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# **MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**

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## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2019



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**

**COTTONWOOD, ARIZONA**

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

Issued by:  
Business and Finance Department

# MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

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## **INTRODUCTORY SECTION**



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## **MINGUS UNION HIGH SCHOOL DISTRICT # 4**

**1801 East Fir Street  
Cottonwood, AZ 86326**



December 19, 2019

Citizens and Governing Board  
Mingus Union High School District No. 4  
1801 East Fir Street  
Cottonwood, Arizona 86326

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Mingus Union High School District No. 4 (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 District is one of 25 public school districts located in Yavapai County, Arizona. It provides a program of public education from ninth through grade twelve, with an estimated current enrollment of 1,187 resident students and 62 students from other local school districts that pay tuition to attend Mingus Union High School giving the district a total enrollment of 1,249.

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

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

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

Mingus Union High School was established through the unification of Cottonwood High School and Mingus High School in 1959.

The District is located in Cottonwood, Arizona. Cottonwood is located about 60 miles south of Flagstaff, Arizona (“Flagstaff”) in the Verde Valley, at an elevation of 3,320 feet above sea level. Cottonwood, which was founded in 1879 and incorporated in 1960, is near the geographical center of Arizona and only about 100 miles north of the metropolitan Phoenix area.

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

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** Cottonwood serves as the trading center for the Verde Valley, with a wide variety of retail establishments, professional services, and manufacturing concerns. Verde Valley Medical Center is one of the finest diagnostic and treatment centers in Northern Arizona. The travel and tourism industries are also important to Cottonwood’s economy.

Due to Cottonwood’s proximity to various recreational and scenic attractions, including the Verde River, Prescott and Coconino National Forests, tourism contributes greatly to Cottonwood’s economy. Riverfront Park and Dead Horse Ranch State Park provide access to the Verde River Greenway. The Verde Canyon Railroad offers views into the remote Sycamore Canyon Wilderness.

A few of the major firms represented in Cottonwood include Griffith Enterprises, Home Depot, Verde Valley Medical Center, Wal-Mart Stores, Inc., Arizona Public Service, and the City of Cottonwood. In addition, the Verde Valley area provides excellent educational and training opportunities through Yavapai College, consisting of six different campuses and currently serving about 7,500 students each year. The main campus is located approximately 50 miles away in Prescott, Arizona (“Prescott”), while the Verde Valley campus in nearby Clarkdale features a state-of-the-art computer lab, library, and learning center. Northern Arizona University’s main campus is located 60 miles away in Flagstaff and has a current enrollment of approximately 30,368 students, including satellite campuses. The University focuses on undergraduate education but offers a wide range of graduate programs as well.

**Long-term Financial Planning.** With the significant decrease in the state cuts to capital funding and the subsequent increase to our allocation the District is now able to invest in updating software and reinstating the annual rotation of textbook adoption for each department (last year science and this year math). Over the last 18 months the District has purchased new software for the Bookstore for both financial and resource management; reduced costs and increased efficiency by changing the time-clock software to a more integrated system; joined the Yavapai County ESA substitute consortium to provide more resources with a lower administrative burden; and by March, 2020 we will be upgrading our outdated Student Information Software to PowerSchool. On the instructional side the District has purchased new curriculum and course software for the Academy, invested in Beyond Textbooks, a school wide standards based program and will be adding a benchmark/assessment tool in the early part of 2020. In addition, the District now has chrome books available to all classrooms; we are very close to one-on-one per student.

Enrollment continues to increase a little over prior years. Average daily membership (ADM) is projected to be up by approximately 15 by the 100th day to around 1,211. However, historically the District fluctuates in enrollment and no assumptions are being made that ADM will continue to increase. Instead the District has increased cash balances of non-budgeted funds to provide an adequate cushion should enrollment decline or the District be faced with unanticipated expenses. The fiscal year 2019 carryforward came in at around \$191,000; the District would like to see this increase to between the ranges of \$250,000 to \$300,000. This along with high cash balances will ensure it can ride the ups and downs of current year funding.

## **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. This was the 11th consecutive year that the District has received this prestigious award. 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.

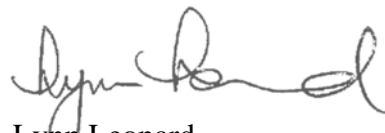
**Acknowledgments.** The preparation of the comprehensive annual financial report on a timely basis was made possible by the dedicated service of the entire staff of the business and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation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

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

Respectfully submitted,



Mike Westcott  
Superintendent



Lynn Leonard  
Business Manager



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

**Mingus Union High School District No. 4**

**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, reading 'Tom Wohlleber'.

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**Tom Wohlleber, CSRM**  
President

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

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**David J. Lewis**  
Executive Director



Government Finance Officers Association

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

Presented to

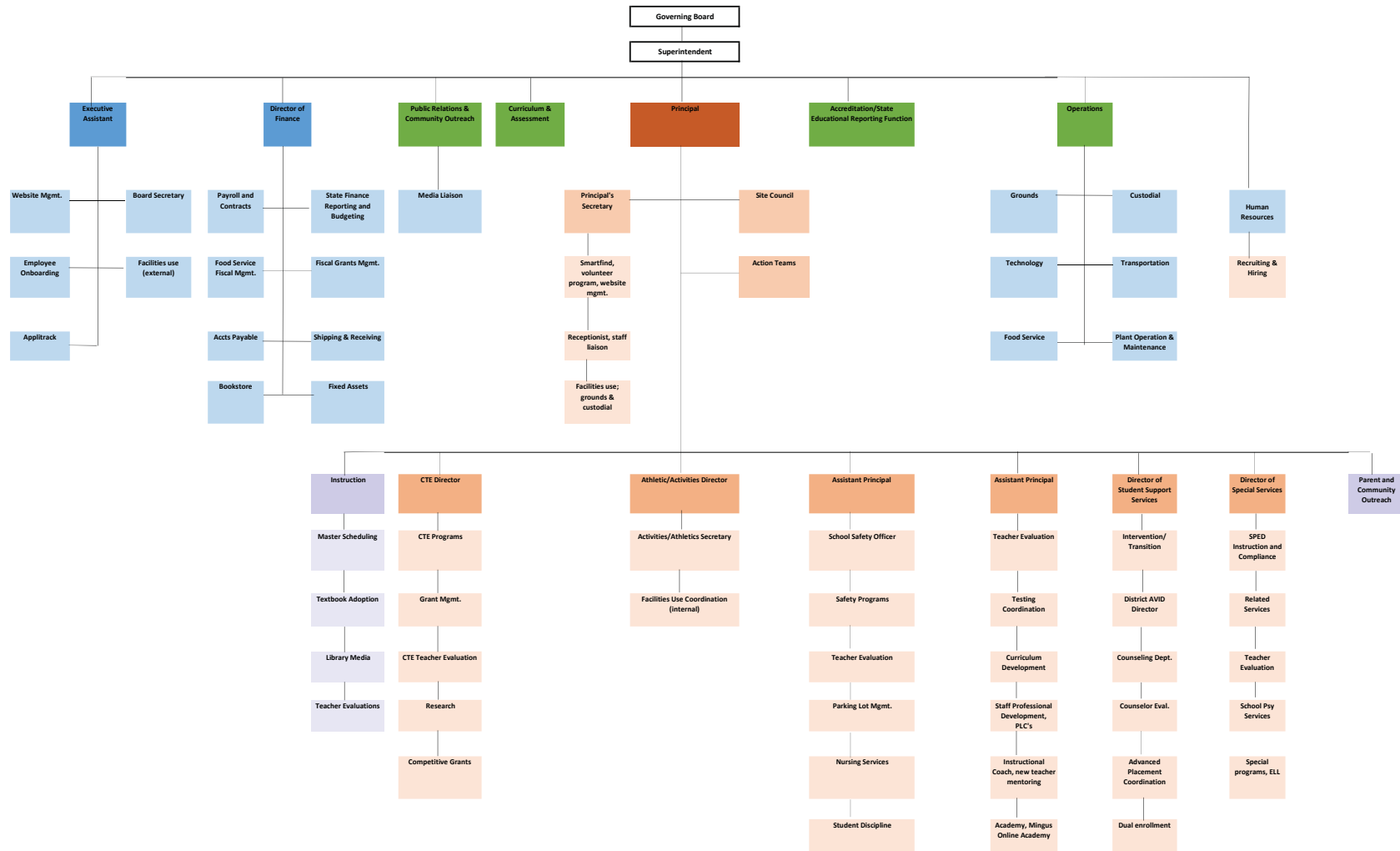
**Mingus Union High School District No. 4  
Arizona**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Merrill*

Executive Director/CEO





**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Lori Drake, President

Carol Anne Teague, Clerk

Stephen Currie, Member

Anthony Lozano, Member

John McTurk, Member

**ADMINISTRATIVE STAFF**

Mike Westcott, Superintendent

Lynn Leonard, Business Manager

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Mingus Union High School District No. 4

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Mingus Union High School District No. 4 (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, each major fund, and the aggregate remaining fund information of the Mingus Union High School District No. 4, as of June 30, 2019, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

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

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

### ***Other Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2019, on our consideration of Mingus Union High School District No. 4'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 Mingus Union High School District No. 4'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 Mingus Union High School District No. 4's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Flagstaff, Arizona  
December 19, 2019

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

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**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

As management of the Mingus Union High School District No. 4 (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 \$1.3 million which represents a 109 percent increase from the prior fiscal year as a result of an increase in unrestricted state aid, primarily due to an increase in per pupil funding.
- General revenues accounted for \$10.8 million in revenue, or 82 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$2.4 million or 18 percent of total current fiscal year revenues.
- The District had approximately \$11.9 million in expenses related to governmental activities, an increase of one percent from the prior fiscal year.
- Among major funds, the General Fund had \$7.9 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$8.2 million in expenditures. The General Fund's fund balance decrease from \$753,636 at the prior fiscal year end to \$494,354 at the end of the current fiscal year was primarily due to an increase in instructional expenditures, primarily due to salaries and wages increases.

**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.



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2019**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

**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 and Other State Projects Funds as required supplementary information. Schedules for the pension and other postemployment benefit plans have been provided as required supplementary information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$2.4 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, and vehicles, furniture and equipment), 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 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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
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.

	As of June 30, 2019	As of June 30, 2018
Current and other assets	\$ 2,303,272	\$ 2,005,517
Capital assets, net	18,633,958	19,468,120
Total assets	<u>20,937,230</u>	<u>21,473,637</u>
Deferred outflows	<u>1,701,441</u>	<u>1,555,224</u>
Current and other liabilities	355,452	164,107
Long-term liabilities	18,857,026	21,105,009
Total liabilities	<u>19,212,478</u>	<u>21,269,116</u>
Deferred inflows	<u>976,556</u>	<u>586,586</u>
Net position:		
Net investment in capital assets	8,017,284	7,413,369
Restricted	1,199,432	936,426
Unrestricted	(6,767,079)	(7,176,636)
Total net position	<u>\$ 2,449,637</u>	<u>\$ 1,173,159</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission, reported a deficit of \$6.8 million due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$1.5 million of bonds.
- The additions of \$490,170 in capital assets as a result of District purchases of vehicles, furniture, and equipment.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

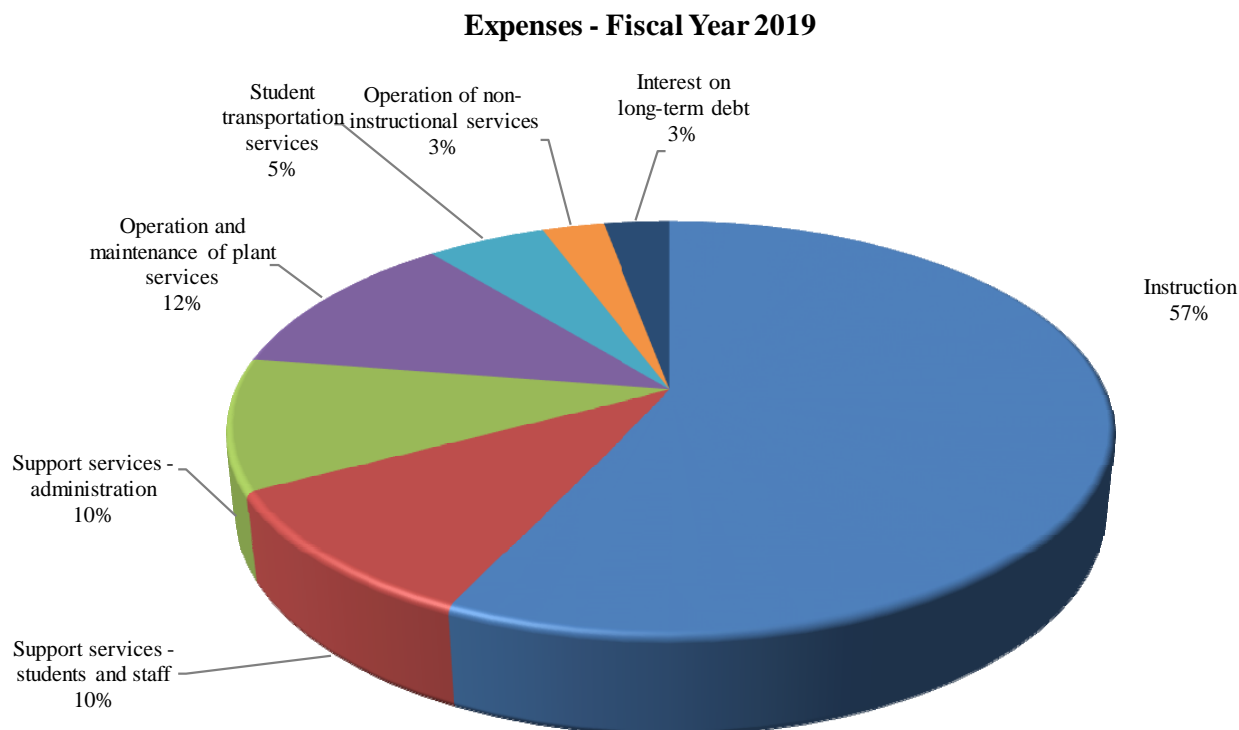
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$13.2 million. The total cost of all programs and services was \$11.9 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.

	Fiscal Year Ended June 30, 2019	Fiscal Year Ended June 30, 2018
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 1,140,394	\$ 1,019,856
Operating grants and contributions	1,035,171	1,312,402
Capital grants and contributions	252,091	9,716
General revenues:		
Property taxes	6,949,040	6,501,392
Investment income	42,870	29,107
Unrestricted county aid	416,172	234,347
Unrestricted state aid	3,251,347	2,734,682
Unrestricted federal aid	127,252	256,043
<b>Total revenues</b>	<u>13,214,337</u>	<u>12,097,545</u>
<b>Expenses:</b>		
Instruction	6,799,135	6,661,502
Support services - students and staff	1,240,480	1,359,311
Support services - administration	1,207,121	1,147,210
Operation and maintenance of plant services	1,401,058	1,359,587
Student transportation services	621,438	608,417
Operation of non-instructional services	323,433	297,011
Interest on long-term debt	345,194	388,689
<b>Total expenses</b>	<u>11,937,859</u>	<u>11,821,727</u>
<b>Changes in net position</b>	<u>1,276,478</u>	<u>275,818</u>
<b>Net position, beginning</b>	<u>1,173,159</u>	<u>897,341</u>
<b>Net position, ending</b>	<u><u>\$ 2,449,637</u></u>	<u><u>\$ 1,173,159</u></u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- A \$516,665 increase in unrestricted state aid due to increased enrollment and increased funding for teacher salaries and wages.
- A \$447,648 increase in property taxes due to an increase in the secondary tax rates.
- A \$242,375 increase in capital grants and contributions due to a large decrease in the state legislated reduction to capital. This allowed the District to keep a larger portion of the capital allocation.

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2019		Year Ended June 30, 2018	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 6,799,135	\$ (5,233,047)	\$ 6,661,502	\$ (5,172,044)
Support services - students and staff	1,240,480	(934,608)	1,359,311	(958,623)
Support services - administration	1,207,121	(1,196,982)	1,147,210	(1,138,246)
Operation and maintenance of plant services	1,401,058	(1,249,888)	1,359,587	(1,219,625)
Student transportation services	621,438	(509,596)	608,417	(608,417)
Operation of non-instructional services	323,433	(40,888)	297,011	5,891
Interest on long-term debt	345,194	(345,194)	388,689	(388,689)
Total	<u>\$ 11,937,859</u>	<u>\$ (9,510,203)</u>	<u>\$ 11,821,727</u>	<u>\$ (9,479,753)</u>

- The cost of all governmental activities this year was \$11.9 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$2.4 million.
- Net cost of governmental activities of \$9.5 million was financed by general revenues, which are made up of primarily property taxes of \$6.9 million and state and county aid of \$3.7 million. Investment earnings accounted for \$42,870 of funding.

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

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$1.7 million, an increase of \$4,930.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

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

The General Fund comprises 30 percent of the total fund balance. Approximately \$488,663, or 99 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The decrease in fund balance of \$259,282 to \$494,354 as of fiscal year end was primarily a result of an increase in instructional expenditures due to salaries and wages increases. General fund revenues increased \$36,009.

The Unrestricted Capital Outlay fund revenues increase of \$698,484 was primarily a result of an increase in property taxes due to higher tax rates and an increase in state aid and grants.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in enrollment. The difference between the original budget and the final amended budget was a \$146,298 decrease or two percent.

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

- The favorable variance of \$116,156 in instruction expenditures was due in part to receiving a state grant for a High Cost Child in the amount of \$34,986. No other significant factors contributed to this variance.
- The favorable variance of \$49,404 in support services – students and staff expenditures was primarily due to two factors; the loss of the Psychologist/Special Education Director part way through the second semester with no replacement available, and a reduction in spending in supplies.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$35.7 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$152,902 from the prior fiscal year. Total depreciation expense for the current fiscal year was \$1.3 million.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

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

	As of June 30, 2019	As of June 30, 2018
Capital assets - non-depreciable	\$ 30,000	\$ 30,000
Capital assets - depreciable, net	18,603,958	19,438,120
Total	<u>\$ 18,633,958</u>	<u>\$ 19,468,120</u>

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

**Debt Administration.** At year-end, the District had \$11.2 million in long-term debt outstanding, \$1.7 million due within one year. Long-term debt decreased by \$1.7 million primarily due to current year bond and lease payments.

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 \$52.9 million and the Class B debt limit is \$35.2 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 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:

- Fiscal year 2018-19 budget balance carry forward (estimated \$191,478).
- District student population (estimated 1,200).

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 seven percent to \$8.6 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.



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2019**

**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, Mingus Union High School District No. 4, 1801 East Fir Street, Cottonwood, Arizona 86326.

## **BASIC FINANCIAL STATEMENTS**

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

	<u>Governmental Activities</u>
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 984,629
Property taxes receivable	152,598
Deposits	5,016
Accounts receivable	3,501
Due from governmental entities	1,122,205
Inventory	15,831
Total current assets	<u>2,283,780</u>
Noncurrent assets:	
Net other postemployment benefit assets	19,492
Capital assets not being depreciated	30,000
Capital assets, net of accumulated depreciation	18,603,958
Total noncurrent assets	<u>18,653,450</u>
<b>Total assets</b>	<u><b>20,937,230</b></u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	246,934
Pension and other postemployment benefit plan items	1,454,507
<b>Total deferred outflows of resources</b>	<u><b>1,701,441</b></u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	331,121
Compensated absences payable	56,421
Unearned revenues	24,331
Obligations under capital leases	65,027
Bonds payable	1,605,000
Total current liabilities	<u>2,081,900</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	17,130,578
Total noncurrent liabilities	<u>17,130,578</u>
<b>Total liabilities</b>	<u><b>19,212,478</b></u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension and other postemployment benefit plan items	976,556
<b><u>NET POSITION</u></b>	
Net investment in capital assets	8,017,284
Restricted	1,199,432
Unrestricted	(6,767,079)
<b>Total net position</b>	<u><b>\$ 2,449,637</b></u>

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction	\$ 6,799,135	\$ 995,725	\$ 428,272	\$ 142,091	\$ (5,233,047)
Support services - students and staff	1,240,480		305,872		(934,608)
Support services - administration	1,207,121		10,139		(1,196,982)
Operation and maintenance of plant services	1,401,058	61,040	90,130		(1,249,888)
Student transportation services	621,438		1,842	110,000	(509,596)
Operation of non-instructional services	323,433	83,629	198,916		(40,888)
Interest on long-term debt	345,194				(345,194)
<b>Total governmental activities</b>	<u>\$ 11,937,859</u>	<u>\$ 1,140,394</u>	<u>\$ 1,035,171</u>	<u>\$ 252,091</u>	<u>(9,510,203)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	4,520,990
Property taxes, levied for debt service	1,855,431
Property taxes, levied for capital outlay	572,619
Investment income	42,870
Unrestricted county aid	416,172
Unrestricted state aid	3,251,347
Unrestricted federal aid	127,252
<b>Total general revenues</b>	<u>10,786,681</u>

**Changes in net position** 1,276,478

**Net position, beginning of year** 1,173,159

**Net position, end of year** \$ 2,449,637

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

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## **FUND FINANCIAL STATEMENTS**



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2019**

	<u>General</u>	<u>Other State Projects</u>	<u>Debt Service</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 174,310	\$	\$ 156,257
Property taxes receivable	101,621		38,415
Deposits			
Accounts receivable			
Due from governmental entities	662,654	110,000	
Due from other funds			
Inventory			
<b>Total assets</b>	<u><u>\$ 938,585</u></u>	<u><u>\$ 110,000</u></u>	<u><u>\$ 194,672</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 90,968	\$ 110,000	\$
Due to other funds	273,127		
Unearned revenues	16,783		
<b>Total liabilities</b>	<u><u>380,878</u></u>	<u><u>110,000</u></u>	
Deferred inflows of resources:			
Unavailable revenues - property taxes	63,353		38,415
Unavailable revenues - intergovernmental		110,000	
<b>Total deferred inflows of resources</b>	<u><u>63,353</u></u>	<u><u>110,000</u></u>	<u><u>38,415</u></u>
Fund balances (deficits):			
Nonspendable			
Restricted	5,691		156,257
Unassigned	488,663	(110,000)	
<b>Total fund balances</b>	<u><u>494,354</u></u>	<u><u>(110,000)</u></u>	<u><u>156,257</u></u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 938,585</u></u>	<u><u>\$ 110,000</u></u>	<u><u>\$ 194,672</u></u>

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

Unrestricted Capital Outlay	Non-Major Governmental Funds	Total Governmental Funds
\$ 207,187	\$ 446,875	\$ 984,629
12,562		152,598
	5,016	5,016
	3,501	3,501
72,517	277,034	1,122,205
	416,678	416,678
	15,831	15,831
<u>\$ 292,266</u>	<u>\$ 1,164,935</u>	<u>\$ 2,700,458</u>

\$ 106,286	\$ 23,867	\$ 331,121
	143,551	416,678
	7,548	24,331
<u>106,286</u>	<u>174,966</u>	<u>772,130</u>

10,544		112,312
	35,359	145,359
<u>10,544</u>	<u>35,359</u>	<u>257,671</u>

	15,831	15,831
175,436	939,866	1,277,250
	(1,087)	377,576
<u>175,436</u>	<u>954,610</u>	<u>1,670,657</u>

<u>\$ 292,266</u>	<u>\$ 1,164,935</u>	<u>\$ 2,700,458</u>
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**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2019**

<b>Total governmental fund balances</b>	<b>\$</b>	<b>1,670,657</b>
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Amounts reported for *governmental activities* in the Statement of Net Position are different because:

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

Governmental capital assets	\$ 35,709,124	
Less accumulated depreciation	<u>(17,075,166)</u>	18,633,958

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

Property taxes	112,312	
Intergovernmental	<u>145,359</u>	257,671

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	246,934
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Deferred outflows and inflows of resources related to pensions/OPEB are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions/OPEB	1,454,507	
Deferred inflows of resources related to pensions/OPEB	<u>(976,556)</u>	477,951

The Net OPEB asset is not a current financial resource and, therefore, is not reported in the funds.	19,492
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(112,841)	
Obligations under capital leases	(836,072)	
Net OPEB liability	(28,957)	
Net pension liability	(7,730,534)	
Bonds payable	<u>(10,148,622)</u>	<u>(18,857,026)</u>

<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>2,449,637</u></b>
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**The notes to the basic financial statements are an integral part of this statement.**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>General</u>	<u>Other State Projects</u>	<u>Debt Service</u>
<b>Revenues:</b>			
Other local	\$ 914,178	\$	\$ 1,265
Property taxes	4,575,849		1,835,523
State aid and grants	2,230,050	104,562	
Federal aid, grants and reimbursements	151,582		
<b>Total revenues</b>	<u>7,871,659</u>	<u>104,562</u>	<u>1,836,788</u>
<b>Expenditures:</b>			
Current -			
Instruction	4,702,488		
Support services - students and staff	907,605		
Support services - administration	1,101,100	11,636	
Operation and maintenance of plant services	998,876	92,926	
Student transportation services	426,021		
Operation of non-instructional services	16,658		
Capital outlay	11,521	110,000	
Debt service -			
Principal retirement			1,535,000
Interest and fiscal charges			367,075
<b>Total expenditures</b>	<u>8,164,269</u>	<u>214,562</u>	<u>1,902,075</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(292,610)</u>	<u>(110,000)</u>	<u>(65,287)</u>
<b>Other financing sources (uses):</b>			
Transfers in	24,254		14,220
Transfers out			
Insurance Recoveries	9,074		
<b>Total other financing sources (uses)</b>	<u>33,328</u>	<u></u>	<u>14,220</u>
<b>Changes in fund balances</b>	<u>(259,282)</u>	<u>(110,000)</u>	<u>(51,067)</u>
<b>Fund balances (deficits), beginning of year</b>	753,636		207,324
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ 494,354</u>	<u>\$ (110,000)</u>	<u>\$ 156,257</u>

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

Unrestricted Capital Outlay	Non-Major Governmental Funds	Total Governmental Funds
\$ 66,265	\$ 745,511	\$ 1,727,219
562,890		6,974,262
240,803	886,673	3,462,088
	779,461	931,043
<u>869,958</u>	<u>2,411,645</u>	<u>13,094,612</u>
	1,418,388	6,120,876
	366,705	1,274,310
	74,863	1,187,599
	7,363	1,099,165
	2,114	428,135
	296,674	313,332
280,646	292,492	694,659
63,966		1,598,966
14,456		381,531
<u>359,068</u>	<u>2,458,599</u>	<u>13,098,573</u>
<u>510,890</u>	<u>(46,954)</u>	<u>(3,961)</u>
		38,474
	(38,474)	(38,474)
		9,074
	<u>(38,474)</u>	<u>9,074</u>
<u>510,890</u>	<u>(85,428)</u>	<u>5,113</u>
(335,454)	1,040,221	1,665,727
	(183)	(183)
<u>\$ 175,436</u>	<u>\$ 954,610</u>	<u>\$ 1,670,657</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2019**

**Changes in fund balances - total governmental funds** **\$ 5,113**

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

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

Expenditures for capitalized assets	\$ 490,170	
Less current year depreciation	<u>(1,322,002)</u>	(831,832)

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

Property taxes	(25,222)	
Intergovernmental	<u>135,873</u>	110,651

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

Capital lease principal retirement	63,966	
Bond principal retirement	<u>1,535,000</u>	1,598,966

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

Current year pension/OPEB contributions	705,500	
Pension/OPEB expense	<u>(281,953)</u>	423,547

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Inventory	(183)	
Deferred charges on issuance of debt	(61,734)	
Loss on disposal of assets	(2,330)	
Amortization of deferred bond items	98,071	
Compensated absences	<u>(63,791)</u>	(29,967)

**Changes in net position in governmental activities** **\$ 1,276,478**

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**JUNE 30, 2019**

	<u>Agency</u>
<b><u>ASSETS</u></b>	
Cash and investments	\$ 134,998
<b>Total assets</b>	<u>\$ 134,998</u>
<b><u>LIABILITIES</u></b>	
Due to student groups	\$ 134,998
<b>Total liabilities</b>	<u>\$ 134,998</u>

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



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

The financial statements of the Mingus Union High School District No. 4 (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.

The more significant of the District's accounting policies are described below.

**A. Reporting Entity**

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

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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

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

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

Property taxes, 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 also been reported as unavailable revenues on the governmental fund financial statements.

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

The District reports the following major governmental funds:

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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

Additionally, the District reports the following fund type:

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

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

**D. Cash and Investments**

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

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. 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.

**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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

**H. Inventory**

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

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

**I. Prepaid Items**

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

**J. Capital Assets**

Capital assets, which include land and improvements; buildings and improvements; and vehicles, furniture, and equipment 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	5 – 50 years
Buildings and improvements	5 – 50 years
Vehicles, furniture and equipment	5 – 25 years

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

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

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

**L. Compensated Absences**

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

**M. Pensions and Other Postemployment Benefits**

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

**N. Long-term Obligations**

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

**O. Interfund Activity**

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

**P. Net Position Flow Assumption**

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

**Q. Estimates**

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

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	<u>General Fund</u>	<u>Other State Projects Fund</u>	<u>Debt Service Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:					
Nonspendable:					
Inventory	\$	\$	\$	\$	\$ 15,831
Restricted:					
Debt service			156,257		
Capital projects				175,436	355
Bond building projects					121,086
Voter approved initiatives					106,451
Federal and state projects					13,939
Food service					59,200
Civic center					55,200
Community school					55,017
Extracurricular activities					158,366
Gifts and donations					151,743
Insurance refund					84,593
Career technical education					95,927
Intergovernmental agreements					37,989
Other purposes	5,691				
Unassigned	488,663	(110,000)			(1,087)
Total fund balances	<u>\$ 494,354</u>	<u>\$ (110,000)</u>	<u>\$ 156,257</u>	<u>\$ 175,436</u>	<u>\$ 954,610</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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.

	<u>Governmental Activities</u>
Restricted Net Position:	
Debt service	\$ 194,672
Capital projects	186,335
Voter approved initiatives	106,451
Federal and state projects	13,939
Food service	59,200
Community school	55,017
Extracurricular activities	158,366
Intergovernmental agreements	37,989
Career technical education	95,927
Civic center	55,200
Gifts and donations	151,743
Insurance refund	84,593
Total	<u><u>\$ 1,199,432</u></u>

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

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

	<u>Deficit</u>
Major Fund	
Other State Projects	\$ (110,000)
Non-Major Governmental Fund:	
Professional Development and Technology Grants	(1,087)

The deficits arose because of operations during the year. Additional revenues received in fiscal year 2019-20 are expected to eliminate the deficit.

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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 \$496,844 and the bank balance was \$553,255. In addition, the District had \$2,500 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 participant's position in the County Treasurer investment pool approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	281 days	\$ 620,283
Total		<u>\$ 620,283</u>

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**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	Other State Projects Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$ 10,000	\$	\$	\$ 130,557
Due from state government	652,654	110,000	72,517	146,477
Net Due from other governmental entities:	<u>\$ 662,654</u>	<u>\$ 110,000</u>	<u>\$ 72,517</u>	<u>\$ 277,034</u>

**NOTE 7 – CAPITAL ASSETS**

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 30,000	\$	\$	\$ 30,000
Total capital assets, not being depreciated	30,000			30,000
Capital assets, being depreciated:				
Land improvements	2,517,254			2,517,254
Buildings and improvements	27,148,368	24,661	43,892	27,129,137
Vehicles, furniture and equipment	5,860,600	465,509	293,376	6,032,733
Total capital assets being depreciated	35,526,222	490,170	337,268	35,679,124
Less accumulated depreciation for:				
Land improvements	(1,675,947)	(161,856)		(1,837,803)
Buildings and improvements	(12,212,053)	(868,746)	(41,562)	(13,039,237)
Vehicles, furniture and equipment	(2,200,102)	(291,400)	(293,376)	(2,198,126)
Total accumulated depreciation	(16,088,102)	(1,322,002)	(334,938)	(17,075,166)
Total capital assets, being depreciated, net	19,438,120	(831,832)	2,330	18,603,958
Governmental activities capital assets, net	<u>\$ 19,468,120</u>	<u>\$ (831,832)</u>	<u>\$ 2,330</u>	<u>\$ 18,633,958</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 7 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 816,889
Support services – students and staff	14,765
Support services – administration	11,998
Operation and maintenance of plant services	302,912
Student transportation services	167,207
Operation of non-instructional services	8,231
Total depreciation expense – governmental activities	<u>\$ 1,322,002</u>

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

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

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	<u>\$</u>	<u>\$1,365,291</u>	<u>\$1,365,291</u>	<u>\$</u>

**NOTE 9 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has constructed energy efficiency upgrades under the provisions of a long-term lease agreement classified as a capital lease. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. The energy efficiency upgrades lease in the amount qualifies as a Qualified Zone Academy Bond (QZAB). Additionally, revenues from Unrestricted Capital Outlay Fund, a non-major fund, are used to pay the energy management lease. 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	\$ 1,100,800
Less: Accumulated depreciation	330,240
Total	<u>\$ 770,560</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 9 – OBLIGATIONS UNDER CAPITAL LEASES**

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

Year Ending June 30:	Governmental Activities
2020	\$ 78,421
2021	78,422
2022	78,422
2023	78,421
2024	78,422
2025-29	392,109
2030-34	137,238
Total minimum lease payments	921,455
Less: amount representing interest	85,383
Present value of minimum lease payments	836,072
Due within one year	\$ 65,027

**NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$52.9 million, and the available margin is \$43.3 million.

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 of 2015, Series A (2016) \$	5,990,000	2.0-4.0%	7/1/19-35	\$ 5,405,000	\$ 270,000
Refunding Bonds, Series 2015	6,715,000	4.0%	7/1/19-22	4,165,000	1,335,000
Total				\$ 9,570,000	\$ 1,605,000

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE**

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2020	\$ 1,605,000	\$ 293,776
2021	1,670,000	233,776
2022	1,540,000	173,376
2023	1,000,000	131,076
2024	525,000	112,013
2025-29	2,125,000	364,750
2030-34	960,000	100,275
2035-39	145,000	2,900
Total	<u>\$ 9,570,000</u>	<u>\$ 1,411,942</u>

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

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 11,105,000	\$	\$ 1,535,000	\$ 9,570,000	\$ 1,605,000
Premium	676,693		98,071	578,622	
Total bonds payable	<u>11,781,693</u>		<u>1,633,071</u>	<u>10,148,622</u>	<u>1,605,000</u>
Obligations under capital leases	900,038		63,966	836,072	65,027
Net OPEB liability	19,719	9,238		28,957	
Net pension liability	8,354,509		623,975	7,730,534	
Compensated absences payable	<u>49,050</u>	<u>119,269</u>	<u>55,478</u>	<u>112,841</u>	<u>56,421</u>
Governmental activity long-term liabilities	<u>\$ 21,105,009</u>	<u>\$ 128,507</u>	<u>\$ 2,376,490</u>	<u>\$ 18,857,026</u>	<u>\$ 1,726,448</u>



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

At year end, interfund balances were as follows:

**Due to/from other funds:**

	Non-Major Governmental Funds
General Fund	\$ 273,127
Non-Major Governmental Funds	143,551
Total Due from Other Funds	<u>\$ 416,678</u>

At year end, several funds had negative cash balances in the Treasurer's pooled cash accounts. 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.

**Interfund transfers:**

	Transfers in		
	General Fund	Debt Service Fund	Total
Transfers out			
Non-Major Governmental Funds	\$ 24,254	\$ 14,220	\$ 38,474
Total	<u>\$ 24,254</u>	<u>\$ 14,220</u>	<u>\$ 38,474</u>

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

**NOTE 13 – CONTINGENT LIABILITIES**

In addition, 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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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 general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT). ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for school districts and community colleges in the state. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

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

The District's employees have health and accident insurance coverage with Kairos Health Arizona, Inc. Kairos is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the state. The District pays a monthly premium to Kairos for employees' health and accident insurance coverage. The agreement provides that Kairos will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

**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).

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$	\$ (19,492)
Net liability	7,730,534	28,957
Deferred outflows of resources	1,372,682	81,825
Deferred inflows of resources	916,796	59,760
Expense	250,495	31,458
Contributions	668,691	36,809

**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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

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

Retired and disabled members, with at least five years of credited service, are eligible to receive health insurance premium benefits. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$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:

	<u>Contributions</u>
Pension	\$ 668,691
Health Insurance Premium	26,993
Long-Term Disability	9,816

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 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.

**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 (Assets) Liability	District % Proportion	Increase (Decrease)
Pension	\$ 7,730,534	0.055	0.001
Health Insurance Premium	(19,492)	0.054	0.001
Long-Term Disability	28,957	0.055	0.001

**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:

	Expense
Pension	\$ 250,495
Health Insurance Premium	20,783
Long-Term Disability	10,675

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 212,970	\$	\$ 741
Changes of assumptions or other inputs	204,564	37,590	6,272
Changes in proportion and differences between contributions and proportionate share of contributions	286,457	59	354
Contributions subsequent to the measurement date	668,691	26,993	9,816
Total	<u>\$ 1,372,682</u>	<u>\$ 64,642</u>	<u>\$ 17,183</u>

Deferred Inflows of Resources			
	Pension	Health Insurance Premium	Long-Term Disability
Differences between expected and actual experience	\$ 42,617	\$ 17,990	\$
Changes of assumptions or other inputs	685,418		
Net difference between projected and actual earnings on pension investments	185,901	38,938	2,805
Changes in proportion and differences between contributions and proportionate share of contributions	2,860	26	1
Total	<u>\$ 916,796</u>	<u>\$ 56,954</u>	<u>\$ 2,806</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 234,406	\$ (7,541)	\$ 134
2021	(81,844)	(7,541)	135
2022	(281,998)	(7,540)	135
2023	(83,369)	757	886
2024		2,560	1,024
Thereafter			2,247

**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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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.



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 11,020,054	\$ 7,730,534	\$ 4,982,193
Health Insurance Premium	69,064	(19,492)	(94,923)
Long-Term Disability	32,817	28,957	25,213

**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).

## **REQUIRED SUPPLEMENTARY INFORMATION**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$	\$	\$ 707,624	\$ 707,624
Property taxes			4,575,849	4,575,849
State aid and grants			2,230,050	2,230,050
<b>Total revenues</b>			<u>7,513,523</u>	<u>7,513,523</u>
<b>Expenditures:</b>				
Current -				
Instruction	4,848,636	4,723,178	4,607,022	116,156
Support services - students and staff	900,165	883,621	834,217	49,404
Support services - administration	1,005,713	1,005,713	996,067	9,646
Operation and maintenance of plant services	991,437	987,141	992,493	(5,352)
Student transportation services	433,820	433,820	415,058	18,762
Operation of non-instructional services	20,000	20,000	16,658	3,342
<b>Total expenditures</b>	<u>8,199,771</u>	<u>8,053,473</u>	<u>7,861,515</u>	<u>191,958</u>
<b>Changes in fund balances</b>	<u>(8,199,771)</u>	<u>(8,053,473)</u>	<u>(347,992)</u>	<u>7,705,481</u>
<b>Fund balances, beginning of year</b>			358,285	358,285
<b>Fund balances (deficits), end of year</b>	<u>\$ (8,199,771)</u>	<u>\$ (8,053,473)</u>	<u>\$ 10,293</u>	<u>\$ 8,063,766</u>

See accompanying notes to this schedule.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**OTHER STATE PROJECTS**  
**YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original &amp; Final</u>	<u>Actual</u>	
<b>Revenues:</b>			
State aid and grants	\$	\$ 104,562	\$ 104,562
<b>Total revenues</b>		<u>104,562</u>	<u>104,562</u>
<b>Expenditures:</b>			
Current -			
Support services - administration		11,636	(11,636)
Operation and maintenance of plant services		92,926	(92,926)
Capital outlay	25,000	110,000	(85,000)
<b>Total expenditures</b>	<u>25,000</u>	<u>214,562</u>	<u>(189,562)</u>
<b>Changes in fund balances</b>	<u>(25,000)</u>	<u>(110,000)</u>	<u>(85,000)</u>
<b>Fund balances, beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	<u>\$ (25,000)</u>	<u>\$ (110,000)</u>	<u>\$ (85,000)</u>

See accompanying notes to this schedule.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST FIVE FISCAL YEARS**

	<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>
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	0.06%	0.05%	0.05%	0.05%	0.06%
District's proportionate share of the net pension (assets) liability	\$ 7,730,534	\$ 8,354,509	\$ 8,394,936	\$ 8,144,550	\$ 8,217,668
District's covered payroll	\$ 5,593,954	\$ 5,331,651	\$ 4,868,498	\$ 4,844,475	\$ 4,964,561
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	138.19%	156.70%	172.43%	168.12%	165.53%
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><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Actuarially determined contribution	\$ 668,691	\$ 609,741	\$ 574,752	\$ 528,232	\$ 531,208
Contributions in relation to the actuarially determined contribution	<u>668,691</u>	<u>609,741</u>	<u>574,752</u>	<u>528,232</u>	<u>531,208</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 5,981,136	\$ 5,593,954	\$ 5,331,651	\$ 4,868,498	\$ 4,844,475
Contributions as a percentage of covered payroll	11.18%	10.90%	10.78%	10.85%	10.97%

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - HEALTH INSURANCE PREMIUM**  
**LAST TWO FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.05%	0.05%
District's proportionate share of the net OPEB (assets) liability	\$ (19,492)	\$ (28,663)
District's covered payroll	\$ 5,593,954	\$ 5,331,651
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	(0.35)%	(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><b>2019</b></u>	<u><b>2018</b></u>
Actuarially determined contribution	\$ 26,993	\$ 24,613
Contributions in relation to the actuarially determined contribution	<u>26,993</u>	<u>24,613</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 5,981,136	\$ 5,593,954
Contributions as a percentage of covered payroll	0.45%	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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM - LONG-TERM DISABILITY**  
**LAST TWO FISCAL YEARS**

	<u><b>2019</b></u>	<u><b>2018</b></u>
Measurement date	June 30, 2018	June 30, 2017
District's proportion of the net OPEB (assets) liability	0.06%	0.05%
District's proportionate share of the net OPEB (assets) liability	\$ 28,957	\$ 19,719
District's covered payroll	\$ 5,593,954	\$ 5,331,651
District's proportionate share of the net OPEB (assets) liability as a percentage of its covered payroll	0.52%	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><b>2019</b></u>	<u><b>2018</b></u>
Actuarially determined contribution	\$ 9,816	\$ 8,950
Contributions in relation to the actuarially determined contribution	<u>9,816</u>	<u>8,950</u>
Contribution deficiency (excess)	<u><u>\$</u></u>	<u><u>\$</u></u>
District's covered payroll	\$ 5,981,136	\$ 5,593,954
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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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.

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 8,164,269	\$ 494,354
Activity budgeted as special revenue funds	<u>(302,754)</u>	<u>(484,061)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 7,861,515</u>	<u>\$ 10,293</u>

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 306,488	\$ 140,387	\$ 446,875
Deposits	5,016		5,016
Accounts receivable	3,501		3,501
Due from governmental entities	277,034		277,034
Due from other funds	416,678		416,678
Inventory	15,831		15,831
<b>Total assets</b>	<u><u>\$ 1,024,548</u></u>	<u><u>\$ 140,387</u></u>	<u><u>\$ 1,164,935</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 4,921	\$ 18,946	\$ 23,867
Due to other funds	143,551		143,551
Unearned revenues	7,548		7,548
<b>Total liabilities</b>	<u>156,020</u>	<u>18,946</u>	<u>174,966</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>35,359</u>		<u>35,359</u>
Fund balances (deficits):			
Nonspendable	15,831		15,831
Restricted	818,425	121,441	939,866
Unassigned	(1,087)		(1,087)
<b>Total fund balances</b>	<u>833,169</u>	<u>121,441</u>	<u>954,610</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 1,024,548</u></u>	<u><u>\$ 140,387</u></u>	<u><u>\$ 1,164,935</u></u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 731,291	\$ 14,220	\$ 745,511
State aid and grants	886,673		886,673
Federal aid, grants and reimbursements	779,461		779,461
<b>Total revenues</b>	<u>2,397,425</u>	<u>14,220</u>	<u>2,411,645</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,418,388		1,418,388
Support services - students and staff	366,705		366,705
Support services - administration	74,863		74,863
Operation and maintenance of plant services	7,363		7,363
Student transportation services	2,114		2,114
Operation of non-instructional services	296,674		296,674
Capital outlay	95,266	197,226	292,492
<b>Total expenditures</b>	<u>2,261,373</u>	<u>197,226</u>	<u>2,458,599</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>136,052</u>	<u>(183,006)</u>	<u>(46,954)</u>
<b>Other financing sources (uses):</b>			
Transfers out	(24,254)	(14,220)	(38,474)
<b>Total other financing sources (uses)</b>	<u>(24,254)</u>	<u>(14,220)</u>	<u>(38,474)</u>
<b>Changes in fund balances</b>	<u>111,798</u>	<u>(197,226)</u>	<u>(85,428)</u>
<b>Fund balances, beginning of year</b>	721,554	318,667	1,040,221
Increase (decrease) in reserve for inventory	(183)		(183)
<b>Fund balances, end of year</b>	<u>\$ 833,169</u>	<u>\$ 121,441</u>	<u>\$ 954,610</u>

## **SPECIAL REVENUE FUNDS**

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

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

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

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

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

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

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

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

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

**Vocational Education** - to account for financial assistance received for preparation of individuals for employment or advancement in a career not requiring a baccalaureate or advanced degree.

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

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

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

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

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

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

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

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

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

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

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

**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.

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

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

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



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>Title I Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 2,995	\$ 2,390
Deposits			
Accounts receivable			
Due from governmental entities	120,262	26,215	64,275
Due from other funds			
Inventory			
<b>Total assets</b>	<u><u>\$ 120,262</u></u>	<u><u>\$ 29,210</u></u>	<u><u>\$ 66,665</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	43,021		66,665
Unearned revenues			
<b>Total liabilities</b>	<u><u>43,021</u></u>		<u><u>66,665</u></u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	77,241	29,210	
Unassigned			
<b>Total fund balances</b>	<u><u>77,241</u></u>	<u><u>29,210</u></u>	
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 120,262</u></u>	<u><u>\$ 29,210</u></u>	<u><u>\$ 66,665</u></u>

<u>Professional Development and Technology Grants</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>	<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Food Service</u>
\$	\$	\$ 12,429	\$ 40	\$ 13,939	\$ 1,000 5,016
1,087	61,761				3,434 49,750 15,831
<u>\$ 1,087</u>	<u>\$ 61,761</u>	<u>\$ 12,429</u>	<u>\$ 40</u>	<u>\$ 13,939</u>	<u>\$ 75,031</u>
\$	\$	\$ 4,921	\$	\$	\$
1,087	27,489	7,508	40		
<u>1,087</u>	<u>27,489</u>	<u>12,429</u>	<u>40</u>		
<u>1,087</u>	<u>34,272</u>				
(1,087)				13,939	15,831 59,200
<u>(1,087)</u>				<u>13,939</u>	<u>75,031</u>
<u>\$ 1,087</u>	<u>\$ 61,761</u>	<u>\$ 12,429</u>	<u>\$ 40</u>	<u>\$ 13,939</u>	<u>\$ 75,031</u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2019**

	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 2,754	\$ 42,016	\$ 5,127
Deposits			
Accounts receivable	3,501		
Due from governmental entities			
Due from other funds	48,945	13,001	153,239
Inventory			
<b>Total assets</b>	<u><u>\$ 55,200</u></u>	<u><u>\$ 55,017</u></u>	<u><u>\$ 158,366</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Unearned revenues			
<b>Total liabilities</b>	<u></u>	<u></u>	<u></u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	55,200	55,017	158,366
Unassigned			
<b>Total fund balances</b>	<u><u>55,200</u></u>	<u><u>55,017</u></u>	<u><u>158,366</u></u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 55,200</u></u>	<u><u>\$ 55,017</u></u>	<u><u>\$ 158,366</u></u>

<u>Gifts and Donations</u>	<u>Insurance Refund</u>	<u>Career Technical Education</u>	<u>Intergovernmenta l Agreements</u>	<u>Totals</u>
\$	\$ 84,593	\$ 101,216	\$ 37,989	\$ 306,488
				5,016
				3,501
				277,034
151,743				416,678
				15,831
<u>\$ 151,743</u>	<u>\$ 84,593</u>	<u>\$ 101,216</u>	<u>\$ 37,989</u>	<u>\$ 1,024,548</u>
\$	\$	\$	\$	\$ 4,921
		5,289		143,551
				7,548
		<u>5,289</u>		<u>156,020</u>
				<u>35,359</u>
151,743	84,593	95,927	37,989	15,831
				818,425
				(1,087)
<u>151,743</u>	<u>84,593</u>	<u>95,927</u>	<u>37,989</u>	<u>833,169</u>
<u>\$ 151,743</u>	<u>\$ 84,593</u>	<u>\$ 101,216</u>	<u>\$ 37,989</u>	<u>\$ 1,024,548</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Classroom Site	Instructional Improvement	Structured English Immersion
<b>Revenues:</b>			
Other local	\$ 9,357	\$ 592	\$
State aid and grants	721,573	58,921	51,246
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>730,930</u>	<u>59,513</u>	<u>51,246</u>
<b>Expenditures:</b>			
Current -			
Instruction	700,530	7,572	51,246
Support services - students and staff		58,296	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>700,530</u>	<u>65,868</u>	<u>51,246</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>30,400</u>	<u>(6,355)</u>	
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>30,400</u>	<u>(6,355)</u>	
<b>Fund balances, beginning of year</b>	46,841	35,565	
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ 77,241</u>	<u>\$ 29,210</u>	<u>\$</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
215,408	23,009	1,729	6,371	10,332	229,489
<u>215,408</u>	<u>23,009</u>	<u>1,729</u>	<u>6,371</u>	<u>10,332</u>	<u>229,489</u>
102,590			1,550	7,129	160,001
99,127	22,949	1,729	4,821	2,472	58,233
2,114					
1,327					1,995
<u>205,158</u>	<u>22,949</u>	<u>1,729</u>	<u>6,371</u>	<u>9,601</u>	<u>220,229</u>
<u>10,250</u>	<u>60</u>			<u>731</u>	<u>9,260</u>
<u>(10,250)</u>	<u>(1,147)</u>			<u>(731)</u>	<u>(9,260)</u>
<u>(10,250)</u>	<u>(1,147)</u>			<u>(731)</u>	<u>(9,260)</u>
	<u>(1,087)</u>				
<u>\$</u>	<u>\$ (1,087)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Vocational Education	State Vocational Education	College Credit Exam Incentives
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		37,352	17,581
Federal aid, grants and reimbursements	94,207		
<b>Total revenues</b>	<u>94,207</u>	<u>37,352</u>	<u>17,581</u>
<b>Expenditures:</b>			
Current -			
Instruction	16,889	16,348	
Support services - students and staff	75,856	8,568	3,642
Support services - administration			
Operation and maintenance of plant services		100	
Student transportation services			
Operation of non-instructional services			
Capital outlay	1,183	12,336	
<b>Total expenditures</b>	<u>93,928</u>	<u>37,352</u>	<u>3,642</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>279</u>		<u>13,939</u>
<b>Other financing sources (uses):</b>			
Transfers out	(279)		
<b>Total other financing sources (uses)</b>	<u>(279)</u>		
<b>Changes in fund balances</b>			<u>13,939</u>
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<u>\$</u>	<u>\$</u>	<u>\$ 13,939</u>

Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Textbooks
\$ 84,380	\$ 61,418	\$ 50,364	\$ 111,219	\$ 21,409	\$ 9
198,916					
<u>283,296</u>	<u>61,418</u>	<u>50,364</u>	<u>111,219</u>	<u>21,409</u>	<u>9</u>
	2,634	5,349	81,137	19,508	707
		30,331	431	250	
	35,324			20,366	
	7,263				
296,674					
2,734			1,078	1,564	
<u>299,408</u>	<u>45,221</u>	<u>35,680</u>	<u>82,646</u>	<u>41,688</u>	<u>707</u>
<u>(16,112)</u>	<u>16,197</u>	<u>14,684</u>	<u>28,573</u>	<u>(20,279)</u>	<u>(698)</u>
			(2,587)		
			<u>(2,587)</u>		
<u>(16,112)</u>	<u>16,197</u>	<u>14,684</u>	<u>25,986</u>	<u>(20,279)</u>	<u>(698)</u>
91,326	39,003	40,333	132,380	172,022	698
(183)					
<u>\$ 75,031</u>	<u>\$ 55,200</u>	<u>\$ 55,017</u>	<u>\$ 158,366</u>	<u>\$ 151,743</u>	<u>\$</u>

(Continued)



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Insurance Refund</u>	<u>Career Technical Education</u>	<u>Intergovernmental Agreements</u>
<b>Revenues:</b>			
Other local	\$ 4,721	\$ 350,957	\$ 36,865
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>4,721</u>	<u>350,957</u>	<u>36,865</u>
<b>Expenditures:</b>			
Current -			
Instruction	63,023	182,175	
Support services - students and staff			
Support services - administration			19,173
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		73,049	
<b>Total expenditures</b>	<u>63,023</u>	<u>255,224</u>	<u>19,173</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(58,302)</u>	<u>95,733</u>	<u>17,692</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(58,302)</u>	<u>95,733</u>	<u>17,692</u>
<b>Fund balances, beginning of year</b>	142,895	194	20,297
Increase (decrease) in reserve for inventory			
<b>Fund balances, end of year</b>	<u>\$ 84,593</u>	<u>\$ 95,927</u>	<u>\$ 37,989</u>

Totals	
\$	731,291
	886,673
	779,461
	<u>2,397,425</u>

1,418,388
366,705
74,863
7,363
2,114
296,674
95,266
<u>2,261,373</u>

<u>136,052</u>
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<u>(24,254)</u>
<u>(24,254)</u>

<u>111,798</u>
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721,554

(183)

<u>\$</u>	<u>833,169</u>
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**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$	\$ 9,357	\$ 9,357
State aid and grants		721,573	721,573
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>730,930</u>	<u>730,930</u>
<b>Expenditures:</b>			
Current -			
Instruction	778,036	700,530	77,506
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>778,036</u>	<u>700,530</u>	<u>77,506</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(778,036)</u>	<u>30,400</u>	<u>808,436</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>(778,036)</u>	<u>30,400</u>	<u>808,436</u>
<b>Fund balances, beginning of year</b>		46,841	46,841
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (778,036)</u>	<u>\$ 77,241</u>	<u>\$ 855,277</u>

Instructional Improvement			Structured English Immersion		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 592	\$ 592	\$	\$	\$
	58,921	58,921		51,246	51,246
	59,513	59,513		51,246	51,246
86,000	7,572	(7,572)	51,200	51,246	(46)
	58,296	27,704			
86,000	65,868	20,132	51,200	51,246	(46)
(86,000)	(6,355)	79,645	(51,200)		51,200
(86,000)	(6,355)	79,645	(51,200)		51,200
	35,565	35,565			
\$ (86,000)	\$ 29,210	\$ 115,210	\$ (51,200)	\$	\$ 51,200

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		215,408	215,408
<b>Total revenues</b>		<u>215,408</u>	<u>215,408</u>
<b>Expenditures:</b>			
Current -			
Instruction	25,000	102,590	(77,590)
Support services - students and staff		99,127	(99,127)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		2,114	(2,114)
Operation of non-instructional services			
Capital outlay		1,327	(1,327)
<b>Total expenditures</b>	<u>25,000</u>	<u>205,158</u>	<u>(180,158)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(25,000)</u>	<u>10,250</u>	<u>35,250</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(10,250)	(10,250)
Insurance Recoveries			
<b>Total other financing sources (uses)</b>		<u>(10,250)</u>	<u>(10,250)</u>
<b>Changes in fund balances</b>	<u>(25,000)</u>		<u>25,000</u>
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (25,000)</u>	<u>\$</u>	<u>\$ 25,000</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	23,009	23,009		1,729	1,729
	23,009	23,009		1,729	1,729
58,000	22,949	35,051		1,729	(1,729)
58,000	22,949	35,051		1,729	(1,729)
(58,000)	60	58,060			
	(1,147)	(1,147)			
	(1,147)	(1,147)			
(58,000)	(1,087)	56,913			
\$ (58,000)	\$ (1,087)	\$ 56,913	\$	\$	\$

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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		6,371	6,371
<b>Total revenues</b>		<u>6,371</u>	<u>6,371</u>
<b>Expenditures:</b>			
Current -			
Instruction		1,550	(1,550)
Support services - students and staff	6,000	4,821	1,179
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>6,000</u>	<u>6,371</u>	<u>(371)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,000)</u>		<u>6,000</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance Recoveries			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(6,000)</u>		<u>6,000</u>
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (6,000)</u>	<u>\$</u>	<u>\$ 6,000</u>

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	10,332	10,332		229,489	229,489
	10,332	10,332		229,489	229,489
	7,129	(7,129)	220,000	160,001	59,999
	2,472	(2,472)		58,233	(58,233)
				1,995	(1,995)
	9,601	(9,601)	220,000	220,229	(229)
	731	731	(220,000)	9,260	229,260
	(731)	(731)		(9,260)	(9,260)
	(731)	(731)		(9,260)	(9,260)
			(220,000)		220,000
\$	\$	\$	\$ (220,000)	\$	\$ 220,000

(Continued)



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		94,207	94,207
<b>Total revenues</b>		<u>94,207</u>	<u>94,207</u>
<b>Expenditures:</b>			
Current -			
Instruction		16,889	(16,889)
Support services - students and staff	75,000	75,856	(856)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		1,183	(1,183)
<b>Total expenditures</b>	<u>75,000</u>	<u>93,928</u>	<u>(18,928)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(75,000)</u>	<u>279</u>	<u>75,279</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(279)	(279)
Insurance Recoveries			
<b>Total other financing sources (uses)</b>		<u>(279)</u>	<u>(279)</u>
<b>Changes in fund balances</b>	<u>(75,000)</u>		<u>75,000</u>
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (75,000)</u>	<u>\$</u>	<u>\$ 75,000</u>

National Forest Fees			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 225	\$ 225
	96,033	96,033		24,330	24,330
	96,033	96,033		24,555	24,555
83,946	5,733 66,955	(5,733) 16,991	150,000	11,469 2,665	138,531 (2,665)
83,946	72,688	11,258	150,000	14,134	135,866
(83,946)	23,345	107,291	(150,000)	10,421	160,421
(83,946)	23,345	107,291	(150,000)	10,421	160,421
	55,142	55,142		9,027	9,027
\$ (83,946)	\$ 78,487	\$ 162,433	\$ (150,000)	\$ 19,448	\$ 169,448

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		31,219	31,219
<b>Total revenues</b>		<u>31,219</u>	<u>31,219</u>
<b>Expenditures:</b>			
Current -			
Instruction		300	(300)
Support services - students and staff	36,054	30,219	5,835
Support services - administration			
Operation and maintenance of plant services		35	(35)
Student transportation services			
Operation of non-instructional services			
Capital outlay		665	(665)
<b>Total expenditures</b>	<u>36,054</u>	<u>31,219</u>	<u>4,835</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(36,054)</u>		<u>36,054</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>(36,054)</u>		<u>36,054</u>
<b>Fund balances, beginning of year</b>			
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (36,054)</u>	<u>\$</u>	<u>\$ 36,054</u>

State Vocational Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	37,352	37,352		17,581	17,581
	<u>37,352</u>	<u>37,352</u>		<u>17,581</u>	<u>17,581</u>
36,000	16,348	19,652			
	8,568	(8,568)		3,642	(3,642)
	100	(100)			
	12,336	(12,336)			
<u>36,000</u>	<u>37,352</u>	<u>(1,352)</u>		<u>3,642</u>	<u>(3,642)</u>
<u>(36,000)</u>		<u>36,000</u>		<u>13,939</u>	<u>13,939</u>
<u>(36,000)</u>		<u>36,000</u>		<u>13,939</u>	<u>13,939</u>
<u>\$ (36,000)</u>	<u>\$</u>	<u>\$ 36,000</u>	<u>\$</u>	<u>\$ 13,939</u>	<u>\$ 13,939</u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 84,380	\$ 84,380
State aid and grants			
Federal aid, grants and reimbursements		198,916	198,916
<b>Total revenues</b>		<u>283,296</u>	<u>283,296</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	245,000	296,674	(51,674)
Capital outlay		2,734	(2,734)
<b>Total expenditures</b>	<u>245,000</u>	<u>299,408</u>	<u>(54,408)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(245,000)</u>	<u>(16,112)</u>	<u>228,888</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>(245,000)</u>	<u>(16,112)</u>	<u>228,888</u>
<b>Fund balances, beginning of year</b>		91,326	91,326
Increase (decrease) in reserve for inventory		(183)	(183)
<b>Fund balances (deficits), end of year</b>	<u>\$ (245,000)</u>	<u>\$ 75,031</u>	<u>\$ 320,031</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 61,418	\$ 61,418	\$	\$ 50,364	\$ 50,364
	61,418	61,418		50,364	50,364
	2,634	(2,634)		5,349	(5,349)
35,000	35,324	(324)		30,331	(30,331)
	7,263	(7,263)			
35,000	45,221	(10,221)		35,680	(35,680)
(35,000)	16,197	51,197		14,684	14,684
(35,000)	16,197	51,197		14,684	14,684
	39,003	39,003		40,333	40,333
\$ (35,000)	\$ 55,200	\$ 90,200	\$	\$ 55,017	\$ 55,017

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 200,763	\$ 200,763
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>200,763</u>	<u>200,763</u>
<b>Expenditures:</b>			
Current -			
Instruction	166,000	95,166	70,834
Support services - students and staff		21,176	(21,176)
Support services - administration		16,979	(16,979)
Operation and maintenance of plant services		6,348	(6,348)
Student transportation services			
Operation of non-instructional services			
Capital outlay		125	(125)
<b>Total expenditures</b>	<u>166,000</u>	<u>139,794</u>	<u>26,206</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(166,000)</u>	<u>60,969</u>	<u>226,969</u>
<b>Other financing sources (uses):</b>			
Transfers in		2,587	2,587
Transfers out			
Insurance Recoveries			
<b>Total other financing sources (uses)</b>		<u>2,587</u>	<u>2,587</u>
<b>Changes in fund balances</b>	<u>(166,000)</u>	<u>63,556</u>	<u>229,556</u>
<b>Fund balances, beginning of year</b>		252,561	252,561
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (166,000)</u>	<u>\$ 316,117</u>	<u>\$ 482,117</u>

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 111,219	\$ 111,219	\$	\$ 21,409	\$ 21,409
	111,219	111,219		21,409	21,409
95,000	81,137 431	13,863 (431)	20,000	19,508 250 20,366	492 (250) (20,366)
	1,078	(1,078)		1,564	(1,564)
95,000	82,646	12,354	20,000	41,688	(21,688)
(95,000)	28,573	123,573	(20,000)	(20,279)	(279)
	(2,587)	(2,587)			
	(2,587)	(2,587)			
(95,000)	25,986	120,986	(20,000)	(20,279)	(279)
	132,380	132,380		172,022	172,022
\$ (95,000)	\$ 158,366	\$ 253,366	\$ (20,000)	\$ 151,743	\$ 171,743

(Continued)



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 2,880	\$ 2,880
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>2,880</u>	<u>2,880</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	4,700	10,963	(6,263)
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>4,700</u>	<u>10,963</u>	<u>(6,263)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(4,700)</u>	<u>(8,083)</u>	<u>(3,383)</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Insurance Recoveries		9,074	9,074
<b>Total other financing sources (uses)</b>		<u>9,074</u>	<u>9,074</u>
<b>Changes in fund balances</b>	<u>(4,700)</u>	<u>991</u>	<u>5,691</u>
<b>Fund balances, beginning of year</b>		4,700	4,700
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (4,700)</u>	<u>\$ 5,691</u>	<u>\$ 10,391</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 9	\$ 9	\$	\$ 2,524	\$ 2,524
	9	9		2,524	2,524
	707	(707)		1,239	(1,239)
	707	(707)		1,239	(1,239)
	(698)	(698)		1,285	1,285
	(698)	(698)		1,285	1,285
	698	698		299	299
\$	\$	\$	\$	\$ 1,584	\$ 1,584

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 162	\$ 162
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>162</u>	<u>162</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff		4,791	(4,791)
Support services - administration	25,000	17,195	7,805
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		<u>10,731</u>	<u>(10,731)</u>
<b>Total expenditures</b>	<u>25,000</u>	<u>32,717</u>	<u>(7,717)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(25,000)</u>	<u>(32,555)</u>	<u>(7,555)</u>
<b>Other financing sources (uses):</b>			
Transfers in		21,667	21,667
Transfers out			
Insurance Recoveries			
<b>Total other financing sources (uses)</b>		<u>21,667</u>	<u>21,667</u>
<b>Changes in fund balances</b>	<u>(25,000)</u>	<u>(10,888)</u>	<u>14,112</u>
<b>Fund balances, beginning of year</b>		73,622	73,622
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$ (25,000)</u>	<u>\$ 62,734</u>	<u>\$ 87,734</u>

Insurance Refund			Career Technical Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4,721	\$ 4,721	\$	\$ 350,957	\$ 350,957
	<u>4,721</u>	<u>4,721</u>		<u>350,957</u>	<u>350,957</u>
	63,023	(63,023)	376,595	182,175	194,420
	<u>63,023</u>	<u>(63,023)</u>	<u>376,595</u>	<u>73,049</u>	<u>(73,049)</u>
	<u>(58,302)</u>	<u>(58,302)</u>	<u>(376,595)</u>	<u>255,224</u>	<u>121,371</u>
				<u>95,733</u>	<u>472,328</u>
	<u>(58,302)</u>	<u>(58,302)</u>	<u>(376,595)</u>	<u>95,733</u>	<u>472,328</u>
	142,895	142,895		194	194
<u>\$</u>	<u>\$ 84,593</u>	<u>\$ 84,593</u>	<u>\$ (376,595)</u>	<u>\$ 95,927</u>	<u>\$ 472,522</u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Intergovernmental Agreements		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 36,865	\$ 36,865
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>36,865</u>	<u>36,865</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration		19,173	(19,173)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>		<u>19,173</u>	<u>(19,173)</u>
<b>Excess (deficiency) of revenues over expenditures</b>		<u>17,692</u>	<u>17,692</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>17,692</u>	<u>17,692</u>
<b>Fund balances, beginning of year</b>		20,297	20,297
Increase (decrease) in reserve for inventory			
<b>Fund balances (deficits), end of year</b>	<u>\$</u>	<u>\$ 37,989</u>	<u>\$ 37,989</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 937,845	\$ 937,845
	886,673	886,673
	931,043	931,043
	<u>2,755,561</u>	<u>2,755,561</u>
1,767,831	1,513,854	253,977
411,054	440,093	(29,039)
143,946	179,896	(35,950)
	13,746	(13,746)
4,700	13,077	(8,377)
245,000	296,674	(51,674)
	106,787	(106,787)
<u>2,572,531</u>	<u>2,564,127</u>	<u>8,404</u>
<u>(2,572,531)</u>	<u>191,434</u>	<u>2,763,965</u>
	24,254	24,254
	(24,254)	(24,254)
	9,074	9,074
	<u>9,074</u>	<u>9,074</u>
<u>(2,572,531)</u>	<u>200,508</u>	<u>2,773,039</u>
	1,116,905	1,116,905
	(183)	(183)
<u>\$ (2,572,531)</u>	<u>\$ 1,317,230</u>	<u>\$ 3,889,761</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.



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2019**

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 1,265	\$ 1,265
Property taxes		1,835,523	1,835,523
<b>Total revenues</b>		<u>1,836,788</u>	<u>1,836,788</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	1,535,000	1,535,000	
Interest and fiscal charges	265,000	367,075	(102,075)
<b>Total expenditures</b>	<u>1,800,000</u>	<u>1,902,075</u>	<u>(102,075)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,800,000)</u>	<u>(65,287)</u>	<u>1,734,713</u>
<b>Other financing sources (uses):</b>			
Transfers in		14,220	14,220
<b>Total other financing sources (uses)</b>		<u>14,220</u>	<u>14,220</u>
<b>Changes in fund balances</b>	<u>(1,800,000)</u>	<u>(51,067)</u>	<u>1,748,933</u>
<b>Fund balances, beginning of year</b>		207,324	207,324
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,800,000)</u>	<u>\$ 156,257</u>	<u>\$ 1,956,257</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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2019**

	<u>Adjacent Ways</u>	<u>Bond Building</u>	<u>Totals</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 355	\$ 140,032	\$ 140,387
<b>Total assets</b>	<u>\$ 355</u>	<u>\$ 140,032</u>	<u>\$ 140,387</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 18,946	\$ 18,946
<b>Total liabilities</b>	<u></u>	<u>18,946</u>	<u>18,946</u>
Fund balances:			
Restricted	355	121,086	121,441
<b>Total fund balances</b>	<u>355</u>	<u>121,086</u>	<u>121,441</u>
<b>Total liabilities and fund balances</b>	<u>\$ 355</u>	<u>\$ 140,032</u>	<u>\$ 140,387</u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	<u>Adjacent Ways</u>	<u>Bond Building</u>	<u>Totals</u>
<b>Revenues:</b>			
Other local	<u>\$</u>	<u>\$ 14,220</u>	<u>\$ 14,220</u>
<b>Total revenues</b>	<u></u>	<u>14,220</u>	<u>14,220</u>
<b>Expenditures:</b>			
Capital outlay	<u></u>	<u>197,226</u>	<u>197,226</u>
<b>Total expenditures</b>	<u></u>	<u>197,226</u>	<u>197,226</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u></u>	<u>(183,006)</u>	<u>(183,006)</u>
<b>Other financing sources (uses):</b>			
Transfers out	<u></u>	<u>(14,220)</u>	<u>(14,220)</u>
<b>Total other financing sources (uses)</b>	<u></u>	<u>(14,220)</u>	<u>(14,220)</u>
<b>Changes in fund balances</b>	<u></u>	<u>(197,226)</u>	<u>(197,226)</u>
<b>Fund balances, beginning of year</b>	355	318,312	318,667
<b>Fund balances, end of year</b>	<u><u>\$ 355</u></u>	<u><u>\$ 121,086</u></u>	<u><u>\$ 121,441</u></u>

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 66,265	\$ 66,265
Property taxes		562,890	562,890
State aid and grants		240,803	240,803
<b>Total revenues</b>		<u>869,958</u>	<u>869,958</u>
<b>Expenditures:</b>			
Capital outlay	428,681	280,646	148,035
Debt service -			
Principal retirement	63,966	63,966	
Interest and fiscal charges	14,456	14,456	
<b>Total expenditures</b>	<u>507,103</u>	<u>359,068</u>	<u>148,035</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(507,103)</u>	<u>510,890</u>	<u>1,017,993</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(507,103)</u>	<u>510,890</u>	<u>1,017,993</u>
<b>Fund balances (deficits), beginning of year</b>		(335,454)	(335,454)
<b>Fund balances (deficits), end of year</b>	<u>\$ (507,103)</u>	<u>\$ 175,436</u>	<u>\$ 682,539</u>

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 14,220	\$ 14,220
				14,220	14,220
			322,000	197,226	124,774
			322,000	197,226	124,774
			(322,000)	(183,006)	138,994
				(14,220)	(14,220)
				(14,220)	(14,220)
			(322,000)	(197,226)	124,774
	355	355		318,312	318,312
\$	\$ 355	\$ 355	\$ (322,000)	\$ 121,086	\$ 443,086

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2019**

	Totals		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 80,485	\$ 80,485
Property taxes		562,890	562,890
State aid and grants		240,803	240,803
<b>Total revenues</b>		<u>884,178</u>	<u>884,178</u>
<b>Expenditures:</b>			
Capital outlay	750,681	477,872	272,809
Debt service -			
Principal retirement	63,966	63,966	
Interest and fiscal charges	14,456	14,456	
<b>Total expenditures</b>	<u>829,103</u>	<u>556,294</u>	<u>272,809</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(829,103)</u>	<u>327,884</u>	<u>1,156,987</u>
<b>Other financing sources (uses):</b>			
Transfers out		(14,220)	(14,220)
<b>Total other financing sources (uses)</b>		<u>(14,220)</u>	<u>(14,220)</u>
<b>Changes in fund balances</b>	<u>(829,103)</u>	<u>313,664</u>	<u>1,142,767</u>
<b>Fund balances (deficits), beginning of year</b>		(16,787)	(16,787)
<b>Fund balances (deficits), end of year</b>	<u>\$ (829,103)</u>	<u>\$ 296,877</u>	<u>\$ 1,125,980</u>

## **AGENCY FUND**

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



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**STATEMENT OF ASSETS AND LIABILITIES**  
**AGENCY FUND**  
**JUNE 30, 2019**

**ASSETS**

Cash and investments  
**Total assets**

Student Activities

\$	134,998
\$	134,998

**LIABILITIES**

Due to student groups  
**Total liabilities**

\$	134,998
\$	134,998

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**COMBINING STATEMENT OF CHANGES IN AGENCY FUNDS ASSETS AND LIABILITIES**  
**YEAR ENDED JUNE 30, 2019**

	<b><u>Beginning Balance</u></b>	<b><u>Additions</u></b>	<b><u>Deductions</u></b>	<b><u>Ending Balance</u></b>
<b><u>STUDENT ACTIVITIES FUND</u></b>				
	<b><u>Assets</u></b>			
Cash and investments	\$ <u>110,793</u>	\$ <u>264,714</u>	\$ <u>240,509</u>	\$ <u>134,998</u>
Total assets	\$ <u><u>110,793</u></u>	\$ <u><u>264,714</u></u>	\$ <u><u>240,509</u></u>	\$ <u><u>134,998</u></u>
	<b><u>Liabilities</u></b>			
Due to student groups	\$ <u>110,793</u>	\$ <u>264,714</u>	\$ <u>240,509</u>	\$ <u>134,998</u>
Total liabilities	\$ <u><u>110,793</u></u>	\$ <u><u>264,714</u></u>	\$ <u><u>240,509</u></u>	\$ <u><u>134,998</u></u>
<b><u>TOTAL AGENCY FUNDS</u></b>				
	<b><u>Assets</u></b>			
Cash and investments	\$ <u>110,793</u>	\$ <u>264,714</u>	\$ <u>240,509</u>	\$ <u>134,998</u>
Total assets	\$ <u><u>110,793</u></u>	\$ <u><u>264,714</u></u>	\$ <u><u>240,509</u></u>	\$ <u><u>134,998</u></u>
	<b><u>Liabilities</u></b>			
Due to student groups	\$ <u>110,793</u>	\$ <u>264,714</u>	\$ <u>240,509</u>	\$ <u>134,998</u>
Total liabilities	\$ <u><u>110,793</u></u>	\$ <u><u>264,714</u></u>	\$ <u><u>240,509</u></u>	\$ <u><u>134,998</u></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 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(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>Net Position:</b>					
Net investment in capital assets	\$ 8,017,284	\$ 7,413,369	\$ 7,341,629	\$ 7,568,089	\$ 8,034,624
Restricted	1,199,432	936,426	1,012,197	929,197	955,774
Unrestricted	(6,767,079)	(7,176,636)	(7,394,139)	(7,442,712)	(8,298,569)
Total net position	<u>\$ 2,449,637</u>	<u>\$ 1,173,159</u>	<u>\$ 959,687</u>	<u>\$ 1,054,574</u>	<u>\$ 691,829</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>Net Position:</b>					
Net investment in capital assets	\$ 7,831,636	\$ 6,673,901	\$ 6,806,320	\$ 7,038,083	\$ 7,236,007
Restricted	1,092,999	919,164	909,890	1,250,947	215,126
Unrestricted	90,720	1,289,754	1,593,750	836,423	2,078,999
Total net position	<u>\$ 9,015,355</u>	<u>\$ 8,882,819</u>	<u>\$ 9,309,960</u>	<u>\$ 9,125,453</u>	<u>\$ 9,530,132</u>

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(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>Expenses</b>					
Instruction	\$ 6,799,135	\$ 6,661,502	\$ 6,200,112	\$ 6,207,095	\$ 6,175,079
Support services - students and staff	1,240,480	1,359,311	1,251,220	1,109,343	879,951
Support services - administration	1,207,121	1,147,210	1,075,649	1,080,176	1,106,886
Operation and maintenance of plant services	1,401,058	1,359,587	1,191,268	1,159,841	1,183,394
Student transportation services	621,438	608,417	648,447	467,563	547,211
Operation of non-instructional services	323,433	297,011	301,875	248,748	294,445
Interest on long-term debt	345,194	388,689	423,770	386,606	462,745
Total expenses	<u>11,937,859</u>	<u>11,821,727</u>	<u>11,092,341</u>	<u>10,659,372</u>	<u>10,649,711</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	995,725	917,317	713,643	659,715	739,716
Operation of non-instructional services	83,629	65,134	57,795	56,005	53,763
Other activities	61,040	37,405	24,839	25,746	
Operating grants and contributions	1,035,171	1,312,402	1,064,492	1,001,548	790,522
Capital grants and contributions	252,091	9,716	211,236	112,479	212,059
Total program revenues	<u>2,427,656</u>	<u>2,341,974</u>	<u>2,072,005</u>	<u>1,855,493</u>	<u>1,796,060</u>
<b>Net (Expense)/Revenue</b>	<u><u>\$ (9,510,203)</u></u>	<u><u>\$ (9,479,753)</u></u>	<u><u>\$ (9,020,336)</u></u>	<u><u>\$ (8,803,879)</u></u>	<u><u>\$ (8,853,651)</u></u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<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>Expenses</b>					
Instruction	\$ 6,298,053	\$ 6,228,888	\$ 6,076,499	\$ 6,183,691	\$ 5,796,510
Support services - students and staff	911,705	921,964	1,000,364	1,037,969	1,142,576
Support services - administration	975,514	1,027,421	951,457	1,009,016	1,159,556
Operation and maintenance of plant services	1,352,930	1,241,853	1,384,855	1,424,800	1,576,004
Student transportation services	546,961	477,579	460,947	485,809	438,281
Operation of non-instructional services	263,530	247,576	260,682	344,635	5,649
Interest on long-term debt	484,526	531,831	589,747	588,794	621,159
Total expenses	<u>10,833,219</u>	<u>10,677,112</u>	<u>10,724,551</u>	<u>11,074,714</u>	<u>10,739,735</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	678,429	704,247	859,999	885,183	959,304
Operation of non-instructional services	139,175	258,254	308,818	499,035	340,174
Other activities	187,279	26,528	33,156	24,174	70,580
Operating grants and contributions	757,474	879,229	734,069	882,063	763,523
Capital grants and contributions	185,716	15,558	72,940	87,028	129,165
Total program revenues	<u>1,948,073</u>	<u>1,883,816</u>	<u>2,008,982</u>	<u>2,377,483</u>	<u>2,262,746</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (8,885,146)</u>	<u>\$ (8,793,296)</u>	<u>\$ (8,715,569)</u>	<u>\$ (8,697,231)</u>	<u>\$ (8,476,989)</u>

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

**(Concluded)**



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>
<b>Net (Expense)/Revenue</b>	\$ (9,510,203)	\$ (9,479,753)	\$ (9,020,336)	\$ (8,803,879)	\$ (8,853,651)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	4,520,990	4,855,227	4,739,360	5,039,403	4,678,910
Property taxes, levied for debt service	1,855,431	1,547,492	1,788,306	1,479,456	1,346,504
Property taxes, levied for capital outlay	572,619	98,673	58,095	18	280,908
Investment income	42,870	29,107	21,085	13,750	5,170
Unrestricted county aid	416,172	234,347	166,823	149,989	207,436
Unrestricted state aid	3,251,347	2,734,682	2,053,400	2,315,564	2,184,726
Unrestricted federal aid	127,252	256,043	98,380	168,444	108,971
<b>Total general revenues</b>	<u>10,786,681</u>	<u>9,755,571</u>	<u>8,925,449</u>	<u>9,166,624</u>	<u>8,812,625</u>
<b>Changes in Net Position</b>	<u>\$ 1,276,478</u>	<u>\$ 275,818</u>	<u>\$ (94,887)</u>	<u>\$ 362,745</u>	<u>\$ (41,026)</u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<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>Net (Expense)/Revenue</b>	\$ (8,885,146)	\$ (8,793,296)	\$ (8,715,569)	\$ (8,697,231)	\$ (8,476,989)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	4,982,996	4,999,887	5,688,430	4,693,051	5,203,686
Property taxes, levied for debt service	1,419,453	1,596,830	1,434,816	1,218,873	1,207,463
Property taxes, levied for capital outlay	152,024	143,154	156,808	418,765	284,571
Investment income	7,043	3,691	2,896	3,807	3,439
Unrestricted county aid	237,416	92,396	22,846	98,746	107,964
Unrestricted state aid	1,971,124	1,549,260	1,481,943	1,451,618	1,844,455
Unrestricted federal aid	247,626	137,925	112,337	407,692	220,275
<b>Total general revenues</b>	<u>9,017,682</u>	<u>8,523,143</u>	<u>8,900,076</u>	<u>8,292,552</u>	<u>8,871,853</u>
<b>Changes in Net Position</b>	<u>\$ 132,536</u>	<u>\$ (270,153)</u>	<u>\$ 184,507</u>	<u>\$ (404,679)</u>	<u>\$ 394,864</u>

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

**(Concluded)**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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>
General Fund:					
Nonspendable	\$	\$	\$ 299,000	\$ 299,000	\$
Restricted	5,691	4,700	4,090	837	834
Unassigned	488,663	748,936	266,125	450,923	120,937
Total General Fund	<u>\$ 494,354</u>	<u>\$ 753,636</u>	<u>\$ 569,215</u>	<u>\$ 750,760</u>	<u>\$ 121,771</u>
All Other Governmental Funds:					
Nonspendable	\$ 15,831	\$ 16,014	\$ 17,285	\$ 16,568	\$
Restricted	1,271,559	1,231,531	2,016,627	6,108,775	937,592
Unassigned	(111,087)	(335,454)	(58,103)		
Total all other governmental funds	<u>\$ 1,176,303</u>	<u>\$ 912,091</u>	<u>\$ 1,975,809</u>	<u>\$ 6,125,343</u>	<u>\$ 937,592</u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<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>
General Fund:					
Unassigned	\$ 24,670	\$ 261,525	\$ 421,297	\$ (18,156)	\$
Reserved					427,769
Unreserved					159,679
Total General Fund	<u>\$ 24,670</u>	<u>\$ 261,525</u>	<u>\$ 421,297</u>	<u>\$ (18,156)</u>	<u>\$ 587,448</u>
All Other Governmental Funds:					
Restricted	\$ 1,028,179	\$ 881,304	\$ 837,017	\$ 959,458	\$
Assigned				115,200	
Unassigned	(2,238)				
Special revenue funds					640,763
Capital projects funds					362,149
Debt service fund					167,117
Total all other governmental funds	<u>\$ 1,025,941</u>	<u>\$ 881,304</u>	<u>\$ 837,017</u>	<u>\$ 1,074,658</u>	<u>\$ 1,170,029</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)**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**GOVERNMENTAL FUNDS REVENUES**  
**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>Federal sources:</b>					
Federal grants	\$ 732,127	\$ 911,040	\$ 898,912	\$ 805,669	\$ 773,982
National School Lunch Program	198,916	237,768	218,511	223,798	183,593
Total federal sources	<u>931,043</u>	<u>1,148,808</u>	<u>1,117,423</u>	<u>1,029,467</u>	<u>957,575</u>
<b>State sources:</b>					
State equalization assistance	2,470,853	2,013,683	1,470,070	1,731,315	1,614,818
State grants	159,495	132,743	35,370	40,087	47,562
School Facilities Board				22,459	55,683
Other revenues	831,740	720,999	583,330	584,249	569,908
Total state sources	<u>3,462,088</u>	<u>2,867,425</u>	<u>2,088,770</u>	<u>2,378,110</u>	<u>2,287,971</u>
<b>Local sources:</b>					
Property taxes	6,974,262	6,517,092	6,605,810	6,495,021	6,359,907
County aid	416,172	234,347	166,823	149,989	207,436
Food service sales	83,629	65,134	57,795	56,005	53,763
Investment income	42,870	29,107	21,085	13,750	5,170
Other revenues	1,184,548	1,241,846	1,018,569	858,430	800,021
Total local sources	<u>8,701,481</u>	<u>8,087,526</u>	<u>7,870,082</u>	<u>7,573,195</u>	<u>7,426,297</u>
<b>Total revenues</b>	<u><u>\$ 13,094,612</u></u>	<u><u>\$ 12,103,759</u></u>	<u><u>\$ 11,076,275</u></u>	<u><u>\$ 10,980,772</u></u>	<u><u>\$ 10,671,843</u></u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<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	\$ 871,744	\$ 724,502	\$ 604,078	\$ 837,370	\$ 800,992
State Fiscal Stabilization (ARRA)				18,687	220,275
Education Jobs			3,587	233,733	
National School Lunch Program	194,556	188,086	180,163	190,864	
Total federal sources	<u>1,066,300</u>	<u>912,588</u>	<u>787,828</u>	<u>1,280,654</u>	<u>1,021,267</u>
<b>State sources:</b>					
State equalization assistance	1,406,942	1,116,447	1,037,433	1,091,984	1,545,916
State grants	38,483	152,542	99,100	96,129	91,696
Other revenues	564,182	432,813	444,510	414,911	400,552
Total state sources	<u>2,061,921</u>	<u>1,701,802</u>	<u>1,581,043</u>	<u>1,603,024</u>	<u>2,038,164</u>
<b>Local sources:</b>					
Property taxes	6,513,800	6,938,470	7,282,932	6,223,836	6,622,598
County aid	237,416	92,396	22,846	98,746	107,964
Food service sales	59,666	49,142			
Investment income	7,043	3,691			5,194
Other revenues	945,217	939,887	1,204,869	1,412,199	1,368,303
Total local sources	<u>7,763,142</u>	<u>8,023,586</u>	<u>8,510,647</u>	<u>7,734,781</u>	<u>8,104,059</u>
<b>Total revenues</b>	<u><u>\$ 10,891,363</u></u>	<u><u>\$ 10,637,976</u></u>	<u><u>\$ 10,879,518</u></u>	<u><u>\$ 10,618,459</u></u>	<u><u>\$ 11,163,490</u></u>

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

**(Concluded)**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 6,120,876	\$ 5,260,038	\$ 5,258,347	\$ 5,324,997	\$ 5,107,753
Support services - students and staff	1,274,310	1,380,181	1,207,306	1,093,525	820,633
Support services - administration	1,187,599	1,107,370	1,047,420	1,070,328	1,071,544
Operation and maintenance of plant services	1,099,165	1,020,864	879,497	898,568	909,597
Student transportation services	428,135	389,837	411,531	388,452	441,391
Operation of non-instructional services	313,332	279,307	291,245	253,282	281,123
Capital outlay	694,659	1,277,241	4,485,028	505,067	457,213
Debt service -					
Interest and fiscal charges	381,531	425,026	475,804	402,307	478,444
Principal retirement	1,598,966	1,542,921	1,351,893	1,658,740	1,198,853
Bond issuance costs				321,540	
<b>Total expenditures</b>	<u><u>\$ 13,098,573</u></u>	<u><u>\$ 12,682,785</u></u>	<u><u>\$ 15,408,071</u></u>	<u><u>\$ 11,916,806</u></u>	<u><u>\$ 10,766,551</u></u>
 Expenditures for capitalized assets	 \$ 490,170	 \$ 879,870	 \$ 4,015,634	 \$ 248,940	 \$ 145,252
 Debt service as a percentage of noncapital expenditures	 16%	 17%	 16%	 18%	 16%

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 5,346,978	\$ 5,357,943	\$ 5,156,757	\$ 4,652,971	\$ 4,914,438
Support services - students and staff	904,076	902,946	974,795	974,642	1,131,130
Support services - administration	962,551	1,008,244	943,573	958,257	1,155,775
Operation and maintenance of plant services	1,031,032	1,021,987	1,119,813	1,138,209	1,345,131
Student transportation services	460,392	419,535	395,548	390,064	387,894
Operation of non-instructional services	250,787	238,667	252,558	332,665	1,019
Capital outlay	1,878,279	122,338	187,835	1,679,120	1,191,926
Debt service -					
Interest and fiscal charges	500,225	547,530	589,747	588,794	621,159
Principal retirement	1,336,706	1,134,271	1,057,080	894,238	787,191
Bond issuance costs					
<b>Total expenditures</b>	<u>\$ 12,671,026</u>	<u>\$ 10,753,461</u>	<u>\$ 10,677,706</u>	<u>\$ 11,608,960</u>	<u>\$ 11,535,663</u>
Expenditures for capitalized assets	\$ 1,666,126	\$ 35,394	\$ 48,066	\$ 1,243,774	\$ 1,298,543
Debt service as a percentage of noncapital expenditures	17%	16%	15%	14%	14%

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

**(Concluded)**



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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>	\$ (3,961)	\$ (579,026)	\$ (4,331,796)	\$ (936,034)	\$ (94,708)
<b>Other financing sources (uses):</b>					
Refunding bonds issued				6,715,000	
School improvement bonds issued				5,990,000	
Premium on sale of bonds				872,835	
Transfers in	38,474	90,513	42,321	280,151	37,615
Transfers out	(38,474)	(90,513)	(42,321)	(280,151)	(37,615)
Insurance recoveries	9,074				
Payment to refunded bond escrow agent				(7,140,629)	
Total other financing sources (uses)	<u>9,074</u>	<u></u>	<u></u>	<u>6,437,206</u>	<u></u>
<b>Changes in fund balances</b>	<u>\$ 5,113</u>	<u>\$ (579,026)</u>	<u>\$ (4,331,796)</u>	<u>\$ 5,501,172</u>	<u>\$ (94,708)</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>	\$ (1,779,663)	\$ (115,485)	\$ 201,812	\$ (990,501)	\$ (372,173)
<b>Other financing sources (uses):</b>					
Transfers in	103,614	10,926	10,238	1,907	17,353
Transfers out	(103,614)	(10,926)	(10,238)	(1,907)	(17,353)
Capital lease agreements	<u>1,687,445</u>	<u></u>	<u></u>	<u>717,295</u>	<u>59,026</u>
Total other financing sources (uses)	<u>1,687,445</u>	<u></u>	<u></u>	<u>717,295</u>	<u>59,026</u>
<b>Changes in fund balances</b>	<u>\$ (92,218)</u>	<u>\$ (115,485)</u>	<u>\$ 201,812</u>	<u>\$ (273,206)</u>	<u>\$ (313,147)</u>

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 79,060,365	\$ 77,010,799	\$ 77,839,751	\$ 76,080,916	\$ 82,359,105
Agricultural and Vacant	25,448,629	24,837,413	24,227,654	26,243,288	25,351,538
Residential (Owner Occupied)	134,025,807	129,848,512	122,404,265	116,314,878	110,849,430
Residential (Rental)	43,689,742	38,014,349	36,251,662	33,179,934	30,892,605
Railroad, Private Cars and Airlines	642,081	637,387	533,583	551,387	564,940
Historical Property	848,807	781,909	713,597	715,008	697,593
Certain Government Property Improvements	22,267	19,749	18,417	14,265	13,217
Total	<u>\$ 283,737,698</u>	<u>\$ 271,150,118</u>	<u>\$ 261,988,929</u>	<u>\$ 253,099,676</u>	<u>\$ 250,728,428</u>
Gross Full Cash Value	\$ 3,312,240,486	\$ 2,499,692,669	\$ 2,860,249,479	\$ 2,486,254,341	\$ 2,190,672,253
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	11%	9%	10%	11%
Total Direct Rate	2.90	3.03	2.93	2.96	2.95

<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	\$ 86,381,835	\$ 98,922,311	\$ 108,506,998	\$ 116,418,106	\$ 116,280,084
Agricultural and Vacant	29,738,049	36,799,440	50,735,007	54,783,005	49,483,624
Residential (Owner Occupied)	110,922,326	122,015,019	147,945,491	190,711,948	195,298,527
Residential (Rental)	29,118,974	33,639,059	28,577,423	34,426,396	33,394,786
Railroad, Private Cars and Airlines	502,959	570,097	659,003	705,213	719,623
Historical Property	660,440	755,480	846,542	1,025,040	985,293
Certain Government Property Improvements	18,040	15,847	18,388	12,477	12,291
Total	<u>\$ 257,342,623</u>	<u>\$ 292,717,253</u>	<u>\$ 337,288,852</u>	<u>\$ 398,082,185</u>	<u>\$ 396,174,228</u>
Gross Full Cash Value	\$ 2,198,613,264	\$ 2,449,465,188	\$ 2,800,777,676	\$ 3,498,652,886	\$ 3,823,259,603
Ratio of Net Limited Assessed Value to Gross Full Cash Value	12%	12%	12%	11%	10%
Total Direct Rate	2.94	2.67	2.05	1.90	1.94

**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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	\$ 92,106,804	\$ 78,616,508	\$ 80,270,978	\$ 77,152,497	\$ 82,812,403
Agricultural and Vacant	34,030,818	29,240,168	28,478,221	28,159,028	25,941,985
Residential (Owner Occupied)	167,179,382	162,337,560	152,522,707	132,791,073	111,841,807
Residential (Rental)	57,420,354	47,284,784	45,114,277	37,983,260	31,325,768
Railroad, Private Cars and Airlines	649,589	644,434	536,652	552,270	565,411
Historical Property	1,055,490	962,462	924,295	813,268	707,493
Certain Government Property Improvements	33,863	21,388	27,324	18,514	13,303
Total	<u>\$ 352,476,300</u>	<u>\$ 319,107,304</u>	<u>\$ 307,874,454</u>	<u>\$ 277,469,910</u>	<u>\$ 253,208,170</u>
Gross Full Cash Value	\$ 3,312,240,486	\$ 2,499,692,669	\$ 2,860,249,479	\$ 2,486,254,341	\$ 2,190,672,253
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	13%	11%	11%	12%
Estimated Net Full Cash Value	2,945,990,148	2,258,888,639	2,586,905,520	2,279,510,456	2,015,286,845
Total Direct Rate	2.90	3.03	2.93	2.96	2.95

<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	\$ 86,539,493	\$ 99,325,550	\$ 110,160,187	\$ 121,802,862	\$ 123,589,854
Agricultural and Vacant	29,896,385	38,844,903	56,433,010	67,370,265	72,606,963
Residential (Owner Occupied)	110,947,272	122,069,233	148,360,157	193,913,358	219,108,307
Residential (Rental)	29,166,639	33,715,362	28,912,987	35,108,897	37,543,309
Railroad, Private Cars and Airlines	503,396	571,157	667,283	719,344	737,882
Historical Property	663,793	755,488	850,828	1,087,939	1,195,408
Certain Government Property Improvements	18,737	15,847	18,531	12,737	12,469
Total	<u>\$ 257,735,715</u>	<u>\$ 295,297,540</u>	<u>\$ 345,402,983</u>	<u>\$ 420,015,402</u>	<u>\$ 454,794,192</u>
Gross Full Cash Value	\$ 2,198,613,264	\$ 2,449,465,188	\$ 2,800,777,676	\$ 3,498,652,886	\$ 3,823,259,603
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12%	12%	12%	12%	12%
Estimated Net Full Cash Value	2,017,477,723	2,291,595,828	2,607,955,978	3,277,233,624	3,558,872,918
Total Direct Rate	2.94	2.67	2.05	1.90	1.94

**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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates								
			Cottonwood Oak Creek	Clarksdale Jerome #3		Clarksdale Fire	District Direct Rates		
	State					District			
	Equalization	County	Elem	Elem	Joint Tech		Primary	Secondary	Total
2019	0.47	1.78	3.00	2.47	0.05	3.22	1.98	0.91	2.90
2018	0.49	1.84	3.03	2.56	0.05	3.22	2.08	0.95	3.03
2017	0.50	1.90	3.11	2.56	0.05	3.22	2.02	0.91	2.93
2016	0.51	1.93	3.46	2.68	0.05	3.23	2.16	0.80	2.96
2015	0.51	1.96	2.70	2.63	0.05	3.25	2.17	0.78	2.95
2014	0.51	1.93	2.45	2.42	0.05	3.24	2.17	0.77	2.94
2013	0.47	1.64	2.67	2.62	0.05	2.93	1.93	0.75	2.67
2012	0.43	1.43	2.25	2.32	0.05	2.51	1.88	0.17	2.05
2011	0.36	1.35	1.78	1.74	0.05	1.83	1.46	0.44	1.90
2010	0.33	1.28	1.64	1.59	0.05	1.83	1.56	0.38	1.94

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2019		2010	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Phoenix Cement Co	\$ 14,354,385	5.06 %		%
Arizona Public Service Company	12,664,337	4.46	11,042,617	2.43
Unisource Energy Corporation	2,880,846	1.02	2,502,104	0.55
Wal-Mart	1,842,520	0.65		
Qwest Corporation	1,527,467	0.54	4,470,425	0.98
Salt River Pima-Maricopa Indian Co	1,368,525	0.48		
GRL Inc	1,305,944	0.46		
RCG-Cottonwood LLC	1,059,663	0.37		
HD Development of Maryland Inc.	1,031,148	0.36		
Verde Valley Medical Center	1,010,513	0.36		
Phelps Dodge Corp	973,001	0.34		
PLP Cottonwood LLC	765,088	0.27		
Mountain Gate Clarkdale LLC	639,674	0.23		
Verde Canyon RailroadLC	589,050	0.21		
Verde Valley Plaza LLC DBA	557,146	0.20		
Minerals Research Inc.	555,280	0.20		
Joram Corporation	551,017	0.19		
Clarkdale Minerals LLC	529,825	0.19		
Smith Food King Properties Inc	516,099	0.18	3,736,475	0.82
Cottonwood Investment Group One	502,175	0.18		
Willow Creek Corner LLC			3,202,693	0.70
Ponderosa Plaza			6,939,167	1.53
Prescott Depot Marketplace			3,469,584	0.76
Sturm-Ruger			3,369,500	0.74
Albertson's			3,002,525	0.66
Allied Signal			2,735,634	0.60
Total	<u>\$ 45,223,703</u>	<u>15.95 %</u>	<u>\$ 44,470,724</u>	<u>9.77 %</u>

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2019	\$ 6,951,114	\$ 6,823,383	98.16 %	\$	\$ 6,823,383	98.16 %
2018	6,399,021	6,308,526	98.59	84,824	6,393,350	99.91
2017	6,526,437	6,388,004	97.88	137,360	6,525,364	99.98
2016	6,525,596	6,372,658	97.66	150,607	6,523,265	99.96
2015	6,322,803	6,180,961	97.76	139,584	6,320,545	99.96
2014	6,558,355	6,387,496	97.39	167,729	6,555,225	99.95
2013	6,766,901	6,588,719	97.37	175,381	6,764,100	99.96
2012	6,522,534	6,210,475	95.22	308,473	6,518,948	99.95
2011	5,778,073	5,432,417	94.02	343,051	5,775,468	99.95
2010	6,735,419	6,390,411	94.88	345,008	6,735,419	100.00

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less:	Total	Percentage of	Per Capita	Capital Leases	Total	Percentage of	Per Capita	Percentage of Personal Income	
		Amounts		Estimated				Estimated			
		Restricted for Principal		Actual Value				Actual Value			
				(Full Cash Value)				(Full Cash Value)			
2019	\$ 10,148,622	\$ 194,672	\$ 9,953,950	0.30 %	\$ 264	\$ 836,072	\$ 10,984,694	0.33 %	\$ 292	0.12 %	
2018	11,781,693	225,831	11,555,862	0.46	322	900,038	12,681,731	0.51	354	0.15	
2017	13,359,764	481,452	12,878,312	0.45	372	962,959	14,322,723	0.50	413	0.18	
2016	14,763,532	367,190	14,396,342	0.58	418	1,024,852	15,788,384	0.64	458	0.23	
2015	9,029,891	104,774	8,925,117	0.41	377	1,563,592	10,593,483	0.48	447	0.15	
2014	10,120,590	164,880	9,955,710	0.45	423	1,687,445	11,808,035	0.54	502	0.21	
2013	12,025,000	202,169	11,822,831	0.48	509	301,706	12,326,706	0.50	530	0.22	
2012	12,950,000	20,881	12,929,119	0.46	555	440,977	13,390,977	0.48	575	0.25	
2011	13,700,000	44,526	13,655,474	0.39	576	573,057	14,273,057	0.41	602	0.23	
2010	14,325,000	167,119	14,157,881	0.37	591		14,325,000	0.37	598	0.22	

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



**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**JUNE 30, 2019**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Yavapai County Community College District	\$ 32,270,000	11.11 %	\$ 3,585,197
City of Cottonwood	52,097,804	100.00	52,097,804
Cottonwood-Oak Creek Elementary School	14,067,438	100.00	14,067,438
Subtotal, Overlapping Debt			<u>69,750,439</u>
Direct:			
Mingus Union High School District No. 4			<u>10,984,694</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 80,735,133</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	3.51	%
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 2,117	
As a Percentage of Net Limited Assessed Valuation	28.09	%
As a Percentage of Gross Full Cash Value	2.41	%

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.  
2) Outstanding debt as of June 30, 2018 is presented for the overlapping governments as this is the most recent available information.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

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

Net full cash assessed valuation	\$ 352,476,300
Debt limit (10% of assessed value)	35,247,630
Debt applicable to limit	<u>9,570,000</u>
Legal debt margin	<u>\$ 25,677,630</u>

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

Net full cash assessed valuation	\$ 352,476,300
Debt limit (15% of assessed value)	52,871,445
Debt applicable to limit	<u>9,570,000</u>
Legal debt margin	<u>\$ 43,301,445</u>

	<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>
Debt Limit	\$ 52,871,445	\$ 47,866,096	\$ 46,181,168	\$ 41,620,487	\$ 37,981,226
Total net debt applicable to limit	<u>9,570,000</u>	<u>11,105,000</u>	<u>12,585,000</u>	<u>13,875,000</u>	<u>8,920,000</u>
Legal debt margin	<u>\$ 43,301,445</u>	<u>\$ 36,761,096</u>	<u>\$ 33,596,168</u>	<u>\$ 27,745,487</u>	<u>\$ 29,061,226</u>
Total net debt applicable to the limit as a percentage of debt limit	18%	23%	27%	33%	23%
	<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>
Debt Limit	\$ 38,660,357	\$ 43,907,588	\$ 51,810,447	\$ 63,002,310	\$ 68,219,129
Total net debt applicable to limit	<u>10,120,590</u>	<u>12,025,000</u>	<u>12,950,000</u>	<u>13,700,000</u>	<u>14,325,000</u>
Legal debt margin	<u>\$ 28,539,767</u>	<u>\$ 31,882,588</u>	<u>\$ 38,860,447</u>	<u>\$ 49,302,310</u>	<u>\$ 53,894,129</u>
Total net debt applicable to the limit as a percentage of debt limit	26%	27%	25%	22%	21%

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

- Notes:** 1) The District's general obligation bonds are subject to two limits: the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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	228,970	\$	9,352,100	\$	40,312	5.0 %	37,651
2017	224,363		8,287,072		36,936	4.8	35,858
2016	216,850		7,900,004		35,545	4.9	34,657
2015	214,991		6,987,852		32,503	5.9	34,444
2014	218,844		7,172,392		32,774	6.3	23,680
2013	215,133		5,665,528		26,335	8.6	23,523
2012	212,637		5,534,516		26,028	8.7	23,250
2011	211,888		5,441,284		25,680	10.0	23,308
2010	215,686		6,283,809		29,134	10.2	23,726
2009	214,929		6,450,243		30,011	9.5	23,966

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**PRINCIPAL EMPLOYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Employer	2019			2010		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
Verde Valley Medical Center	1,100	1.67	%	800	1.46	%
Wal-Mart	345	0.53		430	0.78	
Cottonwood Oak-Creek School District	230	0.35		275	0.50	
Phoenix Cement Co.	140	0.21		150	0.27	
City of Cottonwood	205	0.31		155	0.28	
Spectrum Healthcare	204	0.31				
Mingus Union High School	145	0.22		121	0.22	
Fry's	143	0.22				
Home Depot	120	0.18		120	0.22	
Safeway	100	0.15		130	0.24	
Mold In Graphics	88	0.13				
Clarkdale-Jerome School District	52	0.08		52	0.09	
City of Clarkdale	47	0.07		100	0.18	
Total	2,919	4.43	%	2,333	4.24	%
Total employment	65,700			54,900		

**Source:** The source of this information is the Business Journal Book of Lists.

**Note:** The information presented above is County-wide.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

<b>Full-time Equivalent Employees as of 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>Supervisory</b>					
Superintendent	1	1	1	1	1
Principals	1	1	1	1	1
Assistant principals	1	1	2	1	1
Total supervisory	<u>3</u>	<u>3</u>	<u>4</u>	<u>3</u>	<u>3</u>
<b>Instruction</b>					
Teachers	62	58	56	57	57
Aides	15	14	14	14	13
Total instruction	<u>77</u>	<u>72</u>	<u>70</u>	<u>71</u>	<u>70</u>
<b>Student Services</b>					
Counselors/Advisors	7	7	7	7	4
Total student services	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>4</u>
<b>Support and Administration</b>					
Clerical workers	12	12	12	5	5
Bus Drivers	8	8	9	18	7
Other classified	24	23	22	6	23
Total support and administration	<u>44</u>	<u>43</u>	<u>43</u>	<u>29</u>	<u>35</u>
<b>Total</b>	<u><u>131</u></u>	<u><u>125</u></u>	<u><u>124</u></u>	<u><u>110</u></u>	<u><u>112</u></u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**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>					
Superintendent	1	1	1	1	1
Principals	1	1	1	1	1
Assistant principals	1	1	1	1	1
Total supervisory	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
<b>Instruction</b>					
Teachers	60	58	57	57	61
Aides	13	15	15	15	17
Total instruction	<u>73</u>	<u>73</u>	<u>72</u>	<u>72</u>	<u>78</u>
<b>Student Services</b>					
Counselors/Advisors	4	4	4	4	4
Total student services	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
<b>Support and Administration</b>					
Clerical workers	5	5	5	5	4
Bus Drivers	11	11	11	11	11
Other classified	23	23	23	23	23
Total support and administration	<u>39</u>	<u>39</u>	<u>39</u>	<u>39</u>	<u>38</u>
<b>Total</b>	<u><u>119</u></u>	<u><u>119</u></u>	<u><u>118</u></u>	<u><u>118</u></u>	<u><u>123</u></u>

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

**(Concluded)**

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil- Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2019	1,187	\$ 10,423,417	\$ 8,781	9.79 %	\$ 11,937,859	\$ 10,057	0.39 %	77	15.4	65.0 %
2018	1,180	9,437,597	7,998	(1.34)	11,821,727	10,018	1.34	72	16.4	70.0
2017	1,122	9,095,346	8,106	1.00	11,092,341	9,886	4.34	70	16.0	72.0
2016	1,125	9,029,152	8,026	4.97	10,659,372	9,475	0.45	71	15.8	76.0
2015	1,129	8,632,041	7,646	1.68	10,649,711	9,433	3.70	70	16.1	43.0
2014	1,191	8,955,816	7,520	(2.28)	10,833,219	9,096	(0.92)	73	16.3	49.0
2013	1,163	8,949,322	7,695	(0.63)	10,677,112	9,181	(2.24)	73	15.9	50.6
2012	1,142	8,843,044	7,743	7.81	10,724,551	9,391	(0.28)	72	15.9	50.6
2011	1,176	8,446,808	7,183	(3.06)	11,074,714	9,417	5.75	72	16.3	43.6
2010	1,206	8,935,387	7,409	(7.15)	10,739,735	8,905	(4.99)	78	15.5	48.5

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<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><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
<b><u>Schools</u></b>										
<b>High</b>										
Buildings	8	8	8	8	8	8	8	8	8	8
Square feet	186,030	186,030	186,030	171,269	171,269	171,269	171,269	171,269	171,269	171,269
Capacity	1,313	1,313	1,313	1,163	1,163	1,163	1,163	1,163	1,163	1,163
Enrollment	1,187	1,180	1,122	1,125	1,129	1,191	1,163	1,142	1,176	1,206
Garages	1	1	1	1	1	1	1	1	1	1
Buses	23	23	23	20	18	18	15	15	15	15
<b><u>Athletics</u></b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	4	4	4	4	4	4	4	4	4	4

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



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