OPEB expense	<u>(1,724,788)</u>	12,880,968
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Inventory	21,707	
Loss on disposal of assets	(1,314,821)	
Amortization of deferred bond items	(5,112,145)	
Compensated absences	<u>(140,022)</u>	(6,545,281)
<p>The Internal Service Funds are used by management to charge the cost of insurance and printing fees to the individual funds. The changes in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities.</p>		
		<u>(576,508)</u>
<b>Changes in net position in governmental activities</b>		<b><u><u>\$ 15,999,743</u></u></b>

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2019**

	<u>Enterprise Funds</u>	<u>Governmental Activities: Internal Service Funds</u>
	<u>Non-Major Enterprise Funds</u>	
<b><u>ASSETS</u></b>		
Current assets:		
Cash and investments	\$ 773,771	\$ 6,981,905
Accounts receivable	60,910	575,553
Prepaid items		89,221
Total current assets	834,681	7,646,679
Noncurrent assets:		
Capital assets, net of accumulated depreciation	1,085,590	323,697
Total noncurrent assets	1,085,590	323,697
<b>Total assets</b>	<b>1,920,271</b>	<b>7,970,376</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>		
Pension and other postemployment benefit plan items	110,648	
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Accounts payable	7,522	74,164
Claims payable		4,021,503
Accrued payroll and employee benefits	16,224	
Total current liabilities	23,746	4,095,667
Noncurrent liabilities:		
Non-current portion of long-term obligations	741,984	974,068
Total noncurrent liabilities	741,984	974,068
<b>Total liabilities</b>	<b>765,730</b>	<b>5,069,735</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>		
Pension and other postemployment benefit plan items	99,453	
<b><u>NET POSITION</u></b>		
Investment in capital assets	1,085,590	323,697
Unrestricted	80,146	2,576,944
<b>Total net position</b>	<b>\$ 1,165,736</b>	<b>\$ 2,900,641</b>

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



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Enterprise Funds</u>	Governmental Activities: Internal Service Funds
	Non-Major Enterprise Funds	<u>Funds</u>
<b>Operating revenues:</b>		
Contributions	\$	\$ 19,700,420
Charges for services	1,197,081	508,463
<b>Total operating revenues</b>	<u>1,197,081</u>	<u>20,208,883</u>
<b>Operating expenses:</b>		
Claims		15,646,558
Premiums		2,068,491
Administrative and other		2,660,680
Cost of services	1,163,290	419,804
Depreciation	118,754	69,995
<b>Total operating expenses</b>	<u>1,282,044</u>	<u>20,865,528</u>
<b>Operating income (loss)</b>	<u>(84,963)</u>	<u>(656,645)</u>
<b>Nonoperating revenues (expenses):</b>		
Investment income	14,521	80,137
<b>Total nonoperating revenues (expenses)</b>	<u>14,521</u>	<u>80,137</u>
<b>Changes in net position</b>	<u>(70,442)</u>	<u>(576,508)</u>
<b>Total net position, beginning of year</b>	1,236,178	3,477,149
<b>Total net position, end of year</b>	<u>\$ 1,165,736</u>	<u>\$ 2,900,641</u>

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2019**

	<b>Enterprise Funds</b>	<b>Governmental Activities: Internal Service Funds</b>
	<b>Non-Major Enterprise Funds</b>	<b>Funds</b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>		
<b>Cash flows from operating activities:</b>		
Cash received from contributions	\$	\$ 19,426,913
Cash received for services	1,136,171	508,463
Cash payments to suppliers for goods and services	(337,731)	(5,145,196)
Cash payments to employees for services	(926,575)	
Cash payments for claims		(15,557,847)
	(128,135)	(767,667)
<b>Net cash provided by/used for operating activities</b>		
<b>Cash flows from capital and related financing activities:</b>		
Acquisition of capital assets	(2,964)	(52,772)
Disposal of capital assets	122,868	
	119,904	(52,772)
<b>Net cash provided by/used for capital and related financing activities</b>		
<b>Cash flows from investing activities:</b>		
Investment income	14,521	80,137
	14,521	80,137
<b>Net cash provided by/used for investing activities</b>		
	6,290	(740,302)
<b>Net increase/decrease in cash and cash equivalents</b>		
	767,481	7,722,207
<b>Cash and cash equivalents, beginning of year</b>		
	773,771	6,981,905
<b>Cash and cash equivalents, end of year</b>		
<b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>		
<b>Operating income/loss</b>	\$ (84,963)	\$ (656,645)
Adjustments to reconcile operating income/loss to net provided by/used for operating activities:		
Depreciation	118,754	69,995
Changes in assets and liabilities:		
Increase/decrease in accounts receivable	(60,910)	(273,507)
Increase/decrease in prepaid items		(13,331)
Increase/decrease in accounts payable	(40,460)	17,110
Increase/decrease in claims payable		88,711
Increase/decrease in accrued payroll and employee benefits	139	
Change in pension items	(60,695)	
	(43,172)	(111,022)
<b>Total adjustments</b>		
	(128,135)	(767,667)
<b>Net cash provided by/used for operating activities</b>	\$	\$

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2019**

	Agency
<b><u>ASSETS</u></b>	
Cash and investments	\$ 326,338
<b>Total assets</b>	<b>\$ 326,338</b>
 <b><u>LIABILITIES</u></b>	
Deposits held for others	\$ 166,999
Due to student groups	159,339
<b>Total liabilities</b>	<b>\$ 326,338</b>

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The financial statements of the Washington Elementary School District No. 6 (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, 2019, the District implemented the provisions of GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. This Statement requires enhanced note disclosures and clarifies which liabilities governments should include when disclosing information related to debt.

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, component units combined with the District for financial statement presentation purposes, and the District, are 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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**Blended Component Unit** – Blended component units, although legally separate entities, are, in substance, part of the District’s operations. The Washington Elementary School District No. 6 Employee Benefit Trust (Employee Benefit Trust), the Washington Elementary School District No. 6 Workers’ Compensation Trust (Workers’ Compensation Trust), and the Washington Elementary School District No. 6 Property and Casualty Insurance Trust (Casualty Trust) are responsible for providing health, workers’ compensation and property and casualty insurance for the District and its employees. The District’s Governing Board appoints the Board of Directors for each of the Trusts boards. The Trusts provide services entirely to the District and therefore have been included as Internal Service Funds in accordance with the criteria established by GASB.

Separate financial statements are prepared monthly for each of the component units and may be obtained at the Washington Elementary School District No. 6’s administrative offices – 4650 West Sweetwater Avenue, Glendale, Arizona 85304.

**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 and its component units. For the most part, the effect of internal activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. 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 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, proprietary 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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**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.

**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.

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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. The enterprise and internal service funds are presented in a single column on the face of the proprietary fund statements. 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 Medicaid Reimbursement, School Plant, Auxiliary Operations, Gifts and Donations, Insurance Proceeds, Litigation Recovery, Indirect Costs, Advertisement, and Unrestricted Capital Outlay Funds. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

Food Service Fund – The Food Service Fund accounts 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.

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 types:

Proprietary Funds – The Proprietary Funds are Enterprise and Internal Service Funds. The Enterprise Funds account for activities related to (1) agreements with other districts for providing Title I services to students attending private schools and (2) charges to external users for alternative fuel. The Internal Service Funds account for activities related to (1) the District’s self-insurance program for employee benefits, (2) the District’s self-insurance program to pay for workers’ compensation, (3) the District’s self-insurance program to pay for property and casualty insurance, and (4) charges to other departments for printing and copying services.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

The Proprietary Fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting and are presented in two columns, one for enterprise activity and one for internal service activity.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise funds are charges to other districts for Title I services to private school students and charges to external users for alternative fuel.

The principal operating revenues of the District's internal service funds are charges to other funds for health and welfare benefits and for goods and services. Operating expenses for the internal service funds include the cost of claims, insurance premiums, administrative expenses and cost of goods and services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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**

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at year end were cash in bank, cash held by trustee and cash and investments held by the County Treasurer.

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.



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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

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

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

**E. Investment Income**

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**F. Receivables and Payables**

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

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

**G. Property Tax Calendar**

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

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

**H. Inventory**

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**I. Prepaid Items**

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

**J. Capital Assets**

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

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

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

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

Land improvements	20 – 80 years
Buildings and improvements	5 – 80 years
Vehicles, furniture and equipment	5 – 40 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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**L. Compensated Absences**

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

**M. Pensions and Other Postemployment Benefits**

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

**N. Long-term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund 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 and after nonoperating revenues/expenses in proprietary funds.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**P. Net Position Flow Assumption**

In the government-wide and proprietary 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.

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

***Committed.*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. 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 Governing Board has delegated the authority to assign fund balance to the Director of Business Services. No assigned fund balance amounts are reported.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

	<u>General Fund</u>	<u>Food Service Fund</u>	<u>Debt Service Fund</u>	<u>Bond Building Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:					
Nonspendable:					
Inventory	\$ 672,932	\$ 175,713		\$	\$
Restricted:					
Debt service			2,488,191		
Capital projects	7,896,584				1,236,302
Bond building projects				42,667,264	
Voter approved initiatives					1,446,436
Federal and state projects					2,371,535
Food service		14,882,693			
Community school					1,557,567
Extracurricular activities					819,882
Gifts and donations	517,066				
Other purposes					146,387
Unassigned	26,105,977				(1,180,820)
Total fund balances	<u>\$ 35,192,559</u>	<u>\$ 15,058,406</u>	<u>\$ 2,488,191</u>	<u>\$ 42,667,264</u>	<u>\$ 6,397,289</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3 – RESTRICTED NET POSITION**

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

	Governmental Activities
Restricted Net Position:	
Debt service	\$ 2,674,245
Capital projects	9,132,886
Voter approved initiatives	1,446,436
Federal and state projects	2,654,202
Food service	15,058,406
Community school	1,557,567
Extracurricular activities	819,882
Other purposes	663,453
Total	\$ 34,007,077

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

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

	Deficit
Non-Major Governmental Funds:	
Title I Grants	\$ 92,458
Professional Development and Technology Grants	6,672
Title IV Grants	679,506
Special Education Grants	45,379
Homeless Education	831
Other Federal Projects	209,520
Other State Projects	141,234
Building Renewal Grant	5,200
Workers’ Compensation	134,323
Private School Consortium	4,449

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2019-20 are expected to eliminate the deficits.

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

**NOTE 5 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$2,221,948 and the bank balance was \$3,231,537. At year end, \$2,981,537 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. Additionally, the District had \$2,100 of cash on hand at year end.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	318 days	\$ 95,777,170
Total		<u>\$ 95,777,170</u>



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 5 – CASH AND INVESTMENTS**

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

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

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

**NOTE 6 – RECEIVABLES**

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

	General Fund	Food Service Fund	Non-Major Governmental Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Due from other governmental entities:			
Due from federal government	\$ 204,346	\$ 273,020	\$ 4,396,426
Due from state government	27,325,225		2,477,777
Net due from governmental entities	<u>\$ 27,529,571</u>	<u>\$ 273,020</u>	<u>\$ 6,874,203</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 7 – CAPITAL ASSETS**

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,411,347	\$	\$	\$ 4,411,347
Construction in progress	24,879,521	15,735,826	26,382,539	14,232,808
Total capital assets, not being depreciated	<u>29,290,868</u>	<u>15,735,826</u>	<u>26,382,539</u>	<u>18,644,155</u>
Capital assets, being depreciated:				
Land improvements	26,878,757	3,992,855	244,980	30,626,632
Buildings and improvements	313,289,019	23,353,379	1,735,829	334,906,569
Vehicles, furniture and equipment	39,796,389	5,367,482	1,807,792	43,356,079
Total capital assets being depreciated	<u>379,964,165</u>	<u>32,713,716</u>	<u>3,788,601</u>	<u>408,889,280</u>
Less accumulated depreciation for:				
Land improvements	(14,389,575)	(1,155,691)	(126,332)	(15,418,934)
Buildings and improvements	(123,268,761)	(5,927,521)	(1,018,019)	(128,178,263)
Vehicles, furniture and equipment	(25,203,967)	(2,162,770)	(1,329,429)	(26,037,308)
Total accumulated depreciation	<u>(162,862,303)</u>	<u>(9,245,982)</u>	<u>(2,473,780)</u>	<u>(169,634,505)</u>
Total capital assets, being depreciated, net	<u>217,101,862</u>	<u>23,467,734</u>	<u>1,314,821</u>	<u>239,254,775</u>
Governmental activities capital assets, net	<u>\$ 246,392,730</u>	<u>\$39,203,560</u>	<u>\$27,697,360</u>	<u>\$ 257,898,930</u>
Business-Type Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, being depreciated:				
Land improvements	\$ 1,150,765	\$	\$	\$ 1,150,765
Buildings and improvements	93,199			93,199
Vehicles, furniture and equipment	891,369	2,964	247,409	646,924
Total capital assets being depreciated	<u>2,135,333</u>	<u>2,964</u>	<u>247,409</u>	<u>1,890,888</u>
Less accumulated depreciation for:				
Land improvements	(324,119)	(57,538)		(381,657)
Buildings and improvements	(21,683)	(3,317)		(25,000)
Vehicles, furniture and equipment	(465,283)	(57,899)	(124,541)	(398,641)
Total accumulated depreciation	<u>(811,085)</u>	<u>(118,754)</u>	<u>(124,541)</u>	<u>(805,298)</u>
Total capital assets, being depreciated, net	<u>1,324,248</u>	<u>(115,790)</u>	<u>122,868</u>	<u>1,085,590</u>
Business-type activities capital assets, net	<u>\$ 1,324,248</u>	<u>\$ (115,790)</u>	<u>\$ 122,868</u>	<u>\$ 1,085,590</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 7 – CAPITAL ASSETS**

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
Instruction	\$ 4,091,008
Support services – students and staff	57,564
Support services – administration	968,500
Operation and maintenance of plant services	2,913,774
Student transportation services	927,614
Operation of non-instructional services	287,522
Total depreciation expense	<u>\$ 9,245,982</u>
Business-type activities:	
Private school consortium	\$ 58,070
Alternative fuel	60,684
Total depreciation expense	<u>\$ 118,754</u>

**Construction Commitments** – At year end, the District had contractual commitments related to various capital projects for the renovation of buildings. At year end the District had spent \$14.2 million on the projects and had estimated remaining contractual commitments of \$40.6 million. These projects are being funded with bond proceeds.

**NOTE 8 – REVOLVING LINE OF CREDIT**

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$25.0 million in unused line of credit. General Fund revenues will be used to repay the line of credit. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$	\$ 5,416,000	\$ 5,416,000	\$

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 9 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired copiers and energy efficiency upgrades under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the General Fund are used to pay one of the capital lease obligations. Additionally, revenues from the General Fund are transferred to the Energy and Water Savings Fund, a non-major governmental fund, to pay the capital lease obligation for the energy efficiency upgrades. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	Governmental Activities
Asset:	
Vehicles, furniture and equipment	\$ 1,913,511
Less: Accumulated depreciation	988,647
Total	\$ 924,864

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

	Governmental Activities
Year Ending June 30:	
2020	\$ 904,358
2021	904,358
2022	904,358
2023	521,655
2024	521,655
2025-29	2,608,278
Total minimum lease payments	6,364,662
Less: amount representing interest	1,020,525
Present value of minimum lease payments	5,344,137
Due within one year	\$ 699,848

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$21.0 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.

Principal requirements at year end, were as follows:

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2019	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds:					
School Improvement Bonds, Project 2010, Series A	\$ 10,000,000	4.0-4.125%	7/1/19-22	\$ 8,000,000	\$ 2,100,000
School Improvement Bonds, Project 2010, Series B	20,000,000	3.0-4.0%	7/1/19-26	19,160,000	845,000
School Improvement Bonds, Project 2010, Series E	25,500,000	2.0-3.0%	7/1/19-26	23,650,000	1,050,000
School Improvement Bonds, Project 2016, Series A	33,555,000	3.0-5.5%	7/1/19-29	30,465,000	5,030,000
School Improvement Bonds, Project 2016, Series B	36,000,000	3.0-5.0%	7/1/20-31	36,000,000	
Private placement general obligation bonds:					
School Improvement Bonds, Project 2010, Series D	4,500,000	1.57%	7/1/19	3,000,000	3,000,000
Total				<u>\$ 120,275,000</u>	<u>\$ 12,025,000</u>

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

Year ending June 30:	Governmental Activities			
	General Obligation Bonds		Private Placement General Obligation Bonds	
	Principal	Interest	Principal	Interest
2020	\$ 9,025,000	\$ 4,201,649	\$ 3,000,000	\$ 23,550
2021	11,930,000	3,947,114		
2022	11,180,000	3,538,513		
2023	9,895,000	3,184,100		
2024	8,930,000	2,840,700		
2025-29	49,945,000	8,658,900		
2030-32	16,370,000	716,550		
Total	<u>\$ 117,275,000</u>	<u>\$ 27,087,526</u>	<u>\$ 3,000,000</u>	<u>\$ 23,550</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 88,280,000	\$ 36,000,000	\$ 7,005,000	\$ 117,275,000	\$ 9,025,000
Private placement general obligation bonds	7,500,000		4,500,000	3,000,000	3,000,000
Premium	4,781,092	5,578,445	466,300	9,893,237	
Total bonds payable	<u>100,561,092</u>	<u>41,578,445</u>	<u>11,971,300</u>	<u>130,168,237</u>	<u>12,025,000</u>
Obligations under capital leases	6,018,186		674,050	5,344,136	699,848
Net OPEB liability	422,974	181,146		604,120	
Net pension liability	182,798,649		22,239,821	160,558,828	
Claims payable		4,995,571		4,995,571	4,021,503
Compensated absences payable	2,572,550	1,863,057	1,723,035	2,712,572	786,156
Governmental activity long-term liabilities	<u>\$ 292,373,451</u>	<u>\$ 48,618,219</u>	<u>\$ 36,608,206</u>	<u>\$ 304,383,464</u>	<u>\$ 17,532,507</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Business-type activities:</b>					
Net pension liability	\$ 844,760		\$ 102,776	\$ 741,984	
Business-type activity long-term liabilities	<u>\$ 844,760</u>		<u>\$ 102,776</u>	<u>\$ 741,984</u>	

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

At year end, interfund balances were as follows:

**Due to/from other funds:**

At year end, several funds had negative cash balances in the Treasurer's pooled cash accounts of \$4,718,213. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with other funds. All interfund balances are expected to be paid within one year.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019**

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

**Interfund transfers:**

	Transfers in			Total
	General Fund	Debt Service Fund	Non-Major Governmental Funds	
<u>Transfers out</u>				
General Fund	\$	\$	\$ 520,000	\$ 520,000
Food Service Fund	1,500,000			1,500,000
Bond Building Fund		2,014,864		2,014,864
Non-Major Governmental Funds	211,258			211,258
<b>Total</b>	<u>\$ 1,711,258</u>	<u>\$2,014,864</u>	<u>\$ 520,000</u>	<u>\$ 4,246,122</u>

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund, (2) to move federal grant funds restricted for indirect costs, and (3) to move monies generated from energy savings from the General Fund to the Energy and Water Savings Fund, a non-major governmental fund, in accordance with A.R.S. §15.910.02(H).

**NOTE 13 – CONTINGENT LIABILITIES**

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

**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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 14 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was unable to obtain insurance at a cost it considered to be economically justifiable. Therefore, the District established the following self-insurance funds.

The District has established an Employee Benefit Trust Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss related to employee health and accidents. Under this program, the Employee Benefit Trust Fund provides coverage for up to a maximum of \$200,000 for each claim, not to exceed an annual aggregate amount of \$450,000.

The District has established a Workers' Compensation Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss related to claims for on-the-job injuries to employees. Under this program, the Workers' Compensation Fund provides coverage for up to a maximum of \$400,000 for each claim. The District's liability has a maximum limit per occurrence of \$1.0 million.

The District has established a Property and Casualty Insurance Fund (an Internal Service Fund) to account for and finance its uninsured risks of loss related to property and liability claims. Under this program, the Property and Casualty Insurance Fund provides coverage for each property claim and general liability claim dependent on the maximum coverage outlined in the insurance policy. The District obtains coverage through the Arizona School risk Retention Trust (ASRRT).

An excess coverage insurance policy covers individual claims in excess of the amounts specified above for the Employee Benefit and Workers' Compensation Funds. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

For the Employee Benefit Trust and the Workers' Compensation Trust, liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 14 – RISK MANAGEMENT**

Changes in the balances of claims liabilities for all self-insurance funds during the past two years are as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Claims Payable at End of Year
<u>Employee Benefit Trust</u>				
2018-19	\$ 3,628,000	\$ 13,605,549	\$ 14,259,549	\$ 2,974,000
2017-18	2,771,000	15,189,856	14,332,856	3,628,000
<u>Workers' Compensation</u>				
2018-19	1,073,604	1,802,385	1,129,901	1,746,088
2017-18	1,329,917	675,283	931,596	1,073,604
<u>Property and Casualty Insurance</u>				
2018-19	205,256	238,624	168,397	275,483
2017-18	267,598	225,395	287,737	205,256
<u>Total</u>				
2018-19	4,906,860	15,646,558	15,557,847	4,995,571
2017-18	4,368,515	16,090,534	15,552,189	4,906,860

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**Aggregate Amounts.** At June 30, 2019, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB
Net assets	\$	\$ (408,015)
Net liability	161,300,812	604,120
Deferred outflows of resources	23,735,639	1,704,017
Deferred inflows of resources	21,620,253	1,257,034
Expense	1,086,812	642,686
Contributions	13,900,303	770,858

**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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with five to nine years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

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

**Contributions.** In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.80 percent (11.64 percent for retirement and 0.16 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.80 percent (11.18 percent for retirement, 0.46 percent for health insurance premium benefit, and 0.16 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions for the year ended June 30, 2019 were as follows:

	Contributions
Pension	\$ 13,900,303
Health Insurance Premium	571,927
Long-Term Disability	198,931

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.53 percent (10.41 for retirement, 0.06 percent for health insurance premium benefit, and 0.06 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**Pension and OPEB Assets/Liability.** The net pension and OPEB assets/liability were measured as of June 30, 2018. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2017, to the measurement date of June 30, 2018. The total liability as of June 30, 2018 reflects changes in actuarial assumptions based on the results of an actuarial experience study for the five-year period ended June 30, 2016, including decreasing the discount rate from 8.0 percent to 7.5 percent, changing the projected salary increases from 3-6.75 percent to 2.7-7.2 percent, decreasing the inflation rate from 3 percent to 2.3 percent, and changing the mortality rates. The District’s proportion of the net assets/liability was based on the District’s actual contributions to the applicable plan relative to the total of all participating employers’ contributions to the plan for the year ended June 30, 2018.

At June 30, 2019, the District reported the following amounts for its proportionate share of the ASRS plans net assets/liability. In addition, at June 30, 2018, the District’s percentage proportion for each plan and the related change from its proportion measured as of June 30, 2017 was:

	Net <u>(Assets) Liability</u>	District <u>% Proportion</u>	Increase <u>(Decrease)</u>
Pension	\$ 161,300,812	1.157	(0.022)
Health Insurance Premium	(408,015)	1.133	(0.025)
Long-Term Disability	604,120	1.156	(0.011)

**Pension/OPEB Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension and OPEB assets/liabilities. Certain changes in the net pension and OPEB assets/liability are recognized as pension and OPEB expense over a period of time rather than the year of occurrence. For the year ended June 30, 2019, the District recognized pension and OPEB expense as follows:

	<u>Expense</u>
Pension	\$ 1,086,812
Health Insurance Premium	424,557
Long-Term Disability	218,129

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 4,443,706	\$	\$ 15,449
Changes of assumptions or other inputs	4,268,314	786,860	130,850
Net difference between projected and actual earnings on pension investments			
Changes in proportion and differences between contributions and proportionate share of contributions	1,123,316		
Contributions subsequent to the measurement date	13,900,303	571,927	198,931
Total	\$ 23,735,639	\$ 1,358,787	\$ 345,230

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 889,225	\$ 376,581	\$
Changes of assumptions or other inputs	14,301,532		
Net difference between projected and actual earnings on pension investments	3,878,903	815,072	58,515
Changes in proportion and differences between contributions and proportionate share of contributions	2,550,593	2,548	4,318
Total	\$ 21,620,253	\$ 1,194,201	\$ 62,833

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension and OPEB assets/liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be recognized in pension and OPEB expense as follows:

Year Ending June 30:	Pension	Health Insurance Premium	Long-Term Disability
2020	\$ 837,539	\$ (158,564)	\$ 1,170
2021	(4,998,908)	(158,565)	1,170
2022	(5,884,010)	(158,565)	1,171
2023	(1,739,538)	15,090	16,843
2024		53,263	19,717
Thereafter			43,395

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

	Pension	OPEB
Actuarial valuation date	June 30, 2017	June 30, 2017
Actuarial roll forward date	June 30, 2018	June 30, 2018
Actuarial cost method	Entry age normal	Entry age normal
Investment rate of return	7.5%	7.5%
Projected salary increases	2.7-7.2%	Not applicable
Inflation	2.3%	2.3%
Permanent base increases	Included	Not applicable
Mortality rates	2017 SRA Scale U-MP	Health Ins: 2017 SRA Scale U-MP, LTD: 2012 GLDT
Healthcare cost trend rate	Not applicable	Not applicable

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation. The study did not include an analysis of the assumed investment rate of return.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	50%	5.50%
Fixed income	30	3.83
Real estate	20	5.85
Total	<u>100%</u>	

**Discount Rate.** The discount rate used to measure the ASRS total pension and OPEB liability was 7.5 percent, which was a decrease of 0.5 from the discount rate used as of June 30, 2017. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liability.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

	Proportionate share of the net (assets) liability		
	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Pension	\$ 229,938,019	\$ 161,300,812	\$ 103,955,536
Health Insurance Premium	1,445,693	(408,015)	(1,987,004)
Long-Term Disability	684,635	604,120	525,996

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

**NOTE 16 – SUBSEQUENT EVENT**

Effective June 30, 2019, the Private School Consortium is no longer in operation. All remaining assets of the Private School Consortium will be transferred to the District upon dissolution of the Private School Consortium.



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**REQUIRED SUPPLEMENTARY INFORMATION**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$ 10,234,000	\$ 10,234,000	\$ 9,408,207	\$ (825,793)
Property taxes	41,660,968	41,660,968	42,896,350	1,235,382
State aid and grants	94,451,000	94,451,000	95,575,111	1,124,111
<b>Total revenues</b>	146,345,968	146,345,968	147,879,668	1,533,700
<b>Expenditures:</b>				
Current -				
Instruction	94,142,037	94,723,302	85,438,419	9,284,883
Support services - students and staff	21,750,797	21,627,409	19,616,407	2,011,002
Support services - administration	15,540,764	15,585,600	14,329,046	1,256,554
Operation and maintenance of plant services	21,459,000	21,355,000	18,208,025	3,146,975
Student transportation services	10,028,000	8,437,000	7,833,440	603,560
Operation of non-instructional services	489,000	523,000	513,179	9,821
<b>Total expenditures</b>	163,409,598	162,251,311	145,938,516	16,312,795
<b>Excess (deficiency) of revenues over expenditures</b>	(17,063,630)	(15,905,343)	1,941,152	17,846,495
<b>Other financing sources (uses):</b>				
Transfers out	(520,000)	(520,000)	(520,000)	
<b>Total other financing sources (uses)</b>	(520,000)	(520,000)	(520,000)	
<b>Changes in fund balances</b>	(17,583,630)	(16,425,343)	1,421,152	17,846,495
<b>Fund balances, beginning of year</b>	17,583,630	17,583,630	18,514,819	931,189
Increase (decrease) in reserve for inventory			34,927	34,927
<b>Fund balances, end of year</b>	\$	\$ 1,158,287	\$ 19,970,898	\$ 18,812,611

See accompanying notes to this schedule.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOOD SERVICE**  
**YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original &amp; Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Revenues:</b>			
Other local	\$ 145,000	\$ 503,820	\$ 358,820
Federal aid, grants and reimbursements	18,155,000	19,981,278	1,826,278
<b>Total revenues</b>	<u>18,300,000</u>	<u>20,485,098</u>	<u>2,185,098</u>
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services	156,000	63,632	92,368
Operation of non-instructional services	31,000,000	17,652,820	13,347,180
Capital outlay	1,000,000	585,964	414,036
<b>Total expenditures</b>	<u>32,156,000</u>	<u>18,302,416</u>	<u>13,853,584</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(13,856,000)</u>	<u>2,182,682</u>	<u>16,038,682</u>
<b>Other financing sources (uses):</b>			
Transfers out	(1,500,000)	(1,500,000)	
<b>Total other financing sources (uses)</b>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	
<b>Changes in fund balances</b>	<u>(15,356,000)</u>	<u>682,682</u>	<u>16,038,682</u>
<b>Fund balances, beginning of year</b>	14,200,011	14,388,944	188,933
Increase (decrease) in reserve for inventory		(13,220)	(13,220)
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,155,989)</u>	<u>\$ 15,058,406</u>	<u>\$ 16,214,395</u>

See accompanying notes to this schedule.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	1.16%	1.18%	1.16%	1.18%	1.18%
District's proportionate share of the net pension (assets) liability	\$161,300,812	\$183,643,409	\$187,285,690	\$183,789,475	\$174,862,945
District's covered payroll	\$114,864,523	\$115,687,579	\$108,540,249	\$108,407,585	\$106,490,897
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	140.43%	158.74%	172.55%	169.54%	164.20%
Plan fiduciary net position as a percentage of the total pension liability	73.40%	69.92%	67.06%	68.35%	69.49%

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 13,900,303	\$ 12,520,233	\$ 12,471,121	\$ 11,776,617	\$ 11,805,586
Contributions in relation to the actuarially determined contribution	<u>13,900,303</u>	<u>12,520,233</u>	<u>12,471,121</u>	<u>11,776,617</u>	<u>11,805,586</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$124,331,869	\$114,864,523	\$115,687,579	\$108,540,249	\$108,407,585
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	1.13%	1.16%
District's proportionate share of the net OPEB (assets) liability	\$ (408,015)	\$ (630,388)
District's covered payroll	\$114,864,523	\$115,687,579
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.36)%	(0.54)%
Plan fiduciary net position as a percentage of the total OPEB liability	102.20%	103.57%

**SCHEDULE OF OPEB CONTRIBUTIONS**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 571,927	\$ 505,404
Contributions in relation to the actuarially determined contribution	<u>571,927</u>	<u>505,404</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$124,331,869	\$114,864,523
Contributions as a percentage of covered payroll	0.46%	0.44%

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

See accompanying notes to this schedule.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY  
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY  
LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	1.16%	1.17%
District's proportionate share of the net OPEB (assets) liability	\$ 604,120	\$ 422,974
District's covered payroll	\$114,864,523	\$115,687,579
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.53%	0.37%
Plan fiduciary net position as a percentage of the total OPEB liability	77.83%	84.44%

**SCHEDULE OF OPEB CONTRIBUTIONS  
ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY  
LAST TWO FISCAL YEARS**

	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 198,931	\$ 183,783
Contributions in relation to the actuarially determined contribution	<u>198,931</u>	<u>183,783</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$124,331,869	\$114,864,523
Contributions as a percentage of covered payroll	0.16%	0.16%

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

See accompanying notes to this schedule.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019**

**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	\$ 154,881,698	\$ 35,192,559
Activity budgeted as special revenue funds	(4,106,605)	(7,325,077)
Activity budgeted as capital projects funds	(4,836,577)	(7,896,584)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 145,938,516	\$ 19,970,898

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

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

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



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

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**GOVERNMENTAL FUNDS**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 5,675,011	\$ 1,249,802	\$ 6,924,813
Accounts receivable	75,134		75,134
Due from governmental entities	6,816,084	58,119	6,874,203
<b>Total assets</b>	<b><u><u>\$ 12,566,229</u></u></b>	<b><u><u>\$ 1,307,921</u></u></b>	<b><u><u>\$ 13,874,150</u></u></b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 775,272	\$	\$ 775,272
Construction contracts payable		42,036	42,036
Due to other funds	4,688,630	29,583	4,718,213
Accrued payroll and employee benefits	100,323		100,323
Unearned revenues	394,879		394,879
<b>Total liabilities</b>	<b><u><u>5,959,104</u></u></b>	<b><u><u>71,619</u></u></b>	<b><u><u>6,030,723</u></u></b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>1,440,938</u>	<u>5,200</u>	<u>1,446,138</u>
Fund balances (deficits):			
Restricted	6,341,807	1,236,302	7,578,109
Unassigned	<u>(1,175,620)</u>	<u>(5,200)</u>	<u>(1,180,820)</u>
<b>Total fund balances</b>	<b><u><u>5,166,187</u></u></b>	<b><u><u>1,231,102</u></u></b>	<b><u><u>6,397,289</u></u></b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b><u><u>\$ 12,566,229</u></u></b>	 <b><u><u>\$ 1,307,921</u></u></b>	 <b><u><u>\$ 13,874,150</u></u></b>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2019**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 4,427,579	\$ 8,074	\$ 4,435,653
Property taxes		450,001	450,001
State aid and grants	15,453,320	1,749,490	17,202,810
Federal aid, grants and reimbursements	<u>23,118,158</u>		<u>23,118,158</u>
<b>Total revenues</b>	<u>42,999,057</u>	<u>2,207,565</u>	<u>45,206,622</u>
<b>Expenditures:</b>			
Current -			
Instruction	27,919,998		27,919,998
Support services - students and staff	8,163,352		8,163,352
Support services - administration	309,611		309,611
Operation and maintenance of plant services	1,024,188	59,942	1,084,130
Student transportation services	146,685		146,685
Operation of non-instructional services	3,992,228		3,992,228
Capital outlay	345,336	41,675	387,011
Debt service -			
Principal retirement		342,602	342,602
Interest and fiscal charges		<u>179,053</u>	<u>179,053</u>
<b>Total expenditures</b>	<u>41,901,398</u>	<u>623,272</u>	<u>42,524,670</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,097,659</u>	<u>1,584,293</u>	<u>2,681,952</u>
<b>Other financing sources (uses):</b>			
Transfers in		520,000	520,000
Transfers out	<u>(211,258)</u>		<u>(211,258)</u>
<b>Total other financing sources (uses)</b>	<u>(211,258)</u>	<u>520,000</u>	<u>308,742</u>
<b>Changes in fund balances</b>	<u>886,401</u>	<u>2,104,293</u>	<u>2,990,694</u>
<b>Fund balances (deficits), beginning of year</b>	4,279,786	(873,191)	3,406,595
<b>Fund balances, end of year</b>	<u>\$ 5,166,187</u>	<u>\$ 1,231,102</u>	<u>\$ 6,397,289</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.

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

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

**Title IV Grants** - to account for financial assistance received for 21<sup>st</sup> Century after school educational programs.

**Limited English & 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.

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

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

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

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

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

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

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

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

**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.

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

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

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

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

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

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



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 371,204	\$ 969
Accounts receivable			
Due from governmental entities	<u>1,777,532</u>	<u>425,096</u>	
<b>Total assets</b>	<u><u>\$ 1,777,532</u></u>	<u><u>\$ 796,300</u></u>	<u><u>\$ 969</u></u>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	1,127,396		
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<u><u>1,127,396</u></u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	650,136	796,300	969
Unassigned			
<b>Total fund balances</b>	<u><u>650,136</u></u>	<u><u>796,300</u></u>	<u><u>969</u></u>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <u><u>\$ 1,777,532</u></u>	 <u><u>\$ 796,300</u></u>	 <u><u>\$ 969</u></u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$ 25,048	\$ 7,907	\$ 17,137	\$ 11,419	\$	\$
906,701	351,556	916,394	90,439	42,061	965,052
<u>\$ 931,749</u>	<u>\$ 359,463</u>	<u>\$ 933,531</u>	<u>\$ 101,858</u>	<u>\$ 42,061</u>	<u>\$ 965,052</u>
\$ 192,199	\$ 26,102	\$ 220,653	\$	\$	\$ 59,181
714,502	325,010	695,589	90,439	42,061	905,871
25,048	8,351	17,289	11,419		
<u>931,749</u>	<u>359,463</u>	<u>933,531</u>	<u>101,858</u>	<u>42,061</u>	<u>965,052</u>
<u>92,458</u>	<u>6,672</u>	<u>679,506</u>			<u>45,379</u>
<u>(92,458)</u>	<u>(6,672)</u>	<u>(679,506)</u>			<u>(45,379)</u>
<u>(92,458)</u>	<u>(6,672)</u>	<u>(679,506)</u>			<u>(45,379)</u>
<u>\$ 931,749</u>	<u>\$ 359,463</u>	<u>\$ 933,531</u>	<u>\$ 101,858</u>	<u>\$ 42,061</u>	<u>\$ 965,052</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019**

	Homeless Education	E-Rate	Other Federal Projects
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 988,315	\$
Accounts receivable			
Due from governmental entities	20,229	282,667	821,327
<b>Total assets</b>	<b>\$ 20,229</b>	<b>\$ 1,270,982</b>	<b>\$ 821,327</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 71,143
Due to other funds	20,229		767,533
Accrued payroll and employee benefits			
Unearned revenues			
<b>Total liabilities</b>	<b>20,229</b>		<b>838,676</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	831	282,667	192,171
Fund balances (deficits):			
Restricted		988,315	
Unassigned	(831)		(209,520)
<b>Total fund balances</b>	<b>(831)</b>	<b>988,315</b>	<b>(209,520)</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 20,229</b>	 <b>\$ 1,270,982</b>	 <b>\$ 821,327</b>

<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Textbooks</u>
\$ 1,383,200	\$ 304,427	\$ 91,243	\$ 1,600,085 75,134	\$ 819,882	\$ 44,014
<u>\$ 1,383,200</u>	<u>217,030</u> <u>\$ 521,457</u>	<u>\$ 91,243</u>	<u>\$ 1,675,219</u>	<u>\$ 819,882</u>	<u>\$ 44,014</u>
\$	\$ 126,558	\$	\$ 79,436	\$	\$
	394,879		38,216		
	<u>521,437</u>		<u>117,652</u>		
	141,254				
1,383,200	20	91,243	1,557,567	819,882	44,014
<u>1,383,200</u>	<u>(141,254)</u> <u>(141,234)</u>	<u>91,243</u>	<u>1,557,567</u>	<u>819,882</u>	<u>44,014</u>
<u>\$ 1,383,200</u>	<u>\$ 521,457</u>	<u>\$ 91,243</u>	<u>\$ 1,675,219</u>	<u>\$ 819,882</u>	<u>\$ 44,014</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2019**

	Grants and Gifts to Teachers	Totals
<b><u>ASSETS</u></b>		
Cash and investments	\$ 10,161	\$ 5,675,011
Accounts receivable		75,134
Due from governmental entities		6,816,084
<b>Total assets</b>	\$ 10,161	\$ 12,566,229
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>		
Liabilities:		
Accounts payable	\$	\$ 775,272
Due to other funds		4,688,630
Accrued payroll and employee benefits		100,323
Unearned revenues		394,879
<b>Total liabilities</b>		5,959,104
Deferred inflows of resources:		
Unavailable revenues - intergovernmental		1,440,938
Fund balances (deficits):		
Restricted	10,161	6,341,807
Unassigned		(1,175,620)
<b>Total fund balances</b>	10,161	5,166,187
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 \$ 10,161	 \$ 12,566,229

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**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<b>Revenues:</b>			
Other local	\$ 82,444	\$ 6,798	\$ 19,500
State aid and grants	10,665,190	955,451	
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<b>10,747,634</b>	<b>962,249</b>	<b>19,500</b>
<b>Expenditures:</b>			
Current -			
Instruction	10,090,102	1,105,111	4,921
Support services - students and staff	257,179	166,250	14,027
Support services - administration		93,671	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<b>10,347,281</b>	<b>1,365,032</b>	<b>18,948</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>400,353</b>	<b>(402,783)</b>	<b>552</b>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<b>400,353</b>	<b>(402,783)</b>	<b>552</b>
<b>Fund balances (deficits), beginning of year</b>	249,783	1,199,083	417
<b>Fund balances (deficits), end of year</b>	<b>\$ 650,136</b>	<b>\$ 796,300</b>	<b>\$ 969</b>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
<u>9,227,276</u>	<u>905,373</u>	<u>2,018,466</u>	<u>609,782</u>	<u>180,644</u>	<u>6,009,368</u>
<u>9,227,276</u>	<u>905,373</u>	<u>2,018,466</u>	<u>609,782</u>	<u>180,644</u>	<u>6,009,368</u>
5,079,313		1,524,505	88,531	140,946	5,250,925
3,985,792	867,801	612,579	508,980	2,877	493,138
51,276		158,694	5,970		
		38,945			
2,902		43,800		1,515	
<u>9,119,283</u>	<u>867,801</u>	<u>2,378,523</u>	<u>603,481</u>	<u>145,338</u>	<u>5,744,063</u>
<u>107,993</u>	<u>37,572</u>	<u>(360,057)</u>	<u>6,301</u>	<u>35,306</u>	<u>265,305</u>
<u>(99,375)</u>	<u>(10,028)</u>	<u>(25,923)</u>	<u>(6,301)</u>	<u>(1,686)</u>	<u>(66,553)</u>
<u>(99,375)</u>	<u>(10,028)</u>	<u>(25,923)</u>	<u>(6,301)</u>	<u>(1,686)</u>	<u>(66,553)</u>
<u>8,618</u>	<u>27,544</u>	<u>(385,980)</u>		<u>33,620</u>	<u>198,752</u>
<u>(101,076)</u>	<u>(34,216)</u>	<u>(293,526)</u>		<u>(33,620)</u>	<u>(244,131)</u>
<u>\$ (92,458)</u>	<u>\$ (6,672)</u>	<u>\$ (679,506)</u>	<u>\$</u>	<u>\$</u>	<u>\$ (45,379)</u>

(Continued)



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Homeless Education	E-Rate	Other Federal Projects
<b>Revenues:</b>			
Other local	\$	\$ 13,081	\$
State aid and grants			
Federal aid, grants and reimbursements	90,826	584,794	3,491,629
<b>Total revenues</b>	<b>90,826</b>	<b>597,875</b>	<b>3,491,629</b>
<b>Expenditures:</b>			
Current -			
Instruction	4,996		2,791,494
Support services - students and staff	58,563		616,493
Support services - administration			
Operation and maintenance of plant services			84,516
Student transportation services	15,586		275
Operation of non-instructional services			
Capital outlay		285,767	27,583
<b>Total expenditures</b>	<b>79,145</b>	<b>285,767</b>	<b>3,520,361</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>11,681</b>	<b>312,108</b>	<b>(28,732)</b>
<b>Other financing sources (uses):</b>			
Transfers out	(918)		(474)
<b>Total other financing sources (uses)</b>	<b>(918)</b>		<b>(474)</b>
<b>Changes in fund balances</b>	<b>10,763</b>	<b>312,108</b>	<b>(29,206)</b>
<b>Fund balances (deficits), beginning of year</b>	<b>(11,594)</b>	<b>676,207</b>	<b>(180,314)</b>
<b>Fund balances (deficits), end of year</b>	<b>\$ (831)</b>	<b>\$ 988,315</b>	<b>\$ (209,520)</b>

<u>Gifted</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$ 25,335	\$ 1,130,184	\$ 2,677,160	\$ 100,255	\$ 3,794,497	\$ 375,431
<u>25,335</u>	<u>1,130,184</u>	<u>2,677,160</u>	<u>100,255</u>	<u>3,794,497</u>	<u>375,431</u>
9,661	70,273	1,475,965			265,949
15,674	270,063	279,556			5,539
		820,242	39,951	40,534	
		243,742	44,043	3,704,443	82,607
				31,986	
<u>25,335</u>	<u>340,336</u>	<u>2,819,505</u>	<u>83,994</u>	<u>3,776,963</u>	<u>354,095</u>
	<u>789,848</u>	<u>(142,345)</u>	<u>16,261</u>	<u>17,534</u>	<u>21,336</u>
	<u>789,848</u>	<u>(142,345)</u>	<u>16,261</u>	<u>17,534</u>	<u>21,336</u>
	593,352	1,111	74,982	1,540,033	798,546
<u>\$</u>	<u>\$ 1,383,200</u>	<u>\$ (141,234)</u>	<u>\$ 91,243</u>	<u>\$ 1,557,567</u>	<u>\$ 819,882</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Textbooks	Grants and Gifts to Teachers	Totals
<b>Revenues:</b>			
Other local	\$ 10,108	\$ 25,465	\$ 4,427,579
State aid and grants			15,453,320
Federal aid, grants and reimbursements			23,118,158
<b>Total revenues</b>	10,108	25,465	42,999,057
<b>Expenditures:</b>			
Current -			
Instruction	596	16,710	27,919,998
Support services - students and staff	5,807	3,034	8,163,352
Support services - administration			309,611
Operation and maintenance of plant services			1,024,188
Student transportation services			146,685
Operation of non-instructional services			3,992,228
Capital outlay			345,336
<b>Total expenditures</b>	6,403	19,744	41,901,398
<b>Excess (deficiency) of revenues over expenditures</b>	3,705	5,721	1,097,659
<b>Other financing sources (uses):</b>			
Transfers out			(211,258)
<b>Total other financing sources (uses)</b>			(211,258)
<b>Changes in fund balances</b>	3,705	5,721	886,401
<b>Fund balances (deficits), beginning of year</b>	40,309	4,440	4,279,786
<b>Fund balances, end of year</b>	\$ 44,014	\$ 10,161	\$ 5,166,187

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**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 82,444	\$ 82,444
State aid and grants	10,699,900	10,665,190	(34,710)
Federal aid, grants and reimbursements			
<b>Total revenues</b>	10,699,900	10,747,634	47,734
<b>Expenditures:</b>			
Current -			
Instruction	10,728,717	10,090,102	638,615
Support services - students and staff	271,703	257,179	14,524
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	11,000,420	10,347,281	653,139
<b>Excess (deficiency) of revenues over expenditures</b>	(300,520)	400,353	700,873
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(300,520)	400,353	700,873
<b>Fund balances (deficits), beginning of year</b>	249,783	249,783	
<b>Fund balances (deficits), end of year</b>	\$ (50,737)	\$ 650,136	\$ 700,873

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 965,800	\$ 6,798 955,451	\$ 6,798 (10,349)	\$ 18,000	\$ 19,500	\$ 1,500
<u>965,800</u>	<u>962,249</u>	<u>(3,551)</u>	<u>18,000</u>	<u>19,500</u>	<u>1,500</u>
1,845,000	1,105,111	739,889	5,000	4,921	79
200,000	166,250	33,750	15,000	14,027	973
100,000	93,671	6,329			
<u>2,145,000</u>	<u>1,365,032</u>	<u>779,968</u>	<u>20,000</u>	<u>18,948</u>	<u>1,052</u>
<u>(1,179,200)</u>	<u>(402,783)</u>	<u>776,417</u>	<u>(2,000)</u>	<u>552</u>	<u>2,552</u>
<u>(1,179,200)</u>	<u>(402,783)</u>	<u>776,417</u>	<u>(2,000)</u>	<u>552</u>	<u>2,552</u>
1,199,083	1,199,083		418	417	(1)
<u>\$ 19,883</u>	<u>\$ 796,300</u>	<u>\$ 776,417</u>	<u>\$ (1,582)</u>	<u>\$ 969</u>	<u>\$ 2,551</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	10,529,000	9,227,276	(1,301,724)
<b>Total revenues</b>	<u>10,529,000</u>	<u>9,227,276</u>	<u>(1,301,724)</u>
<b>Expenditures:</b>			
Current -			
Instruction	6,700,000	5,079,313	1,620,687
Support services - students and staff	4,000,000	3,985,792	14,208
Support services - administration	100,000	51,276	48,724
Operation and maintenance of plant services			
Student transportation services	51,000	2,902	48,098
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>10,851,000</u>	<u>9,119,283</u>	<u>1,731,717</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(322,000)</u>	<u>107,993</u>	<u>429,993</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out	(121,084)	(99,375)	21,709
Insurance recoveries			
<b>Total other financing sources (uses)</b>	<u>(121,084)</u>	<u>(99,375)</u>	<u>21,709</u>
<b>Changes in fund balances</b>	<u>(443,084)</u>	<u>8,618</u>	<u>451,702</u>
<b>Fund balances (deficits), beginning of year</b>	(101,076)	(101,076)	
<b>Fund balances (deficits), end of year</b>	<u>\$ (544,160)</u>	<u>\$ (92,458)</u>	<u>\$ 451,702</u>

<u>Professional Development and Technology Grants</u>			<u>Title IV Grants</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
<u>1,031,000</u>	<u>905,373</u>	<u>(125,627)</u>	<u>2,854,000</u>	<u>2,018,466</u>	<u>(835,534)</u>
<u>1,031,000</u>	<u>905,373</u>	<u>(125,627)</u>	<u>2,854,000</u>	<u>2,018,466</u>	<u>(835,534)</u>
1,031,000	867,801	163,199	1,854,000	1,524,505	329,495
			700,000	612,579	87,421
			200,000	158,694	41,306
			50,000	38,945	11,055
			50,000	43,800	6,200
<u>1,031,000</u>	<u>867,801</u>	<u>163,199</u>	<u>2,854,000</u>	<u>2,378,523</u>	<u>475,477</u>
	<u>37,572</u>	<u>37,572</u>		<u>(360,057)</u>	<u>(360,057)</u>
(11,857)	(10,028)	1,829	(32,821)	(25,923)	6,898
<u>(11,857)</u>	<u>(10,028)</u>	<u>1,829</u>	<u>(32,821)</u>	<u>(25,923)</u>	<u>6,898</u>
<u>(11,857)</u>	<u>27,544</u>	<u>39,401</u>	<u>(32,821)</u>	<u>(385,980)</u>	<u>(353,159)</u>
(34,216)	(34,216)		(293,525)	(293,526)	(1)
<u>\$ (46,073)</u>	<u>\$ (6,672)</u>	<u>\$ 39,401</u>	<u>\$ (326,346)</u>	<u>\$ (679,506)</u>	<u>\$ (353,160)</u>

(Continued)



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Limited English & Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	676,000	609,782	(66,218)
<b>Total revenues</b>	676,000	609,782	(66,218)
<b>Expenditures:</b>			
Current -			
Instruction	100,000	88,531	11,469
Support services - students and staff	526,000	508,980	17,020
Support services - administration	50,000	5,970	44,030
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	676,000	603,481	72,519
<b>Excess (deficiency) of revenues over expenditures</b>		6,301	6,301
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out	(7,774)	(6,301)	1,473
Insurance recoveries			
<b>Total other financing sources (uses)</b>	(7,774)	(6,301)	1,473
<b>Changes in fund balances</b>	(7,774)		7,774
<b>Fund balances (deficits), beginning of year</b>	5,773		(5,773)
<b>Fund balances (deficits), end of year</b>	\$ (2,001)	\$	\$ 2,001

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
<u>200,000</u>	<u>180,644</u>	<u>(19,356)</u>	<u>6,486,000</u>	<u>6,009,368</u>	<u>(476,632)</u>
<u>200,000</u>	<u>180,644</u>	<u>(19,356)</u>	<u>6,486,000</u>	<u>6,009,368</u>	<u>(476,632)</u>
159,000	140,946	18,054	5,500,000	5,250,925	249,075
3,000	2,877	123	981,000	493,138	487,862
2,000	1,515	485			
<u>164,000</u>	<u>145,338</u>	<u>18,662</u>	<u>6,481,000</u>	<u>5,744,063</u>	<u>736,937</u>
<u>36,000</u>	<u>35,306</u>	<u>(694)</u>	<u>5,000</u>	<u>265,305</u>	<u>260,305</u>
	(1,686)	(1,686)	(74,590)	(66,553)	8,037
	<u>(1,686)</u>	<u>(1,686)</u>	<u>(74,590)</u>	<u>(66,553)</u>	<u>8,037</u>
<u>36,000</u>	<u>33,620</u>	<u>(2,380)</u>	<u>(69,590)</u>	<u>198,752</u>	<u>268,342</u>
(33,620)	(33,620)		(244,131)	(244,131)	
<u>\$ 2,380</u>	<u>\$</u>	<u>\$ (2,380)</u>	<u>\$ (313,721)</u>	<u>\$ (45,379)</u>	<u>\$ 268,342</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Homeless Education		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	92,000	90,826	(1,174)
<b>Total revenues</b>	92,000	90,826	(1,174)
<b>Expenditures:</b>			
Current -			
Instruction	5,000	4,996	4
Support services - students and staff	67,000	58,563	8,437
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	20,000	15,586	4,414
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	92,000	79,145	12,855
<b>Excess (deficiency) of revenues over expenditures</b>		11,681	11,681
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out	(1,058)	(918)	140
Insurance recoveries			
<b>Total other financing sources (uses)</b>	(1,058)	(918)	140
<b>Changes in fund balances</b>	(1,058)	10,763	11,821
<b>Fund balances (deficits), beginning of year</b>	(11,594)	(11,594)	
<b>Fund balances (deficits), end of year</b>	\$ (12,652)	\$ (831)	\$ 11,821

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 51,071	\$ 51,071	\$	\$ 13,081	\$ 13,081
<u>1,827,000</u>	<u>2,020,790</u>	<u>193,790</u>	<u>1,680,000</u>	<u>584,794</u>	<u>(1,095,206)</u>
<u>1,827,000</u>	<u>2,071,861</u>	<u>244,861</u>	<u>1,680,000</u>	<u>597,875</u>	<u>(1,082,125)</u>
100,000	49,522	50,478			
4,900,000	913,949	3,986,051			
100,000	71,423	28,577			
<u>96,000</u>	<u>6,567</u>	<u>89,433</u>	<u>1,680,000</u>	<u>285,767</u>	<u>1,394,233</u>
<u>5,196,000</u>	<u>1,041,461</u>	<u>4,154,539</u>	<u>1,680,000</u>	<u>285,767</u>	<u>1,394,233</u>
<u>(3,369,000)</u>	<u>1,030,400</u>	<u>4,399,400</u>		<u>312,108</u>	<u>312,108</u>
<u>(3,369,000)</u>	<u>1,030,400</u>	<u>4,399,400</u>		<u>312,108</u>	<u>312,108</u>
3,946,851	3,946,851		395,435	676,207	280,772
<u>\$ 577,851</u>	<u>\$ 4,977,251</u>	<u>\$ 4,399,400</u>	<u>\$ 395,435</u>	<u>\$ 988,315</u>	<u>\$ 592,880</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	3,371,000	3,491,629	120,629
<b>Total revenues</b>	3,371,000	3,491,629	120,629
<b>Expenditures:</b>			
Current -			
Instruction	2,792,000	2,791,494	506
Support services - students and staff	596,000	616,493	(20,493)
Support services - administration			
Operation and maintenance of plant services		84,516	(84,516)
Student transportation services		275	(275)
Operation of non-instructional services			
Capital outlay		27,583	(27,583)
<b>Total expenditures</b>	3,388,000	3,520,361	(132,361)
<b>Excess (deficiency) of revenues over expenditures</b>	(17,000)	(28,732)	(11,732)
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out	(3,232)	(474)	2,758
Insurance recoveries			
<b>Total other financing sources (uses)</b>	(3,232)	(474)	2,758
<b>Changes in fund balances</b>	(20,232)	(29,206)	(8,974)
<b>Fund balances (deficits), beginning of year</b>	(180,313)	(180,314)	(1)
<b>Fund balances (deficits), end of year</b>	\$ (200,545)	\$ (209,520)	\$ (8,975)

Gifted			Results-based Funding		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 25,335	\$ 25,335	\$ 1,112,856	\$ 1,130,184	\$ 17,328
	<u>25,335</u>	<u>25,335</u>	<u>1,112,856</u>	<u>1,130,184</u>	<u>17,328</u>
10,000	9,661	339	129,000	70,273	58,727
17,000	15,674	1,326	1,600,000	270,063	1,329,937
<u>27,000</u>	<u>25,335</u>	<u>1,665</u>	<u>1,729,000</u>	<u>340,336</u>	<u>1,388,664</u>
<u>(27,000)</u>		<u>27,000</u>	<u>(616,144)</u>	<u>789,848</u>	<u>1,405,992</u>
<u>(27,000)</u>		<u>27,000</u>	<u>(616,144)</u>	<u>789,848</u>	<u>1,405,992</u>
			593,352	593,352	
<u>\$ (27,000)</u>	<u>\$</u>	<u>\$ 27,000</u>	<u>\$ (22,792)</u>	<u>\$ 1,383,200</u>	<u>\$ 1,405,992</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Other State Projects		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants	2,869,700	2,677,160	(192,540)
Federal aid, grants and reimbursements			
<b>Total revenues</b>	2,869,700	2,677,160	(192,540)
<b>Expenditures:</b>			
Current -			
Instruction	1,682,000	1,475,965	206,035
Support services - students and staff	300,000	279,556	20,444
Support services - administration			
Operation and maintenance of plant services	1,000,000	820,242	179,758
Student transportation services			
Operation of non-instructional services	250,000	243,742	6,258
Capital outlay			
<b>Total expenditures</b>	3,232,000	2,819,505	412,495
<b>Excess (deficiency) of revenues over expenditures</b>	(362,300)	(142,345)	219,955
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(362,300)	(142,345)	219,955
<b>Fund balances (deficits), beginning of year</b>	67,932	1,111	(66,821)
<b>Fund balances (deficits), end of year</b>	\$ (294,368)	\$ (141,234)	\$ 153,134

School Plant			Civic Center		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 69,200	\$ 90,746	\$ 21,546	\$ 76,000	\$ 100,255	\$ 24,255
<u>69,200</u>	<u>90,746</u>	<u>21,546</u>	<u>76,000</u>	<u>100,255</u>	<u>24,255</u>
1,000	46	954			
10,000	6,941	3,059			
10,000	5,250	4,750			
67,000	524	66,476	75,000	39,951	35,049
			100,000	44,043	55,957
<u>500,000</u>	<u>15,515</u>	<u>484,485</u>	<u>175,000</u>	<u>83,994</u>	<u>91,006</u>
<u>588,000</u>	<u>28,276</u>	<u>559,724</u>	<u>175,000</u>	<u>83,994</u>	<u>91,006</u>
<u>(518,800)</u>	<u>62,470</u>	<u>581,270</u>	<u>(99,000)</u>	<u>16,261</u>	<u>115,261</u>
<u>(518,800)</u>	<u>62,470</u>	<u>581,270</u>	<u>(99,000)</u>	<u>16,261</u>	<u>115,261</u>
281,253	281,253		74,982	74,982	
<u>\$ (237,547)</u>	<u>\$ 343,723</u>	<u>\$ 581,270</u>	<u>\$ (24,018)</u>	<u>\$ 91,243</u>	<u>\$ 115,261</u>

(Continued)



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Community School		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$ 3,300,000	\$ 3,794,497	\$ 494,497
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>3,300,000</u>	<u>3,794,497</u>	<u>494,497</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	100,000	40,534	59,466
Student transportation services			
Operation of non-instructional services	5,000,000	3,704,443	1,295,557
Capital outlay	32,000	31,986	14
<b>Total expenditures</b>	<u>5,132,000</u>	<u>3,776,963</u>	<u>1,355,037</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,832,000)</u>	<u>17,534</u>	<u>1,849,534</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,832,000)</u>	<u>17,534</u>	<u>1,849,534</u>
<b>Fund balances (deficits), beginning of year</b>	1,540,333	1,540,033	(300)
<b>Fund balances (deficits), end of year</b>	<u>\$ (291,667)</u>	<u>\$ 1,557,567</u>	<u>\$ 1,849,234</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 715,000	\$ 821,242	\$ 106,242	\$ 400,000	\$ 375,431	\$ (24,569)
<u>715,000</u>	<u>821,242</u>	<u>106,242</u>	<u>400,000</u>	<u>375,431</u>	<u>(24,569)</u>
1,000,000	550,272	449,728	1,000,000	265,949	734,051
75,000	17,423	57,577	86,000	5,539	80,461
100,000	78,419	21,581			
75,000	22,535	52,465			
100,000	58,813	41,187	500,000	82,607	417,393
60,000	10,591	49,409			
<u>1,410,000</u>	<u>738,053</u>	<u>671,947</u>	<u>1,586,000</u>	<u>354,095</u>	<u>1,231,905</u>
<u>(695,000)</u>	<u>83,189</u>	<u>778,189</u>	<u>(1,186,000)</u>	<u>21,336</u>	<u>1,207,336</u>
<u>(695,000)</u>	<u>83,189</u>	<u>778,189</u>	<u>(1,186,000)</u>	<u>21,336</u>	<u>1,207,336</u>
713,523	713,523		798,547	798,546	(1)
<u>\$ 18,523</u>	<u>\$ 796,712</u>	<u>\$ 778,189</u>	<u>\$ (387,453)</u>	<u>\$ 819,882</u>	<u>\$ 1,207,335</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Gifts and Donations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$ 562,000	\$ 467,855	\$ (94,145)
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	562,000	467,855	(94,145)
<b>Expenditures:</b>			
Current -			
Instruction	970,000	322,154	647,846
Support services - students and staff	200,000	119,718	80,282
Support services - administration	2,000	1,086	914
Operation and maintenance of plant services	2,000	1,512	488
Student transportation services	10,000	9,243	757
Operation of non-instructional services	30,000	26,798	3,202
Capital outlay	35,000	33,230	1,770
<b>Total expenditures</b>	1,249,000	513,741	735,259
<b>Excess (deficiency) of revenues over expenditures</b>	(687,000)	(45,886)	641,114
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(687,000)	(45,886)	641,114
<b>Fund balances (deficits), beginning of year</b>	743,113	743,112	(1)
<b>Fund balances (deficits), end of year</b>	\$ 56,113	\$ 697,226	\$ 641,113

Insurance Proceeds			Textbooks		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 130	\$ 464	\$ 334	\$ 10,000	\$ 10,108	\$ 108
<u>130</u>	<u>464</u>	<u>334</u>	<u>10,000</u>	<u>10,108</u>	<u>108</u>
34,000		34,000	1,000	596	404
			46,500	5,807	40,693
<u>34,000</u>	<u></u>	<u>34,000</u>	<u>47,500</u>	<u>6,403</u>	<u>41,097</u>
<u>(33,870)</u>	<u>464</u>	<u>34,334</u>	<u>(37,500)</u>	<u>3,705</u>	<u>41,205</u>
	25,587	25,587			
	<u>25,587</u>	<u>25,587</u>			
<u>(33,870)</u>	<u>26,051</u>	<u>59,921</u>	<u>(37,500)</u>	<u>3,705</u>	<u>41,205</u>
13,085	13,084	(1)	40,309	40,309	
<u>\$ (20,785)</u>	<u>\$ 39,135</u>	<u>\$ 59,920</u>	<u>\$ 2,809</u>	<u>\$ 44,014</u>	<u>\$ 41,205</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Litigation Recovery		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$ 1,100	\$ 1,084	\$ (16)
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	1,100	1,084	(16)
<b>Expenditures:</b>			
Current -			
Instruction	12,000		12,000
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	12,000		12,000
<b>Excess (deficiency) of revenues over expenditures</b>	(10,900)	1,084	11,984
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(10,900)	1,084	11,984
<b>Fund balances (deficits), beginning of year</b>	10,106	10,106	
<b>Fund balances (deficits), end of year</b>	\$ (794)	\$ 11,190	\$ 11,984

Indirect Costs			Grants and Gifts to Teachers		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 3,000	\$ 6,262	\$ 3,262	\$ 26,000	\$ 25,465	\$ (535)
<u>3,000</u>	<u>6,262</u>	<u>3,262</u>	<u>26,000</u>	<u>25,465</u>	<u>(535)</u>
220,000	207,293	12,707	20,000	16,710	3,290
75,000	65,614	9,386	9,100	3,034	6,066
1,640,000	1,506,736	133,264			
5,000	3,931	1,069			
<u>1,940,000</u>	<u>1,783,574</u>	<u>156,426</u>	<u>29,100</u>	<u>19,744</u>	<u>9,356</u>
<u>(1,937,000)</u>	<u>(1,777,312)</u>	<u>159,688</u>	<u>(3,100)</u>	<u>5,721</u>	<u>8,821</u>
1,750,000	1,711,258	(38,742)			
<u>1,750,000</u>	<u>1,711,258</u>	<u>(38,742)</u>	<u>(3,100)</u>	<u>5,721</u>	<u>8,821</u>
<u>(187,000)</u>	<u>(66,054)</u>	<u>120,946</u>	<u>4,441</u>	<u>4,440</u>	<u>(1)</u>
501,564	501,564				
<u>\$ 314,564</u>	<u>\$ 435,510</u>	<u>\$ 120,946</u>	<u>\$ 1,341</u>	<u>\$ 10,161</u>	<u>\$ 8,820</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Advertisement		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$ 250	\$ 447	\$ 197
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>250</u>	<u>447</u>	<u>197</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	26,200	1,500	24,700
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>26,200</u>	<u>1,500</u>	<u>24,700</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(25,950)</u>	<u>(1,053)</u>	<u>24,897</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(25,950)</u>	<u>(1,053)</u>	<u>24,897</u>
<b>Fund balances (deficits), beginning of year</b>	25,383	25,383	
<b>Fund balances (deficits), end of year</b>	<u>\$ (567)</u>	<u>\$ 24,330</u>	<u>\$ 24,897</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 5,180,680	\$ 5,866,750	\$ 686,070
15,648,256	15,453,320	(194,936)
<u>28,746,000</u>	<u>25,138,948</u>	<u>(3,607,052)</u>
<u>49,574,936</u>	<u>46,459,018</u>	<u>(3,115,918)</u>
34,867,717	29,049,285	5,818,432
15,709,303	9,286,997	6,422,306
2,302,000	1,972,525	329,475
1,400,200	1,054,190	346,010
733,000	214,741	518,259
5,440,000	4,029,617	1,410,383
<u>2,343,000</u>	<u>400,648</u>	<u>1,942,352</u>
<u>62,795,220</u>	<u>46,008,003</u>	<u>16,787,217</u>
<u>(13,220,284)</u>	<u>451,015</u>	<u>13,671,299</u>
1,750,000	1,711,258	(38,742)
(252,416)	(211,258)	41,158
<u>1,497,584</u>	<u>25,587</u>	<u>25,587</u>
<u>1,497,584</u>	<u>1,525,587</u>	<u>28,003</u>
<u>(11,722,700)</u>	<u>1,976,602</u>	<u>13,699,302</u>
10,306,791	10,514,662	207,871
<u>\$ (1,415,909)</u>	<u>\$ 12,491,264</u>	<u>\$ 13,907,173</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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2019**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$ 420,000	\$ 53,452	\$ (366,548)
Property taxes	14,506,871	14,864,807	357,936
<b>Total revenues</b>	<u>14,926,871</u>	<u>14,918,259</u>	<u>(8,612)</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	12,025,000	12,025,000	
Interest and fiscal charges	3,975,000	3,589,522	385,478
<b>Total expenditures</b>	<u>16,000,000</u>	<u>15,614,522</u>	<u>385,478</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,073,129)</u>	<u>(696,263)</u>	<u>376,866</u>
<b>Other financing sources (uses):</b>			
Transfers in		2,014,864	2,014,864
<b>Total other financing sources (uses)</b>		<u>2,014,864</u>	<u>2,014,864</u>
<b>Changes in fund balances</b>	<u>(1,073,129)</u>	<u>1,318,601</u>	<u>2,391,730</u>
<b>Fund balances, beginning of year</b>	1,073,129	1,169,590	96,461
<b>Fund balances, end of year</b>	<u>\$</u> <u>2,488,191</u>	<u>\$</u> <u>2,488,191</u>	<u>\$</u> <u>2,488,191</u>

## CAPITAL PROJECTS FUNDS

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

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

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

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2019**

	<u>Adjacent Ways</u>	<u>Energy and Water Savings</u>	<u>Building Renewal Grant</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 466,277	\$ 783,525	\$
Due from governmental entities			58,119
<b>Total assets</b>	<u>\$ 466,277</u>	<u>\$ 783,525</u>	<u>\$ 58,119</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Construction contracts payable	\$ 13,500	\$	\$ 28,536
Due to other funds			29,583
<b>Total liabilities</b>	<u>13,500</u>		<u>58,119</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>5,200</u>
Fund balances (deficits):			
Restricted	452,777	783,525	
Unassigned			(5,200)
<b>Total fund balances</b>	<u>452,777</u>	<u>783,525</u>	<u>(5,200)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 466,277</u>	<u>\$ 783,525</u>	<u>\$ 58,119</u>

Totals

\$ 1,249,802  
58,119  
\$ 1,307,921

\$ 42,036  
29,583  
71,619

5,200

1,236,302  
(5,200)

1,231,102

\$ 1,307,921

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Adjacent Ways	Energy and Water Savings	Building Renewal Grant
<b>Revenues:</b>			
Other local	\$ 327	\$ 7,580	\$ 167
Property taxes	450,001		
State aid and grants			1,749,490
<b>Total revenues</b>	450,328	7,580	1,749,657
<b>Expenditures:</b>			
Current -			
Operation and maintenance of plant services			59,942
Capital outlay	13,500		28,175
Debt service -			
Principal retirement		342,602	
Interest and fiscal charges		179,053	
<b>Total expenditures</b>	13,500	521,655	88,117
<b>Excess (deficiency) of revenues over expenditures</b>	436,828	(514,075)	1,661,540
<b>Other financing sources (uses):</b>			
Transfers in		520,000	
<b>Total other financing sources (uses)</b>		520,000	
<b>Changes in fund balances</b>	436,828	5,925	1,661,540
<b>Fund balances (deficits), beginning of year</b>	15,949	777,600	(1,666,740)
<b>Fund balances (deficits), end of year</b>	\$ 452,777	\$ 783,525	\$ (5,200)

Totals

\$ 8,074  
450,001  
1,749,490  
2,207,565

59,942  
41,675

342,602  
179,053  
623,272

1,584,293

520,000  
520,000

2,104,293

(873,191)

\$ 1,231,102



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$ 60,000	\$ 467,153	\$ 407,153
Property taxes	35,000	3,168,255	3,133,255
State aid and grants	3,235,000		(3,235,000)
<b>Total revenues</b>	3,330,000	3,635,408	305,408
<b>Expenditures:</b>			
Current -			
Instruction	3,913,794	1,073,099	2,840,695
Support services - students and staff	530,000	22,957	507,043
Support services - administration		378,241	(378,241)
Operation and maintenance of plant services	910,000	669,295	240,705
Student transportation services	4,175,692	162,165	4,013,527
Capital outlay	869,098	2,148,118	(1,279,020)
Debt service -			
Principal retirement	331,448	331,448	
Interest and fiscal charges	51,254	51,254	
Bond issuance costs			
<b>Total expenditures</b>	10,781,286	4,836,577	5,944,709
<b>Excess (deficiency) of revenues over expenditures</b>	(7,451,286)	(1,201,169)	6,250,117
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(7,451,286)	(1,201,169)	6,250,117
<b>Fund balances (deficits), beginning of year</b>	9,097,753	9,097,753	
<b>Fund balances (deficits), end of year</b>	\$ 1,646,467	\$ 7,896,584	\$ 6,250,117

<u>Adjacent Ways</u>			<u>Bond Building</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$ 100	\$ 327	\$ 227	\$ 60,827,154	\$ 760,619	\$ (60,066,535)
449,651	450,001	350			
<u>449,751</u>	<u>450,328</u>	<u>577</u>	<u>60,827,154</u>	<u>760,619</u>	<u>(60,066,535)</u>
466,080	13,500	452,580	87,300,957	23,833,997	63,466,960
<u>466,080</u>	<u>13,500</u>	<u>452,580</u>	<u>427,799</u>	<u>427,799</u>	<u>63,466,960</u>
(16,329)	436,828	453,157	(26,901,602)	(23,501,177)	3,400,425
				(2,014,864)	(2,014,864)
				36,000,000	36,000,000
				5,578,445	5,578,445
				<u>39,563,581</u>	<u>39,563,581</u>
(16,329)	436,828	453,157	(26,901,602)	16,062,404	42,964,006
15,949	15,949		26,901,603	26,604,860	(296,743)
<u>\$ (380)</u>	<u>\$ 452,777</u>	<u>\$ 453,157</u>	<u>\$ 1</u>	<u>\$ 42,667,264</u>	<u>\$ 42,667,263</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Energy and Water Savings		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$ 3,700	\$ 7,580	\$ 3,880
Property taxes			
State aid and grants			
<b>Total revenues</b>	3,700	7,580	3,880
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	783,345		783,345
Debt service -			
Principal retirement	342,602	342,602	
Interest and fiscal charges	179,053	179,053	
Bond issuance costs			
<b>Total expenditures</b>	1,305,000	521,655	783,345
<b>Excess (deficiency) of revenues over expenditures</b>	(1,301,300)	(514,075)	787,225
<b>Other financing sources (uses):</b>			
Transfers in	520,000	520,000	
Transfers out			
Issuance of school improvement bonds			
Premium on sale of bonds			
<b>Total other financing sources (uses)</b>	520,000	520,000	
<b>Changes in fund balances</b>	(781,300)	5,925	787,225
<b>Fund balances (deficits), beginning of year</b>	777,600	777,600	
<b>Fund balances (deficits), end of year</b>	\$ (3,700)	\$ 783,525	\$ 787,225

Building Renewal Grant			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 167	\$ 167	\$ 60,890,954	\$ 1,235,846	\$ (59,655,108)
			484,651	3,618,256	3,133,605
<u>2,000,000</u>	<u>1,749,490</u>	<u>(250,510)</u>	<u>5,235,000</u>	<u>1,749,490</u>	<u>(3,485,510)</u>
<u>2,000,000</u>	<u>1,749,657</u>	<u>(250,343)</u>	<u>66,610,605</u>	<u>6,603,592</u>	<u>(60,007,013)</u>
			3,913,794	1,073,099	2,840,695
			530,000	22,957	507,043
100,000	59,942	40,058	1,010,000	378,241	(378,241)
			4,175,692	729,237	280,763
1,900,000	28,175	1,871,825	91,319,480	162,165	4,013,527
				26,023,790	65,295,690
			674,050	674,050	
			230,307	230,307	
			427,799	427,799	
<u>2,000,000</u>	<u>88,117</u>	<u>1,911,883</u>	<u>102,281,122</u>	<u>29,721,645</u>	<u>72,559,477</u>
	<u>1,661,540</u>	<u>1,661,540</u>	<u>(35,670,517)</u>	<u>(23,118,053)</u>	<u>12,552,464</u>
			520,000	520,000	
				(2,014,864)	(2,014,864)
				36,000,000	36,000,000
				5,578,445	5,578,445
			<u>520,000</u>	<u>40,083,581</u>	<u>39,563,581</u>
	<u>1,661,540</u>	<u>1,661,540</u>	<u>(35,150,517)</u>	<u>16,965,528</u>	<u>52,116,045</u>
1,511,192	(1,666,740)	(3,177,932)	38,304,097	34,829,422	(3,474,675)
<u>\$ 1,511,192</u>	<u>\$ (5,200)</u>	<u>\$ (1,516,392)</u>	<u>\$ 3,153,580</u>	<u>\$ 51,794,950</u>	<u>\$ 48,641,370</u>

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## **ENTERPRISE FUNDS**

**Private School Consortium** - to account for charges to other school districts for providing Title I services to students attending private schools.

**Alternative Fuel** - to account for charges to external users for alternative fuel.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF NET POSITION -**  
**ALL ENTERPRISE FUNDS**  
**JUNE 30, 2019**

	Private School Consortium	Alternative Fuel	Totals
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 410,253	\$ 363,518	\$ 773,771
Accounts receivable	60,910		60,910
Total current assets	471,163	363,518	834,681
Noncurrent assets:			
Capital assets, net of accumulated depreciation	277,841	807,749	1,085,590
Total noncurrent assets	277,841	807,749	1,085,590
<b>Total assets</b>	<b>749,004</b>	<b>1,171,267</b>	<b>1,920,271</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>			
Pension and other postemployment benefit plan items	110,648		110,648
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	6,440	1,082	7,522
Accrued payroll and employee benefits	16,224		16,224
Total current liabilities	22,664	1,082	23,746
Noncurrent liabilities:			
Non-current portion of long-term obligations	741,984		741,984
Total noncurrent liabilities	741,984		741,984
<b>Total liabilities</b>	<b>764,648</b>	<b>1,082</b>	<b>765,730</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>			
Pension and other postemployment benefit plan items	99,453		99,453
<b><u>NET POSITION</u></b>			
Investment in capital assets	277,841	807,749	1,085,590
Unrestricted	(282,290)	362,436	80,146
<b>Total net position</b>	<b>\$ (4,449)</b>	<b>\$ 1,170,185</b>	<b>\$ 1,165,736</b>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -**  
**ALL ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Private School Consortium</u>	<u>Alternative Fuel</u>	<u>Totals</u>
<b>Operating revenues:</b>			
Charges for services	\$ 1,110,398	\$ 86,683	\$ 1,197,081
<b>Total operating revenues</b>	<u>1,110,398</u>	<u>86,683</u>	<u>1,197,081</u>
<b>Operating expenses:</b>			
Cost of services	1,118,959	44,331	1,163,290
Depreciation	58,070	60,684	118,754
<b>Total operating expenses</b>	<u>1,177,029</u>	<u>105,015</u>	<u>1,282,044</u>
<b>Operating income (loss)</b>	<u>(66,631)</u>	<u>(18,332)</u>	<u>(84,963)</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	8,176	6,345	14,521
<b>Total nonoperating revenues (expenses)</b>	<u>8,176</u>	<u>6,345</u>	<u>14,521</u>
<b>Changes in net position</b>	<u>(58,455)</u>	<u>(11,987)</u>	<u>(70,442)</u>
<b>Total net position, beginning of year</b>	54,006	1,182,172	1,236,178
<b>Total net position, end of year</b>	<u>\$ (4,449)</u>	<u>\$ 1,170,185</u>	<u>\$ 1,165,736</u>



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF CASH FLOWS - ALL ENTERPRISE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<b>Private School Consortium</b>	<b>Alternative Fuel</b>	<b>Totals</b>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>			
<b>Cash flows from operating activities:</b>			
Cash received for services	\$ 1,049,488	\$ 86,683	\$ 1,136,171
Cash payments to suppliers for goods and services	(291,973)	(45,758)	(337,731)
Cash payments to employees for services	(926,575)		(926,575)
<b>Net cash provided by/used for operating activities</b>	<b>(169,060)</b>	<b>40,925</b>	<b>(128,135)</b>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets	(2,964)		(2,964)
Disposal of capital assets	122,868		122,868
<b>Net cash provided by/used for capital and related financing activities</b>	<b>119,904</b>		<b>119,904</b>
<b>Cash flows from investing activities:</b>			
Investment income	8,176	6,345	14,521
<b>Net cash provided by/used for investing activities</b>	<b>8,176</b>	<b>6,345</b>	<b>14,521</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>(40,980)</b>	<b>47,270</b>	<b>6,290</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>451,233</b>	<b>316,248</b>	<b>767,481</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 410,253</b>	<b>\$ 363,518</b>	<b>\$ 773,771</b>
<b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>			
<b>Operating income/loss</b>	\$ (66,631)	\$ (18,332)	\$ (84,963)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:			
Depreciation	58,070	60,684	118,754
Changes in assets and liabilities:			
Increase/decrease in accounts receivable	(60,910)		(60,910)
Increase/decrease in accounts payable	(39,033)	(1,427)	(40,460)
Increase/decrease in accrued payroll and employee benefits	139		139
Change in pension items	(60,695)		(60,695)
<b>Total adjustments</b>	<b>(102,429)</b>	<b>59,257</b>	<b>(43,172)</b>
<b>Net cash provided by/used for operating activities</b>	<b>\$ (169,060)</b>	<b>\$ 40,925</b>	<b>\$ (128,135)</b>

## INTERNAL SERVICE FUNDS

**Employee Benefit Trust** - to account for the financial activity associated with the District's self-insurance program.

**Workers' Compensation** - to account for the financial activity associated with the self-insurance program for employee workers' compensation.

**Property and Casualty Insurance** - to account for the financial activity associated with the self-insurance program for property and casualty losses.

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF NET POSITION -**  
**ALL INTERNAL SERVICE FUNDS**  
**JUNE 30, 2019**

	Employee Benefit Trust	Workers' Compensation	Property and Casualty Insurance
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 4,790,430	\$ 1,643,228	\$ 278,367
Accounts receivable	575,553		
Prepaid items			89,221
<b>Total current assets</b>	<b>5,365,983</b>	<b>1,643,228</b>	<b>367,588</b>
Noncurrent assets:			
Capital assets, net of accumulated depreciation			
<b>Total noncurrent assets</b>	<b>5,365,983</b>	<b>1,643,228</b>	<b>367,588</b>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable		31,463	16,070
Claims payable	2,974,000	772,020	275,483
<b>Total current liabilities</b>	<b>2,974,000</b>	<b>803,483</b>	<b>291,553</b>
Noncurrent liabilities:			
Non-current portion of long-term obligations		974,068	
<b>Total noncurrent liabilities</b>	<b>2,974,000</b>	<b>974,068</b>	<b>291,553</b>
<b><u>NET POSITION</u></b>			
Investment in capital assets			
Unrestricted	2,391,983	(134,323)	76,035
<b>Total net position</b>	<b>\$ 2,391,983</b>	<b>\$ (134,323)</b>	<b>\$ 76,035</b>

<u>Print Shop</u>	<u>Totals</u>
\$ 269,880	\$ 6,981,905
	575,553
	89,221
<u>269,880</u>	<u>7,646,679</u>
323,697	323,697
<u>323,697</u>	<u>323,697</u>
<u>593,577</u>	<u>7,970,376</u>
26,631	74,164
	4,021,503
<u>26,631</u>	<u>4,095,667</u>
	974,068
	<u>974,068</u>
<u>26,631</u>	<u>5,069,735</u>
323,697	323,697
243,249	2,576,944
<u>\$ 566,946</u>	<u>\$ 2,900,641</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -  
ALL INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Employee Benefit Trust</u>	<u>Workers' Compensation</u>	<u>Property and Casualty Insurance</u>
<b>Operating revenues:</b>			
Contributions	\$ 17,576,881	\$ 1,056,180	\$ 1,067,359
Charges for services			
<b>Total operating revenues</b>	<u>17,576,881</u>	<u>1,056,180</u>	<u>1,067,359</u>
<b>Operating expenses:</b>			
Claims	13,605,549	1,802,385	238,624
Premiums	970,516	87,095	1,010,880
Administrative and other	2,388,840	213,599	58,241
Cost of services			
Depreciation			
<b>Total operating expenses</b>	<u>16,964,905</u>	<u>2,103,079</u>	<u>1,307,745</u>
<b>Operating income (loss)</b>	<u>611,976</u>	<u>(1,046,899)</u>	<u>(240,386)</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	47,482	26,412	2,004
<b>Total nonoperating revenues (expenses)</b>	<u>47,482</u>	<u>26,412</u>	<u>2,004</u>
<b>Changes in net position</b>	<u>659,458</u>	<u>(1,020,487)</u>	<u>(238,382)</u>
<b>Total net position, beginning of year</b>	1,732,525	886,164	314,417
<b>Total net position, end of year</b>	<u>\$ 2,391,983</u>	<u>\$ (134,323)</u>	<u>\$ 76,035</u>

<u>Print Shop</u>	<u>Totals</u>
\$	\$ 19,700,420
508,463	508,463
<u>508,463</u>	<u>20,208,883</u>
	15,646,558
	2,068,491
	2,660,680
419,804	419,804
69,995	69,995
<u>489,799</u>	<u>20,865,528</u>
<u>18,664</u>	<u>(656,645)</u>
<u>4,239</u>	<u>80,137</u>
<u>4,239</u>	<u>80,137</u>
<u>22,903</u>	<u>(576,508)</u>
544,043	3,477,149
<u>\$ 566,946</u>	<u>\$ 2,900,641</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Employee Benefit Trust</u>	<u>Workers' Compensation</u>	<u>Property and Casualty Insurance</u>
<b><u>Increase/Decrease in Cash and Cash Equivalents</u></b>			
<b>Cash flows from operating activities:</b>			
Cash received from contributions	\$ 17,303,374	\$ 1,056,180	\$ 1,067,359
Cash received for services			
Cash payments to suppliers for goods and services	(3,359,356)	(269,231)	(1,111,150)
Cash payments for claims	<u>(14,259,549)</u>	<u>(1,129,901)</u>	<u>(168,397)</u>
<b>Net cash provided by/used for operating activities</b>	<u>(315,531)</u>	<u>(342,952)</u>	<u>(212,188)</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets			
<b>Net cash provided by/used for capital and related financing activities</b>			
<b>Cash flows from investing activities:</b>			
Investment income	47,482	26,412	2,004
<b>Net cash provided by/used for investing activities</b>	<u>47,482</u>	<u>26,412</u>	<u>2,004</u>
<b>Net increase/decrease in cash and cash equivalents</b>	<u>(268,049)</u>	<u>(316,540)</u>	<u>(210,184)</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>5,058,479</u>	<u>1,959,768</u>	<u>488,551</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 4,790,430</u>	<u>\$ 1,643,228</u>	<u>\$ 278,367</u>
<b><u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u></b>			
<b>Operating income/loss</b>	\$ 611,976	\$ (1,046,899)	\$ (240,386)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:			
Depreciation			
Changes in assets and liabilities:			
Increase/decrease in accounts receivable	(273,507)		
Increase/decrease in prepaid items			(13,331)
Increase/decrease in accounts payable		31,463	(28,698)
Increase/decrease in claims payable	<u>(654,000)</u>	<u>672,484</u>	<u>70,227</u>
<b>Total adjustments</b>	<u>(927,507)</u>	<u>703,947</u>	<u>28,198</u>
<b>Net cash provided by/used for operating activities</b>	<u>\$ (315,531)</u>	<u>\$ (342,952)</u>	<u>\$ (212,188)</u>

<u>Print Shop</u>	<u>Totals</u>
\$	\$
508,463	19,426,913
(405,459)	508,463
	(5,145,196)
	<u>(15,557,847)</u>
<u>103,004</u>	<u>(767,667)</u>
<u>(52,772)</u>	<u>(52,772)</u>
<u>(52,772)</u>	<u>(52,772)</u>
<u>4,239</u>	<u>80,137</u>
<u>4,239</u>	<u>80,137</u>
<u>54,471</u>	<u>(740,302)</u>
<u>215,409</u>	<u>7,722,207</u>
<u>\$ 269,880</u>	<u>\$ 6,981,905</u>
\$ 18,664	\$ (656,645)
69,995	69,995
	(273,507)
	(13,331)
14,345	17,110
	<u>88,711</u>
<u>84,340</u>	<u>(111,022)</u>
<u>\$ 103,004</u>	<u>\$ (767,667)</u>



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## **AGENCY FUNDS**

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
 COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 JUNE 30, 2019**

	<u>Student Activities</u>	<u>Employee Withholding</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 159,339	\$ 166,999	\$ 326,338
<b>Total assets</b>	<u>\$ 159,339</u>	<u>\$ 166,999</u>	<u>\$ 326,338</u>
<b><u>LIABILITIES</u></b>			
Deposits held for others	\$	\$ 166,999	\$ 166,999
Due to student groups	159,339		159,339
<b>Total liabilities</b>	<u>\$ 159,339</u>	<u>\$ 166,999</u>	<u>\$ 326,338</u>

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>STUDENT ACTIVITIES</u></b>				
<u>Assets</u>				
Cash and investments	\$ 159,340	\$ 109,963	\$ 109,964	\$ 159,339
Total assets	<u>\$ 159,340</u>	<u>\$ 109,963</u>	<u>\$ 109,964</u>	<u>\$ 159,339</u>
<u>Liabilities</u>				
Due to student groups	\$ 159,340	\$ 109,963	\$ 109,964	\$ 159,339
Total liabilities	<u>\$ 159,340</u>	<u>\$ 109,963</u>	<u>\$ 109,964</u>	<u>\$ 159,339</u>
 <b><u>EMPLOYEE WITHHOLDING</u></b>				
<u>Assets</u>				
Cash and investments	\$ 166,053	\$ 261,224	\$ 260,278	\$ 166,999
Total assets	<u>\$ 166,053</u>	<u>\$ 261,224</u>	<u>\$ 260,278</u>	<u>\$ 166,999</u>
<u>Liabilities</u>				
Deposits held for others	\$ 166,053	\$ 261,224	\$ 260,278	\$ 166,999
Total liabilities	<u>\$ 166,053</u>	<u>\$ 261,224</u>	<u>\$ 260,278</u>	<u>\$ 166,999</u>
 <b><u>TOTAL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 325,393	\$ 371,187	\$ 370,242	\$ 326,338
Total assets	<u>\$ 325,393</u>	<u>\$ 371,187</u>	<u>\$ 370,242</u>	<u>\$ 326,338</u>
<u>Liabilities</u>				
Deposits held for others	\$ 166,053	\$ 261,224	\$ 260,278	\$ 166,999
Due to student groups	159,340	109,963	109,964	159,339
Total liabilities	<u>\$ 325,393</u>	<u>\$ 371,187</u>	<u>\$ 370,242</u>	<u>\$ 326,338</u>

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Governmental activities:</b>					
Net investment in capital assets	\$ 169,329,032	\$ 171,036,125	\$ 164,180,762	\$ 152,225,774	\$ 147,843,966
Restricted	34,007,077	31,646,079	27,324,624	31,413,624	25,808,205
Unrestricted	(120,782,949)	(136,128,787)	(142,843,970)	(149,818,084)	(158,118,288)
Total governmental activities net position	<u>\$ 82,553,160</u>	<u>\$ 66,553,417</u>	<u>\$ 48,661,416</u>	<u>\$ 33,821,314</u>	<u>\$ 15,533,883</u>
<b>Business-type activities:</b>					
Net investment in capital assets	\$ 1,085,590	\$ 1,324,248	\$ 1,323,160	\$ 1,404,559	\$ 1,517,228
Restricted					
Unrestricted	80,146	(88,070)	23,330	162,316	56,297
Total business-type activities net position	<u>\$ 1,165,736</u>	<u>\$ 1,236,178</u>	<u>\$ 1,346,490</u>	<u>\$ 1,566,875</u>	<u>\$ 1,573,525</u>
<b>Primary government:</b>					
Net investment in capital assets	\$ 170,414,622	\$ 172,360,373	\$ 165,503,922	\$ 153,630,333	\$ 149,361,194
Restricted	34,007,077	31,646,079	27,324,624	31,413,624	25,808,205
Unrestricted	(120,702,803)	(136,216,857)	(142,820,640)	(149,655,768)	(158,061,991)
Total net position	<u>\$ 83,718,896</u>	<u>\$ 67,789,595</u>	<u>\$ 50,007,906</u>	<u>\$ 35,388,189</u>	<u>\$ 17,107,408</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Governmental activities:</b>					
Net investment in capital assets	\$ 140,651,648	\$ 134,338,769	\$ 131,154,280	\$ 126,084,903	\$ 119,499,966
Restricted	23,121,936	16,387,192	15,370,563	15,934,592	32,546,642
Unrestricted	27,173,827	38,585,487	51,127,160	48,705,719	30,721,294
Total governmental activities net position	<u>\$ 190,947,411</u>	<u>\$ 189,311,448</u>	<u>\$ 197,652,003</u>	<u>\$ 190,725,214</u>	<u>\$ 182,767,902</u>
<b>Business-type activities:</b>					
Net investment in capital assets	\$ 1,413,714	\$ 1,422,509	\$	\$	\$
Restricted					
Unrestricted	786,635	913,615			
Total business-type activities net position	<u>\$ 2,200,349</u>	<u>\$ 2,336,124</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
<b>Primary government:</b>					
Net investment in capital assets	\$ 142,065,362	\$ 135,761,278	\$ 131,154,280	\$ 126,084,903	\$ 119,499,966
Restricted	23,121,936	16,387,192	15,370,563	15,934,592	32,546,642
Unrestricted	27,960,462	39,499,102	51,127,160	48,705,719	30,721,294
Total net position	<u>\$ 193,147,760</u>	<u>\$ 191,647,572</u>	<u>\$ 197,652,003</u>	<u>\$ 190,725,214</u>	<u>\$ 182,767,902</u>

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

**Note:** Prior to 2013 business-type activities were presented as governmental activities.

**(Concluded)**



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Expenses</b>					
Governmental activities:					
Instruction	\$ 115,423,800	\$ 105,181,329	\$ 106,648,242	\$ 102,834,169	\$ 99,473,480
Support services - students and staff	27,007,035	27,358,008	27,816,395	27,153,837	25,259,949
Support services - administration	18,138,223	16,094,942	16,477,056	16,019,927	16,863,927
Operation and maintenance of plant services	22,794,221	22,058,166	21,380,529	20,967,936	20,573,400
Student transportation services	9,885,626	8,601,342	8,825,125	8,685,581	8,931,677
Operation of non-instructional services	22,187,887	20,537,365	21,168,721	19,204,711	20,757,679
Interest on long-term debt	3,353,529	3,196,178	2,343,635	2,556,097	3,184,743
Total governmental activities	<u>218,790,321</u>	<u>203,027,330</u>	<u>204,659,703</u>	<u>197,422,258</u>	<u>195,044,855</u>
Business-type activities:					
Private school consortium	1,177,029	1,124,241	1,006,566	825,441	760,335
Alternative fuel	105,015	97,859	91,469	94,244	107,874
Total business-type activities	<u>1,282,044</u>	<u>1,222,100</u>	<u>1,098,035</u>	<u>919,685</u>	<u>868,209</u>
Total expenses	<u>220,072,365</u>	<u>204,249,430</u>	<u>205,757,738</u>	<u>198,341,943</u>	<u>195,913,064</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
Instruction	859,248	799,325	818,477	834,514	857,280
Operation of non-instructional services	4,063,950	3,789,825	3,637,223	3,556,652	3,640,577
Other activities	134,524	101,531	356,744	106,743	64,020
Operating grants and contributions	47,990,738	43,691,986	42,887,352	41,811,603	39,616,244
Capital grants and contributions	271,618	1,720,923	2,244,306	1,712,149	95,728
Total governmental activities	<u>53,320,078</u>	<u>50,103,590</u>	<u>49,944,102</u>	<u>48,021,661</u>	<u>44,273,849</u>
Business-type activities:					
Charges for services					
Private school consortium	1,110,398	1,024,812	810,918	842,479	854,194
Alternative fuel	86,683	80,326	61,667	66,466	81,532
Total business-type activities	<u>1,197,081</u>	<u>1,105,138</u>	<u>872,585</u>	<u>908,945</u>	<u>935,726</u>
Total program revenues	<u>54,517,159</u>	<u>51,208,728</u>	<u>50,816,687</u>	<u>48,930,606</u>	<u>45,209,575</u>
<b>Net (Expense)/Revenue</b>	<u><u>\$ (165,555,206)</u></u>	<u><u>\$ (153,040,702)</u></u>	<u><u>\$ (154,941,051)</u></u>	<u><u>\$ (149,411,337)</u></u>	<u><u>\$ (150,703,489)</u></u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Expenses</b>					
Governmental activities:					
Instruction	\$ 99,497,671	\$ 96,287,120	\$ 95,655,933	\$ 96,302,960	\$ 98,377,469
Support services - students and staff	25,400,733	24,437,353	22,683,312	23,438,972	24,283,027
Support services - administration	19,545,606	16,847,819	15,851,740	15,161,986	16,586,101
Operation and maintenance of plant services	21,755,307	21,464,307	20,505,294	20,006,076	20,421,447
Student transportation services	8,921,262	10,322,705	8,352,478	8,219,151	8,720,012
Operation of non-instructional services	20,672,728	19,580,110	17,777,812	17,216,475	16,360,922
Interest on long-term debt	3,527,782	4,451,926	4,065,351	4,319,857	4,498,547
Total governmental activities	<u>199,321,089</u>	<u>193,391,340</u>	<u>184,891,920</u>	<u>184,665,477</u>	<u>189,247,525</u>
Business-type activities:					
Private school consortium	813,384	971,139			
Alternative fuel	146,965	81,577			
Total business-type activities	<u>960,349</u>	<u>1,052,716</u>			
Total expenses	<u>200,281,438</u>	<u>194,444,056</u>	<u>184,891,920</u>	<u>184,665,477</u>	<u>189,247,525</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
Instruction	755,459	860,809	837,596	600,792	393,270
Operation of non-instructional services	3,986,380	3,294,615	3,876,383	3,851,113	2,914,250
Other activities	103,159	164,133	117,199	207,273	875,928
Operating grants and contributions	37,619,978	38,718,810	48,386,041	50,249,772	55,573,950
Capital grants and contributions	106,271				
Total governmental activities	<u>42,571,247</u>	<u>43,038,367</u>	<u>53,217,219</u>	<u>54,908,950</u>	<u>59,757,398</u>
Business-type activities:					
Charges for services					
Private school consortium	670,617	778,214			
Alternative fuel	150,775	164,943			
Total business-type activities	<u>821,392</u>	<u>943,157</u>			
Total program revenues	<u>43,392,639</u>	<u>43,981,524</u>	<u>53,217,219</u>	<u>54,908,950</u>	<u>59,757,398</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (156,888,799)</u>	<u>\$ (150,462,532)</u>	<u>\$ (131,674,701)</u>	<u>\$ (129,756,527)</u>	<u>\$ (129,490,127)</u>

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

**Note:** Prior to 2013 business-type activities were presented as governmental activities.

**(Concluded)**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Net (Expense)/Revenue</b>	\$ (165,555,206)	\$ (153,040,702)	\$ (154,941,051)	\$ (149,411,337)	\$ (150,703,489)
<b>General Revenues:</b>					
Governmental activities:					
Taxes:					
Property taxes, levied for general purposes	42,433,833	44,183,867	42,324,539	40,734,144	40,529,370
Property taxes, levied for debt service	14,915,494	14,421,219	14,619,586	16,204,896	15,992,162
Property taxes, levied for capital outlay	3,618,256		3,213,058	1,554,523	2,911,214
Investment income	1,686,275	896,899	480,040	333,876	208,981
Other					
Unrestricted county aid	9,599,586	9,685,188	9,376,533	9,213,359	8,780,891
Unrestricted state aid	107,195,752	99,673,014	97,832,022	97,860,492	93,009,088
Unrestricted federal aid	2,020,790	1,927,651	1,709,925	1,786,738	640,647
Total governmental activities	<u>181,469,986</u>	<u>170,787,838</u>	<u>169,555,703</u>	<u>167,688,028</u>	<u>162,072,353</u>
<b>General Revenues:</b>					
Business-type activities:					
Investment income	<u>14,521</u>	<u>6,650</u>	<u>5,065</u>	<u>4,090</u>	<u>3,073</u>
Total business-type activities	<u>14,521</u>	<u>6,650</u>	<u>5,065</u>	<u>4,090</u>	<u>3,073</u>
<b>Changes in Net Position</b>	<u>\$ 15,929,301</u>	<u>\$ 17,753,786</u>	<u>\$ 14,619,717</u>	<u>\$ 18,280,781</u>	<u>\$ 11,371,937</u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Net (Expense)/Revenue</b>	\$ (156,888,799)	\$ (150,462,532)	\$ (131,674,701)	\$ (129,756,527)	\$ (129,490,127)
<b>General Revenues:</b>					
Governmental activities:					
Taxes:					
Property taxes, levied for general purposes	41,086,061	51,976,289	57,336,243	52,881,727	57,360,259
Property taxes, levied for debt service	16,105,036				
Property taxes, levied for capital outlay	2,569,357				
Investment income	360,314	250,924	611,471	564,347	866,943
Other			814,480	957,518	1,842,065
Unrestricted county aid	8,061,126	7,786,874			
Unrestricted state aid	89,230,772	83,833,717	79,839,296	83,310,247	81,760,455
Unrestricted federal aid	973,139	606,560			
<b>Total general revenues</b>	<u>158,385,805</u>	<u>144,454,364</u>	<u>138,601,490</u>	<u>137,713,839</u>	<u>141,829,722</u>
<b>Net (Expense)/Revenue</b>					
Business-type activities:					
Investment income	<u>3,182</u>	<u>3,737</u>			
Total business-type activities	<u>3,182</u>	<u>3,737</u>			
<b>Changes in Net Position</b>	<u>\$ 1,500,188</u>	<u>\$ (6,004,431)</u>	<u>\$ 6,926,789</u>	<u>\$ 7,957,312</u>	<u>\$ 12,339,595</u>

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

**Note 1:** Prior to fiscal year 2014 property tax revenue detail is not available.

**Note 2:** Prior to 2013 business-type activities were presented as governmental activities.

(Concluded)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
General Fund:					
Nonspendable	\$ 672,932	\$ 638,005	\$ 693,334	\$ 1,094,793	\$ 704,702
Restricted	8,413,650	9,681,337	6,567,759	8,202,561	4,566,212
Committed					
Assigned					
Unassigned	26,105,977	23,528,106	20,967,868	17,358,336	10,439,133
Reserved					
Unreserved					
Total General Fund	<u>\$ 35,192,559</u>	<u>\$ 33,847,448</u>	<u>\$ 28,228,961</u>	<u>\$ 26,655,690</u>	<u>\$ 15,710,047</u>
All Other Governmental Funds:					
Nonspendable	\$ 175,713	\$ 188,933	\$ 147,429	\$ 133,406	\$ 138,187
Restricted	67,616,257	47,946,273	67,229,496	45,807,388	26,002,278
Committed					
Assigned					
Unassigned	(1,180,820)	(2,565,217)	(100,801)	(121,156)	(40,728)
Reserved					
Unreserved, reported in:					
Special revenue funds					
Capital projects funds					
Debt service fund					
Total all other governmental funds	<u>\$ 66,611,150</u>	<u>\$ 45,569,989</u>	<u>\$ 67,276,124</u>	<u>\$ 45,819,638</u>	<u>\$ 26,099,737</u>

**(Continued)**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:					
Nonspendable	\$ 672,748	\$ 606,151	\$ 648,293	\$ 598,955	\$
Restricted	4,142,611	259,946	249,987	239,976	
Committed					
Assigned		695,977	2,200,000	1,000,000	
Unassigned	9,747,586	15,450,753	23,777,607	22,280,697	
Reserved					580,116
Unreserved					6,255,374
Total General Fund	<u>\$ 14,562,945</u>	<u>\$ 17,012,827</u>	<u>\$ 26,875,887</u>	<u>\$ 24,119,628</u>	<u>\$ 6,835,490</u>
All Other Governmental Funds:					
Nonspendable	\$ 120,475	\$ 123,416	\$ 99,789	\$ 95,444	\$
Restricted	23,118,195	21,794,618	17,349,012	25,305,337	
Committed					
Assigned					
Unassigned					
Reserved					102,138
Unreserved, reported in:					
Special revenue funds					12,981,586
Capital projects funds					9,213,790
Debt service fund					11,281,870
Total all other governmental funds	<u>\$ 23,238,670</u>	<u>\$ 21,918,034</u>	<u>\$ 17,448,801</u>	<u>\$ 25,400,781</u>	<u>\$ 33,579,384</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)**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 25,138,948	\$ 22,649,954	\$ 26,546,492	\$ 24,952,307	\$ 22,715,570
National School Lunch Program	19,981,278	18,744,599	18,923,117	18,714,302	16,967,915
Total federal sources	<u>45,120,226</u>	<u>41,394,553</u>	<u>45,469,609</u>	<u>43,666,609</u>	<u>39,683,485</u>
<b>State sources:</b>					
State equalization assistance	95,575,111	88,885,938	88,507,150	88,642,833	84,341,877
State grants	3,832,679	2,624,792	159,999	188,186	174,932
School Facilities Board	1,749,490	200,436	100,125	138,378	
Other revenues	11,620,641	10,787,076	9,324,872	9,217,659	8,667,211
Total state sources	<u>112,777,921</u>	<u>102,498,242</u>	<u>98,092,146</u>	<u>98,187,056</u>	<u>93,184,020</u>
<b>Local sources:</b>					
Property taxes	61,379,413	58,754,113	60,419,448	59,774,527	59,342,671
County aid	9,599,586	9,685,188	9,376,533	9,213,359	8,780,891
Food service sales	219,941	204,100	307,393	510,560	725,566
Investment income	1,606,138	846,583	433,484	299,089	212,054
Other revenues	5,642,410	5,465,267	5,424,755	4,914,355	4,880,569
Total local sources	<u>78,447,488</u>	<u>74,955,251</u>	<u>75,961,613</u>	<u>74,711,890</u>	<u>73,941,751</u>
<b>Total revenues</b>	<u><u>\$ 236,345,635</u></u>	<u><u>\$ 218,848,046</u></u>	<u><u>\$ 219,523,368</u></u>	<u><u>\$ 216,565,555</u></u>	<u><u>\$ 206,809,256</u></u>

**(Continued)**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>	<u><b>2010</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 21,117,016	\$ 21,427,638	\$ 25,586,389	\$ 27,480,698	\$
National School Lunch Program	15,118,150	14,550,077	13,416,071	12,550,100	
Total federal sources	<u>36,235,166</u>	<u>35,977,715</u>	<u>39,002,460</u>	<u>40,030,798</u>	
<b>State sources:</b>					
State equalization assistance	80,526,567	86,982,842	83,096,833	87,861,045	
State grants	804,741	7,368,386	6,126,044	5,668,177	
Other revenues	8,704,205				
Total state sources	<u>90,035,513</u>	<u>94,351,228</u>	<u>89,222,877</u>	<u>93,529,222</u>	
<b>Intergovernmental</b>					<u>145,504,533</u>
<b>Local sources:</b>					
Property taxes	59,004,911	52,278,031	57,063,913	52,940,965	55,938,271
County aid	8,061,126				
Food service sales	883,187	982,965	1,081,538	1,095,450	1,234,802
Investment income	330,333	219,265	553,258	483,209	772,985
Other revenues	4,812,307	4,936,669	4,466,985	4,521,246	4,790,711
Total local sources	<u>73,091,864</u>	<u>58,416,930</u>	<u>63,165,694</u>	<u>59,040,870</u>	<u>62,736,769</u>
<b>Total revenues</b>	<u><u>\$ 199,362,543</u></u>	<u><u>\$ 188,745,873</u></u>	<u><u>\$ 191,391,031</u></u>	<u><u>\$ 192,600,890</u></u>	<u><u>\$ 208,241,302</u></u>

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

**Note:** Detailed information for intergovernmental revenues prior to fiscal year 2011 is not available.

**(Concluded)**



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 115,560,803	\$ 103,279,316	\$ 103,756,910	\$ 96,624,633	\$ 96,153,216
Support services - students and staff	28,926,361	28,212,618	28,574,859	27,339,907	25,232,512
Support services - administration	16,679,812	15,554,205	15,967,810	15,341,259	16,057,968
Operation and maintenance of plant services	20,055,084	19,541,280	18,582,265	17,661,743	17,133,331
Student transportation services	8,210,346	7,784,249	8,150,047	7,870,766	8,161,998
Operation of non-instructional services	22,195,616	20,491,207	21,057,220	19,027,664	20,573,969
Capital outlay	27,010,402	24,072,075	17,871,595	11,662,549	6,555,118
Debt service -					
Interest and fiscal charges	3,819,829	3,662,478	2,588,254	2,708,821	3,337,467
Principal retirement	12,699,050	12,324,441	18,257,051	14,748,350	14,121,124
Bond issuance costs	427,799		278,020	145,492	24,050
<b>Total expenditures</b>	<u>\$ 255,585,102</u>	<u>\$ 234,921,869</u>	<u>\$ 235,084,031</u>	<u>\$ 213,131,184</u>	<u>\$ 207,350,753</u>
Expenditures for capitalized assets	\$ 22,014,231	\$ 22,329,644	\$ 17,242,995	\$ 11,504,989	\$ 6,389,320
Debt service as a percentage of noncapital expenditures	7%	8%	10%	9%	9%

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 93,717,118	\$ 93,736,675	\$ 91,410,445	\$ 93,436,783	\$ 95,382,583
Support services - students and staff	24,034,750	24,748,411	22,509,492	23,522,232	24,445,641
Support services - administration	15,536,516	15,300,720	14,366,216	14,553,115	15,576,253
Operation and maintenance of plant services	18,381,447	18,880,306	17,918,737	18,183,028	18,299,725
Student transportation services	7,601,273	9,066,412	9,093,523	7,964,428	9,045,909
Operation of non-instructional services	19,809,292	19,401,013	17,582,358	17,164,310	17,539,169
Capital outlay	14,422,452	18,384,635	7,197,451	2,452,543	6,206,156
Debt service -					
Interest and fiscal charges	3,680,506	4,192,759	4,151,391	4,391,286	4,559,541
Principal retirement	13,299,276	13,437,039	12,410,822	11,927,791	11,613,857
Bond issuance costs	24,100	319,439		212,540	
<b>Total expenditures</b>	<u>\$ 210,506,730</u>	<u>\$ 217,467,409</u>	<u>\$ 196,640,435</u>	<u>\$ 193,808,056</u>	<u>\$ 202,668,834</u>
Expenditures for capitalized assets	\$ 8,117,800	\$ 22,394,368	\$ 8,933,690	\$ 4,800,749	\$ 7,884,467
Debt service as a percentage of noncapital expenditures	8%	9%	9%	9%	8%

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

**(Concluded)**

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (19,239,467)	\$ (16,073,823)	\$ (15,560,663)	\$ 3,434,371	\$ (541,497)
<b>Other financing sources (uses):</b>					
General obligation bonds issued	36,000,000		33,555,000	25,500,000	4,500,000
Premium on sale of bonds	5,578,445		3,674,792	918,929	
Capital lease agreements			1,748,064	426,934	
Transfers in	4,246,122	2,764,464	1,920,295	3,177,753	1,895,772
Transfers out	(4,246,122)	(2,764,464)	(1,920,295)	(3,177,753)	(1,895,772)
Insurance recoveries	25,587				
Total other financing sources (uses)	<u>41,604,032</u>		<u>38,977,856</u>	<u>26,845,863</u>	<u>4,500,000</u>
<b>Changes in fund balances</b>	<u>\$ 22,364,565</u>	<u>\$ (16,073,823)</u>	<u>\$ 23,417,193</u>	<u>\$ 30,280,234</u>	<u>\$ 3,958,503</u>
	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (11,144,187)	\$ (28,721,536)	\$ (5,249,404)	\$ (1,207,166)	\$ 5,572,468
<b>Other financing sources (uses):</b>					
General obligation bonds issued	5,000,000	20,000,000		10,000,000	
Premium on sale of bonds		933,589		300,556	
Capital lease agreements	5,864,900	2,412,635			357,180
Transfers in	1,622,419	1,753,837	1,183,613	1,596,391	4,851,589
Transfers out	(1,622,419)	(1,753,837)	(1,183,613)	(1,596,391)	(4,851,589)
Total other financing sources (uses)	<u>10,864,900</u>	<u>23,346,224</u>	<u></u>	<u>10,300,556</u>	<u>357,180</u>
<b>Changes in fund balances</b>	<u>\$ (279,287)</u>	<u>\$ (5,375,312)</u>	<u>\$ (5,249,404)</u>	<u>\$ 9,093,390</u>	<u>\$ 5,929,648</u>

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**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>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 520,996,576	\$ 503,747,626	\$ 477,227,516	\$ 464,736,999	\$ 472,181,411
Agricultural and Vacant	13,037,232	14,016,698	12,881,777	18,838,328	17,842,349
Residential (Owner Occupied)	527,889,859	481,888,173	456,022,508	433,480,548	417,896,904
Residential (Rental)	226,900,557	206,976,139	196,732,743	185,389,793	170,725,842
Historical Property	72,751	50,813	42,142	40,341	108,115
Certain Government Property Improvements	143,856	82,366	79,022	101,399	101,963
<b>Total</b>	<b>\$ 1,289,040,831</b>	<b>\$ 1,206,761,815</b>	<b>\$ 1,142,985,708</b>	<b>\$ 1,102,587,408</b>	<b>\$ 1,078,856,584</b>
Gross Full Cash Value	\$ 17,458,814,192	\$ 15,769,241,274	\$ 14,509,954,943	\$ 13,228,634,436	\$ 10,484,096,797
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	8%	8%	8%	10%
Total Direct Rate	5.10	5.21	5.63	5.78	5.70

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 485,838,284	\$ 536,566,162	\$ 579,720,714	\$ 725,098,667	\$ 735,720,516
Agricultural and Vacant	23,067,497	27,014,320	29,116,900	35,428,644	30,234,334
Residential (Owner Occupied)	395,683,367	467,196,013	552,197,999	723,837,868	915,060,239
Residential (Rental)	151,279,607	140,976,564	161,371,870	221,975,671	231,105,357
Historical Property	107,971	121,435	74,699	251,582	188,200
Certain Government Property Improvements	71,136	79,365	93,427		
<b>Total</b>	<b>\$ 1,056,047,862</b>	<b>\$ 1,171,953,859</b>	<b>\$ 1,322,575,609</b>	<b>\$ 1,706,592,432</b>	<b>\$ 1,912,308,646</b>
Gross Full Cash Value	\$ 9,467,272,155	\$ 10,327,375,233	\$ 11,732,224,759	\$ 15,406,725,213	\$ 19,155,917,245
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	10%
Total Direct Rate	6.02	4.71	4.61	3.38	3.08

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	\$ 639,344,809	\$ 604,216,777	\$ 540,833,512	\$ 482,548,361	\$ 477,395,349
Agricultural and Vacant	20,756,983	20,264,718	17,044,596	21,105,862	18,691,974
Residential (Owner Occupied)	807,633,854	717,074,405	677,123,813	635,669,446	453,825,849
Residential (Rental)	379,246,069	329,833,257	294,898,987	264,011,064	191,757,548
Historical Property	117,730	80,355	67,775	63,665	314,954
Certain Government Property Improvements	192,167	103,842	95,055	107,594	103,652
<b>Total</b>	<b>\$ 1,847,291,612</b>	<b>\$ 1,671,573,354</b>	<b>\$ 1,530,063,738</b>	<b>\$ 1,403,505,992</b>	<b>\$ 1,142,089,326</b>
Gross Full Cash Value	\$ 17,458,814,192	\$ 15,769,241,274	\$ 14,509,954,943	\$ 13,228,634,436	\$ 10,484,096,797
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	\$ 15,143,430,277	\$ 13,591,332,804	\$ 12,489,262,212	\$ 11,338,332,132	\$ 8,791,063,652
Total Direct Rate	5.10	5.21	5.63	5.78	5.70

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	\$ 486,699,613	\$ 537,112,888	\$ 580,807,450	\$ 775,772,528	\$ 855,894,214
Agricultural and Vacant	23,256,358	27,227,906	29,735,357	43,207,330	42,232,397
Residential (Owner Occupied)	396,879,515	468,675,857	553,225,987	724,641,151	1,025,049,246
Residential (Rental)	154,128,545	141,505,000	161,519,148	230,778,080	279,860,694
Historical Property	320,400	349,360	263,469	1,018,959	828,080
Certain Government Property Improvements	71,136	79,365	93,427		
<b>Total</b>	<b>\$ 1,061,355,567</b>	<b>\$ 1,174,950,376</b>	<b>\$ 1,325,644,838</b>	<b>\$ 1,775,418,048</b>	<b>\$ 2,203,864,631</b>
Gross Full Cash Value	\$ 9,467,272,155	\$ 10,327,375,233	\$ 11,732,224,759	\$ 15,406,725,213	\$ 19,155,917,245
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	12%	12%
Estimated Net Full Cash Value	\$ 7,912,752,725	\$ 8,716,991,986	\$ 9,946,112,208	\$ 13,171,240,475	\$ 16,783,587,477
Total Direct Rate	6.02	4.71	4.61	3.38	3.08

**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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	19 %	19 %
Agricultural and Vacant	15	15	15	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	14	15	16

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Commercial, Industrial, Utilities and Mining	20 %	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

**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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State	County	Flood Control District	Community College District	Central Arizona Water	City of Phoenix	City of Glendale	Primary	Secondary	Total
	Equalization									
2019	0.47	1.40	0.18	1.38	0.14	2.14	1.98	2.10	3.00	5.10
2018	0.49	1.40	0.18	1.41	0.14	2.16	2.08	2.57	2.64	5.21
2017	0.50	1.40	0.18	1.47	0.14	2.17	2.15	2.83	2.80	5.63
2016	0.51	1.36	0.16	1.49	0.14	1.82	2.19	2.82	2.96	5.78
2015	0.51	1.32	0.14	1.52	0.14	1.82	2.15	2.92	2.78	5.70
2014	0.51	1.28	0.14	1.53	0.14	1.82	2.29	3.05	2.97	6.02
2013	0.47	1.24	0.18	1.38	0.10	1.82	1.90	2.04	2.67	4.71
2012	0.43	1.24	0.18	1.21	0.10	1.82	1.60	2.43	2.18	4.61
2011	0.36	1.05	0.15	0.97	0.10	1.82	1.60	1.94	1.44	3.38
2010	0.33	0.99	0.14	0.88	0.10	1.82	1.60	1.66	1.42	3.08

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Taxpayer</b>	<b>2019</b>		<b>2010</b>	
	<b>Net Limited Assessed Valuation</b>	<b>Percentage of District's Net Limited Assessed Valuation</b>	<b>Net Full Cash Assessed Valuation</b>	<b>Percentage of District's Net Full Cash Assessed Valuation</b>
Arizona Public Service Company	\$ 134,577,073	10.44 %	\$ 95,328,048	4.33 %
Qwest Corporation	9,565,813	0.74	16,674,560	0.76
VHS of Phoenix Inc	7,422,663	0.58	9,537,746	0.43
Canyon Corporate Plaza Properties LLC	6,615,000	0.51	10,185,000	0.46
M2 Phoenix 1222 LLC	6,481,691	0.50		
Bay Pacific Phoenix Corporate Center	5,048,777	0.39	8,743,553	0.40
Wal Mart Stores Inc	4,864,778	0.38		
Southwest Gas Corporation (T&D)	4,430,238	0.34		
Bell Towne Centre Associates LLC	4,112,487	0.32	9,781,669	0.44
Blue Cross & Blue Shield	3,922,928	0.30		
Metrorising Ams Owner LLC			11,126,835	0.50
PDG America Properties LLC			10,517,278	0.48
The Lamar Group			7,678,950	0.35
AB Associates Investors LLC			7,090,375	0.32
Total	<u>\$ 187,041,448</u>	<u>14.50 %</u>	<u>\$ 186,664,014</u>	<u>8.47 %</u>

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

**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.



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Adopted Taxes Levied for the Fiscal Year</b>	<b>Adjusted Tax Levy for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2019	\$ 66,228,169	\$ 65,936,795	\$ 63,568,490	95.98 %	\$	\$ 63,568,490	95.98 %
2018	62,904,606	62,681,619	60,471,626	96.13	2,187,214	62,658,840	99.61
2017	64,598,260	64,302,573	61,845,672	95.74	2,445,335	64,291,007	99.52
2016	63,865,622	63,598,846	62,526,782	97.90	1,049,223	63,576,005	99.55
2015	63,385,373	62,817,245	60,878,648	96.05	1,906,749	62,785,397	99.05
2014	63,427,847	62,801,530	60,695,060	95.69	2,100,603	62,795,663	99.00
2013	55,507,371	54,669,376	53,174,793	95.80	1,491,465	54,666,258	98.48
2012	60,907,130	60,380,469	58,011,623	95.25	1,919,690	59,931,313	98.40
2011	58,521,650	57,819,027	56,065,697	95.80	1,749,258	57,814,955	98.79
2010	63,161,121	62,357,763	57,874,718	91.63	2,430,197	60,304,915	95.48

**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.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
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	
2019	\$ 130,168,237	\$ 2,674,245	\$ 127,493,992	0.73 %	\$ 555	\$ 5,344,136	\$ 135,512,373	0.78 %	\$ 590	N/A %	
2018	100,561,092	1,304,957	99,256,135	0.63	439	6,018,186	106,579,278	0.68	471	0.05	
2017	114,067,392	1,130,117	112,937,275	0.78	493	6,837,627	120,905,019	0.83	527	0.07	
2016	95,068,169	5,589,720	89,478,449	0.68	363	6,386,614	101,454,783	0.77	412	0.06	
2015	82,277,915	4,761,843	77,516,072	0.74	332	6,808,030	89,085,945	0.85	382	0.05	
2014	90,871,590	4,810,140	86,061,450	0.91	368	7,619,154	98,490,744	1.04	421	0.06	
2013	86,190,265	4,852,770	81,337,495	0.79	366	2,278,530	88,468,795	0.86	398	0.06	
2012	76,965,041	4,420,720	72,544,321	0.62	311	1,077,934	78,042,975	0.67	335	0.05	
2011	88,841,081	6,319,771	82,521,310	0.54	365	1,698,756	90,539,837	0.59	401	0.06	
2010	89,946,954	11,281,870	78,665,084	0.41	313	2,291,547	92,238,501	0.48	366	0.07	

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

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2019**

Governmental Unit	Debt Outstanding	Net Full Cash Assessed Value	Net Limited Assessed Value	Estimated Percentage Applicable to School District	Estimated Amount Applicable to School District
Overlapping:					
State of Arizona	\$ None	\$ 76,437,036,352	\$ 62,328,357,186	2.06 %	\$ None
Maricopa County	None	51,944,549,119	40,423,232,421	3.18	None
Maricopa Community College District	380,740,000	51,944,549,119	40,423,232,421	3.18	12,107,532
Maricopa County Fire District Assistance Tax	N/A	51,944,549,119	40,423,232,421	N/A	N/A
Maricopa County Special Healthcare District	497,125,000	51,944,549,119	40,423,232,421	3.18	15,808,575
Maricopa County Library District	N/A	51,944,549,119	40,423,232,421	N/A	N/A
Maricopa County Flood Control District	N/A	N/A	37,003,666,851	N/A	N/A
Central Arizona Water Conservation District	N/A	51,944,549,119	40,423,232,421	N/A	N/A
City of Glendale	119,625,000	1,815,587,879	1,306,976,089	2.59	3,098,288
City of Phoenix	1,149,785,000	16,665,875,180	12,399,776,105	10.10	116,128,285
Glendale Union High School District No. 205	98,695,000	2,300,272,374	1,576,504,529	81.59	80,525,251
Western Maricopa Education Center District	138,655,000	19,290,186,581	14,803,114,535	8.69	12,049,120
Subtotal, Overlapping Debt					<u>239,717,051</u>
Direct:					
Washington Elementary School District No. 6					<u>135,512,373</u>
Total Direct and Overlapping Governmental Activities Debt					<u>\$ 375,229,424</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	9.89	%
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 1,599	
As a Percentage of Net Limited Assessed Valuation	28.49	%
As a Percentage of Gross Full Cash Value	2.10	%

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.  
2) Outstanding debt as of June 30, 2018 is presented for the overlapping governments as this is the most recent available information.  
3) N/A indicates that the information is not available.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2019:**

Net full cash assessed valuation	\$ 1,847,291,612
Debt limit (10% of assessed value)	184,729,161
Debt applicable to limit	<u>127,402,758</u>
Legal debt margin	<u>\$ 57,326,403</u>

**Total Legal Debt Margin Calculation for Fiscal Year 2019:**

Net full cash assessed valuation	\$ 1,847,291,612
Debt limit (15% of assessed value)	277,093,742
Debt applicable to limit	<u>127,402,758</u>
Legal debt margin	<u>\$ 149,690,984</u>

**Fiscal Year Ended June 30**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 277,093,742	\$ 250,736,003	\$ 229,509,561	\$ 210,525,899	\$ 171,313,399
Total net debt applicable to limit	<u>127,402,758</u>	<u>99,225,000</u>	<u>112,265,000</u>	<u>89,165,000</u>	<u>80,895,000</u>
Legal debt margin	<u>\$ 149,690,984</u>	<u>\$ 151,511,003</u>	<u>\$ 117,244,561</u>	<u>\$ 121,360,899</u>	<u>\$ 90,418,399</u>
Total net debt applicable to the limit as a percentage of debt limit	46%	40%	49%	42%	47%

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Debt Limit	\$ 159,203,335	\$ 176,242,556	\$ 198,846,726	\$ 266,312,707	\$ 330,579,695
Total net debt applicable to limit	<u>89,170,000</u>	<u>44,859,378</u>	<u>56,465,217</u>	<u>80,158,243</u>	<u>72,678,130</u>
Legal debt margin	<u>\$ 70,033,335</u>	<u>\$ 131,383,178</u>	<u>\$ 142,381,509</u>	<u>\$ 186,154,464</u>	<u>\$ 257,901,565</u>
Total net debt applicable to the limit as a percentage of debt limit	56%	25%	28%	30%	22%

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

**Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.

2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
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>
2018	4,294,460	\$ N/A	\$ N/A	4.6 %	229,580
2017	4,221,684	196,286,191	45,573	4.2	226,136
2016	4,137,076	185,111,698	43,628	4.6	229,248
2015	4,076,438	175,437,829	42,092	5.3	246,256
2014	4,087,191	168,483,421	41,222	5.9	233,511
2013	4,013,164	160,537,029	40,003	6.0	234,177
2012	3,942,868	159,384,756	40,424	7.1	222,464
2011	3,870,076	151,026,789	39,024	8.4	233,166
2010	3,823,609	142,690,740	37,318	9.6	225,909
2009	3,803,779	140,611,698	36,966	9.0	251,689

**Sources:** The source of the estimated District population is the City of Phoenix and the Maricopa Association of Government.

The source of personal income, per capita and population information is the US Department of Commerce, Bureau of Economic Analysis, Regional Income Division.

The source of the unemployment rate is the Bureau of Labor Statistics.

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

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2019</u>		<u>2010</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
State of Arizona	37,655	1.29 %	32,600	1.03 %
Banner Health	36,213	1.24	11,100	0.35
Walmart Inc	33,814	1.16	19,600	0.62
Wells Fargo Bank	15,062	0.52		
City of Phoenix	13,894	0.48	17,069	0.54
HonorHealth	11,308	0.39		
Dignity Health	11,206	0.38		
J.P. Morgan Chase	10,200	0.35		
Maricopa County	10,072	0.35	14,100	0.45
Bank of America	10,000	0.34		
Diversified Human Resources Inc			39,600	1.25
National PEO, LLC			22,100	0.70
Consolidated Personnel Service Inc			21,000	0.66
AmCheck Payroll HR Benefits			18,500	0.58
Arizona State University			12,700	0.40
Total	<u>189,424</u>	<u>6.50 %</u>	<u>208,369</u>	<u>6.58 %</u>
Total employment	<u>2,918,992</u>		<u>3,165,049</u>	

**Source:** The source of this information is the Phoenix Business Journal Book of Lists. Data as of July 2018.

**Note:** The information presented above is Phoenix Metro Area. Percentage of Total Employment is the percent of Phoenix Metro Area not seasonally adjusted employment for the appropriate calendar year.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Supervisory</b>					
Instructional administrators	12	12	12	11	11
Noninstructional administrators	12	12	12	18	17
Consultants/supervisors of instruction	5	5	5	12	7
Principals	32	32	32	32	32
Assistant principals	19	18	18	18	17
Total supervisory	<u>80</u>	<u>79</u>	<u>79</u>	<u>91</u>	<u>84</u>
<b>Instruction</b>					
Elementary classroom teachers	646	661	657	675	682
Secondary classroom teachers	177	183	181	176	174
Other teachers	497	485	479	480	473
Other professionals	178	187	185	178	176
Aides	519	548	541	561	554
Total instruction	<u>2,017</u>	<u>2,064</u>	<u>2,043</u>	<u>2,070</u>	<u>2,059</u>
<b>Student Services</b>					
Visiting teachers/social workers		30	30	28	28
Psychologist	28	26	26	25	24
Librarians	27	10	10	10	10
Other professionals (noninstructional)					
Technicians	32	30	30	31	31
Total student services	<u>87</u>	<u>96</u>	<u>96</u>	<u>94</u>	<u>93</u>
<b>Support and Administration</b>					
Clerical/secretarial	351	342	346	331	328
Service workers	177	174	172	163	160
Skilled crafts	101	104	104	98	100
Unskilled laborers	339	340	342	324	308
Total support and administration	<u>968</u>	<u>960</u>	<u>964</u>	<u>916</u>	<u>896</u>
<b>Total</b>	<u><u>3,152</u></u>	<u><u>3,199</u></u>	<u><u>3,182</u></u>	<u><u>3,171</u></u>	<u><u>3,132</u></u>

(Continued)

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Supervisory</b>					
Instructional administrators	11	10	10	10	11
Noninstructional administrators	15	13	13	13	13
Consultants/supervisors of instruction	11	5	5	5	4
Principals	32	32	32	32	34
Assistant principals	15	13	12	10	10
Total supervisory	<u>84</u>	<u>73</u>	<u>72</u>	<u>70</u>	<u>72</u>
<b>Instruction</b>					
Elementary classroom teachers	683	655	647	653	674
Secondary classroom teachers	175	175	176	191	195
Other teachers	448	449	423	431	439
Other professionals	119	113	110	110	118
Aides	560	546	507	501	502
Total instruction	<u>1,985</u>	<u>1,938</u>	<u>1,863</u>	<u>1,886</u>	<u>1,928</u>
<b>Student Services</b>					
Visiting teachers/social workers	28	26	20	19	19
Psychologist	24	23	26	26	28
Librarians	10	11	11	13	14
Other professionals (noninstructional)	49	51	72	69	78
Technicians	31	29	28	24	24
Total student services	<u>142</u>	<u>140</u>	<u>157</u>	<u>151</u>	<u>163</u>
<b>Support and Administration</b>					
Clerical/secretarial	314	299	290	293	296
Service workers	160	254	151	153	157
Skilled crafts	98	98	99	98	106
Unskilled laborers	314	309	295	295	301
Total support and administration	<u>886</u>	<u>960</u>	<u>835</u>	<u>839</u>	<u>860</u>
<b>Total</b>	<u><u>3,097</u></u>	<u><u>3,111</u></u>	<u><u>2,927</u></u>	<u><u>2,946</u></u>	<u><u>3,023</u></u>

**Source:** The District's Human Resources Department and Business and Finance Department.

- Notes:**
- 1) No Description or guidelines were provided to determine how to classify positions into each of the categories or sub-categories listed above.
  - 2) The sub-categories are very broad and do not fully represent every position.
  - 3) This data is representative of PCS as of June 30th for each year provided and includes both vacant and filled positions.
  - 4) Although the categorization file has been completed and is expected to be used in future years there are still many unanswered categorization questions. Answers to these questions may effect the categorization process for future years and as a result may create percentage increases and decreases in certain categories strictly due to the change in categorization concepts/methodologies.
  - 5) Coding of positions may differ based on interpretation.

**(Concluded)**



**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Governmental Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2019	21,367	\$ 211,628,022	\$ 9,904	10.41 %	\$ 218,790,321	\$ 10,240	9.56 %	1,425	15.0	92.8 %
2018	21,723	194,862,875	8,970	0.39	203,027,330	9,346	0.21	1,450	15.0	92.8
2017	21,944	196,089,111	8,936	6.36	204,659,703	9,326	3.39	1,440	15.2	92.8
2016	21,885	183,865,972	8,401	(0.36)	197,422,258	9,021	0.55	1,468	14.9	84.4
2015	21,741	183,312,994	8,432	1.80	195,044,855	8,971	(2.69)	1,418	15.3	81.7
2014	21,621	179,080,396	8,283	(3.20)	199,321,089	9,219	0.91	1,420	15.2	74.9
2013	21,168	181,133,537	8,557	3.68	193,391,340	9,136	3.51	1,403	15.1	76.9
2012	20,948	172,880,771	8,253	(1.23)	184,891,920	8,826	(0.00)	1,367	15.3	75.7
2011	20,922	174,823,896	8,356	(0.06)	184,665,477	8,826	0.57	1,390	15.1	73.8
2010	21,564	180,289,280	8,361	(6.41)	189,247,525	8,776	(8.08)	1,425	15.1	72.0

**Source:** The District's Business and Finance Department.

- Notes:** 1) Operating expenditures includes expenditures of all funds except Debt Service and Capital Outlay.  
2) Teaching staff includes all teaching positions filled and vacant.

**WASHINGTON ELEMENTARY SCHOOL DISTRICT NO. 6  
CAPITAL ASSETS INFORMATION  
LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b><u>Schools</u></b>										
<b><u>Elementary</u></b>										
Sites	27	27	27	27	27	27	27	27	27	27
Square feet	2,181,675	2,181,389	2,186,097	2,181,703	2,177,492	2,177,492	2,171,201	2,166,893	2,166,893	2,174,688
Capacity	22,494	22,303	22,266	22,306	23,785	23,785	23,711	23,660	23,660	23,660
Enrollment	19,109	19,409	19,663	19,677	19,710	19,864	19,330	18,749	18,713	19,118
<b><u>Middle</u></b>										
Sites	5	5	5	5	5	5	5	5	5	5
Square feet	541,635	539,717	539,717	539,717	539,717	539,717	539,717	548,784	548,784	548,784
Capacity	5,412	5,523	5,523	5,556	5,601	5,601	5,494	5,601	5,601	5,601
Enrollment	3,917	3,879	3,930	3,886	3,749	3,716	3,797	3,846	3,815	3,996
<b><u>Administrative</u></b>										
Sites	4	4	4	4	4	4	4	3	3	3
Square feet	213,348	213,348	213,348	213,348	215,212	215,212	215,212	206,145	206,145	206,145
<b><u>Transportation</u></b>										
Garages	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car	6 bus/1 car
Buses	112	106	106	111	111	111	113	130	133	133

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

**Note:** Enrollment is based on 100th day figures.

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