

NEW ISSUE – BOOK-ENTRY-ONLY

RATING: See “RATING” herein.

In the opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the District (as defined herein), as mentioned under “TAX EXEMPTION” herein, interest income on the Bonds (as defined herein) is excluded from gross income for federal income tax purposes. Interest income on the Bonds is not an item of tax preference to be included in computing the alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended) for the purpose of computing the alternative minimum tax imposed on corporations. In the opinion of Bond Counsel, interest income on the Bonds is exempt from Arizona income taxes. See “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT” and “BOND PREMIUM” herein.

\$34,000,000*

**LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OF MARICOPA COUNTY, ARIZONA
SCHOOL IMPROVEMENT BONDS,
PROJECT OF 2024, SERIES A (2025)**

Dated: Date of Initial Authentication and Delivery

Due: July 1, as shown on the inside front cover page

The School Improvement Bonds, Project of 2024, Series A (2025) (the “Bonds”) of Laveen Elementary School District No. 59 of Maricopa County, Arizona (the “District”), will be issued in the form of fully-registered bonds, registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”). Beneficial ownership interests in the Bonds may be purchased in amounts of \$5,000 of principal due on a specific maturity date or integral multiples thereof. The Bonds will mature on the dates and in the principal amounts and will bear interest at the rates as set forth on the inside front cover page. Interest on the Bonds will accrue from the date of delivery and will be payable semiannually on January 1 and July 1 of each year commencing on January 1, 2026*, until maturity or prior redemption.

SEE MATURITY SCHEDULE ON INSIDE FRONT COVER PAGE

The District will initially utilize DTC’s “book-entry-only system,” although the District and DTC each reserve the right to discontinue the book-entry-only system at any time. Utilization of the book-entry-only system will affect the method and timing of payment of principal of and interest on the Bonds and the method of transfer of the Bonds. So long as the book-entry-only system is in effect, a single fully-registered Bond, for each maturity of the Bonds, will be registered in the name of Cede & Co., as nominee of DTC, on the registration books maintained by BOKF, NA, the initial bond registrar and paying agent for the Bonds. DTC will be responsible for distributing the principal and interest payments to its direct and indirect participants who will, in turn, be responsible for distribution to the beneficial owners of the Bonds (the “Beneficial Owners”). So long as the book-entry-only system is in effect and Cede & Co. is the registered owner of the Bonds, all references herein (except under the headings “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT” and “BOND PREMIUM”) to owners of the Bonds will refer to Cede & Co. and not the Beneficial Owners. See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM” herein.

Certain of the Bonds will be subject to redemption prior to their stated maturity dates as described under “THE BONDS – Redemption Provisions” herein.

Principal of and interest on the Bonds will be payable from a continuing, direct, annual, *ad valorem* tax levied against all taxable property located within the boundaries of the District as more fully described herein. The Bonds will be payable from such tax without limit as to rate or amount. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS” herein.

The Bonds will be offered when, as and if issued by the District and received by the underwriter identified below (the “Underwriter”), subject to the legal opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel, as to validity and tax exemption. In addition, certain legal matters will be passed upon for the Underwriter by its counsel, Greenberg Traurig, LLP, Phoenix, Arizona. It is expected that the Bonds will be available for delivery through the facilities of DTC on or about November 6, 2025*.

This cover page contains certain information with respect to the Bonds for convenience of reference only. It is not a summary of the series of which the Bonds are a part. Investors must read this entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the Bonds.

* Subject to change.

\$34,000,000*
LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OF MARICOPA COUNTY, ARIZONA
SCHOOL IMPROVEMENT BONDS,
PROJECT OF 2024, SERIES A (2025)

MATURITY SCHEDULE*

<u>Maturity Date (July 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price or Yield</u>	<u>CUSIP®⁽¹⁾ No. 567303</u>
2026	\$500,000	%	%	
2027	1,800,000			
2028	2,550,000			
2029	3,050,000			
2030	1,700,000			
2031	1,100,000			
2032	1,000,000			
2033	1,600,000			
2034	1,600,000			
2035	1,600,000			
2036	1,650,000			
2037	1,750,000			
2038	1,750,000			
2039	1,750,000			
2040	1,800,000			
2041	1,800,000			
2042	1,600,000			
2043	1,600,000			
2044	1,900,000			
2045	1,900,000			

* *Subject to change.*

⁽¹⁾ *CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (“CGS”) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2025 CGS. All rights reserved. CUSIP® data herein is provided by CGS. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, Bond Counsel, the Underwriter or their agents or counsel assume responsibility for the accuracy of such numbers.*

REGARDING THIS OFFICIAL STATEMENT

No dealer, broker, salesperson or other person has been authorized by Laveen Elementary School District No. 59 of Maricopa County, Arizona (the “District”) or Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor will there be any sale of the District’s School Improvement Bonds, Project of 2024, Series A (2025) (the “Bonds”) by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

The information set forth in this Official Statement, which includes the cover page, inside front cover page and appendices hereto, has been obtained from the District, the Arizona Department of Revenue, the Assessor, Office of Budget and Finance and Treasurer of Maricopa County, Arizona, and other sources that are considered to be accurate and reliable and customarily relied upon in the preparation of similar official statements, but such information has not been independently confirmed or verified by the District or the Underwriter, is not guaranteed as to accuracy or completeness, and is not to be construed as the promise or guarantee of the District or the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement: “The Underwriter has reviewed the information in this Official Statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.”

None of the District, the Underwriter, counsel to the Underwriter or Bond Counsel (as defined herein) are actuaries. None of them have performed any actuarial or other analysis of the District’s share of the unfunded liabilities of the Arizona State Retirement System.

The presentation of information, including tables of receipts from taxes and other sources, shows recent historical information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. All information, estimates and assumptions contained herein are based on past experience and on the latest information available and are believed to be reliable, but no representations are made that such information, estimates and assumptions are correct, will continue, will be realized or will be repeated in the future. To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are “forward looking statements” that must be read with an abundance of caution and that may not be realized or may not occur in the future. Information other than that obtained from official records of the District has been identified by source and has not been independently confirmed or verified by the District or the Underwriter and its accuracy cannot be guaranteed. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made pursuant hereto will, under any circumstances, create any implication that there has been no change in the affairs of the District or any of the other parties or matters described herein since the date hereof.

The Bonds will not be registered under the Securities Act of 1933, as amended, or any state securities law, and will not be listed on any stock or other securities exchange. Neither the Securities and Exchange Commission nor any other federal, state or other governmental entity or agency will have passed upon the accuracy or adequacy of this Official Statement or approved the Bonds for sale.

A wide variety of information, including financial information, concerning the District is available from publications and websites of the District and others. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. References to website addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such publications and websites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The District will undertake to provide continuing disclosure as described in this Official Statement under the heading “CONTINUING DISCLOSURE” and in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE” all pursuant to Rule 15c2-12 of the Securities and Exchange Commission.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY ALLOW CONCESSIONS OR DISCOUNTS FROM THE INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS.

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY STATEMENT	1
THE BONDS	1
Authorization and Purpose	1
Terms of the Bonds – Generally	2
Bond Registrar and Paying Agent	2
Redemption Provisions	2
Registration and Transfer When Book-Entry-Only System Has Been Discontinued	3
SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS	3
General	3
Defeasance	3
Investment of Debt Service Funds	3
STATE CONSTITUTIONAL LIMITATION ON EXPENDITURES	4
SOURCES AND USES OF FUNDS	5
ESTIMATED DEBT SERVICE REQUIREMENTS	6
LITIGATION	7
RATING	7
LEGAL MATTERS	7
TAX EXEMPTION	8
ORIGINAL ISSUE DISCOUNT	9
BOND PREMIUM	9
UNDERWRITING	10
RELATIONSHIP AMONG PARTIES	10
CONTINUING DISCLOSURE	10
GENERAL PURPOSE FINANCIAL STATEMENTS	11
CONCLUDING STATEMENT	12
 APPENDIX A: THE DISTRICT – DISTRICT INFORMATION	
APPENDIX B: THE DISTRICT – FINANCIAL INFORMATION	
APPENDIX C: THE DISTRICT – AUDITED ANNUAL FINANCIAL STATEMENTS	
FOR THE FISCAL YEAR ENDED JUNE 30, 2024	
APPENDIX D: MARICOPA COUNTY, ARIZONA	
APPENDIX E: FORM OF APPROVING LEGAL OPINION	
APPENDIX F: FORM OF CONTINUING DISCLOSURE CERTIFICATE	
APPENDIX G: BOOK-ENTRY-ONLY SYSTEM	

OFFICIAL STATEMENT

\$34,000,000*
LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OF MARICOPA COUNTY, ARIZONA
SCHOOL IMPROVEMENT BONDS,
PROJECT OF 2024, SERIES A (2025)

INTRODUCTORY STATEMENT

This Official Statement, which includes the cover page, inside front cover page and appendices hereto, has been prepared at the direction of Laveen Elementary School District No. 59 of Maricopa County, Arizona (the “District”), in connection with the issuance of \$34,000,000* aggregate principal amount of bonds designated School Improvement Bonds, Project of 2024, Series A (2025) (the “Bonds”). Certain information concerning the authorization, purpose, terms, conditions of sale and sources of payment of and security for the Bonds is stated in this Official Statement. See APPENDIX A – “THE DISTRICT – DISTRICT INFORMATION” and APPENDIX B – “THE DISTRICT – FINANCIAL INFORMATION” for certain information about the District.

Reference to provisions of State of Arizona (the “State” or “Arizona”) law, whether codified in the Arizona Revised Statutes, or uncoded, or of the Arizona Constitution, are references to those current provisions. Those provisions may be amended, repealed or supplemented.

Neither this Official Statement nor any statement that may have been made orally or in writing in connection herewith is to be considered as, or as part of, a contract with the original purchasers or subsequent owners or beneficial owners of the Bonds.

THE BONDS

Authorization and Purpose

The Bonds will be issued, executed and delivered pursuant to the Arizona Constitution and the laws of the State, including particularly Title 15, Chapter 9, Article 7, Arizona Revised Statutes, a vote of the qualified electors of the District at the election held on November 5, 2024 (the “Election”), and a resolution adopted by the Governing Board of the District (the “Governing Board”) on September 11, 2025 (the “Bond Resolution”).

The Bonds represent the first installment of an aggregate voted principal amount of \$50,000,000 of school improvement bonds approved at the Election. Proceeds from the sale of the Bonds will be used to fund: (i) construction, acquisition, additions and improvements to new and existing schools; (ii) safety, security and general facility and grounds improvements; and (iii) the costs incurred in connection with the issuance of the Bonds. After the issuance of the Bonds, the District will have \$16,000,000* remaining authorized but unissued voter authorization for school improvement bonds from the Election.

Bonds payable from the same source as the Bonds are outstanding and additional bonds payable from the same source as the Bonds may be issued in the future pursuant to authority approved at the Election or subsequent elections in and for the District. See TABLES 1 and 14 herein for information concerning the District’s currently outstanding bonds, which are payable from the same source as the Bonds.

* *Subject to change. See footnote (b) to TABLE 15 for a description of the treatment of certain proceeds of the Bonds for State voter authorization and debt limit purposes.*

Terms of the Bonds – Generally

The Bonds will be dated the date of delivery and will be registered only in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), under the book-entry-only system described herein (the “Book-Entry-Only System”). See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM.” The Bonds will mature on the dates and in the principal amounts and will bear interest from their dated date at the rates set forth on the inside front cover page of this Official Statement. Beneficial ownership interests in the Bonds may be purchased in amounts of \$5,000 of principal due on a specific maturity date or integral multiples thereof. Interest on the Bonds will be payable semiannually on each January 1 and July 1, commencing January 1, 2026* (each an “Interest Payment Date”), until maturity or prior redemption. The District has chosen the fifteenth day of the month preceding each Interest Payment Date as the “Record Date” for the Bonds.

See “TAX EXEMPTION,” “ORIGINAL ISSUE DISCOUNT” and “BOND PREMIUM” herein for a discussion of the treatment of interest income on the Bonds for federal and State income tax purposes.

Bond Registrar and Paying Agent

BOKF, NA will serve as the initial bond registrar, transfer agent and paying agent (the “Bond Registrar and Paying Agent”) for the Bonds. The District may change the Bond Registrar and Paying Agent without notice to or consent of the owners of the Bonds.

Redemption Provisions*

Optional Redemption. The Bonds maturing before or on July 1, 20__ will not be subject to redemption prior to their stated maturity dates. The Bonds maturing on or after July 1, 20__ will be subject to redemption prior to their stated maturity dates, at the option of the District, in whole or in part on July 1, 20__, or on any date thereafter, by the payment of a redemption price equal to the principal amount of each Bond called for redemption, plus interest accrued to the date fixed for redemption but without premium.

Notice of Redemption. So long as the Bonds are held under the Book-Entry-Only System, notices of redemption will be sent to DTC in the manner required by DTC. See APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM.” If the Book-Entry-Only System is discontinued, notice of redemption of any Bond will be mailed to the registered owner of the Bond or Bonds being redeemed at the address shown on the bond register maintained by the Bond Registrar and Paying Agent not more than sixty (60) nor less than thirty (30) days prior to the date set for redemption. Notice of redemption may be sent to any securities depository by mail, facsimile transmission, wire transmission or any other means of transmission of the notice generally accepted by the respective securities depository. Neither the failure of any registered owner of Bonds to receive a notice of redemption nor any defect therein will affect the validity of the proceedings for redemption of Bonds as to which proper notice of redemption was given. Notice of any redemption will also be provided as set forth in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE,” but no defect in said further notice or record nor any failure to give all or a portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

If monies for the payment of the redemption price and accrued interest are not held in separate accounts by the District, the Treasurer of Maricopa County, Arizona (the “Treasurer”) or the Bond Registrar and Paying Agent prior to sending the notice of redemption, such redemption shall be conditional on such monies being so held on the date set for redemption and if not so held by such date, the redemption shall be cancelled and be of no force and effect.

Effect of Redemption. On the date designated for redemption, the Bonds or portions thereof to be redeemed will become and be due and payable at the redemption price for such Bonds or portions thereof, and, if monies for payment of the redemption price are held in a separate account by the Bond Registrar and Paying Agent, interest on such Bonds or portions thereof to be redeemed will cease to accrue, such Bonds or portions thereof will cease to be entitled to any benefit or security under the Bond Resolution, the owners of such Bonds or portions thereof will have no rights in respect thereof except to receive payment of the redemption price thereof and such Bonds or portions thereof will be deemed paid and no longer outstanding. DTC’s practice is to determine by lot the amount of each Direct Participant’s (as defined in APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM”) proportionate share that is to be redeemed.

* Subject to change.

Redemption of Less than All of a Bond. The District may redeem any amount which is included in a Bond that is subject to prior redemption in a denomination equal to or in excess of, but divisible by, \$5,000. In the event of a partial redemption, the Bond will be redeemed in accordance with DTC's procedures. In the event of a partial redemption if the Book-Entry-Only System is discontinued, the registered owner will submit the Bond for partial redemption and the Bond Registrar and Paying Agent will make such partial payment and will cause to be issued a new Bond in a principal amount which reflects the redemption so made, to be authenticated and delivered to the registered owner thereof.

Registration and Transfer When Book-Entry-Only System Has Been Discontinued

If the Book-Entry-Only System is discontinued, the Bonds will be transferred only upon the bond register maintained by the Bond Registrar and Paying Agent and one or more new Bonds, registered in the name of the transferee, of the same principal amount, maturity and rate of interest as the surrendered Bond or Bonds will be authenticated, upon surrender to the Bond Registrar and Paying Agent of the Bond or Bonds to be transferred, together with an appropriate instrument of transfer executed by the transferor if the Bond Registrar and Paying Agent's requirements for transfer are met. The Bond Registrar and Paying Agent may, but is not required to, transfer or exchange any Bonds during the period from the Record Date to and including the respective Interest Payment Date. The Bond Registrar and Paying Agent may, but is not required to, transfer or exchange any Bonds which have been selected for prior redemption. The transferor will be responsible for all transfer fees, taxes, fees and any other costs relating to the transfer of ownership of individual Bonds.

SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS

General

For the purpose of paying the principal of and interest on the Bonds and costs of administration of the Bonds, the District will be required by law to cause to be levied on all the taxable property in the District a continuing, direct, annual, *ad valorem* property tax sufficient to pay all principal, interest, and costs of administration for the Bonds as the same become due. The Bonds will be payable from such tax without limit as to rate or amount. The taxes will be levied, assessed and collected at the same time and in the same manner as other similar taxes are levied, assessed and collected. For information concerning the *ad valorem* property tax levy and collection procedures, see APPENDIX B – "THE DISTRICT – FINANCIAL INFORMATION – PROPERTY TAXES."

Defeasance

Pursuant to the Bond Resolution, payment of all or any part of the Bonds may be provided for by the irrevocable deposit, in trust, of monies or obligations issued or guaranteed by the United States of America ("Defeasance Obligations") or both, which, with the maturing principal of and interest on such Defeasance Obligations, if any, will be sufficient, as evidenced by a certificate or report of an accountant, to pay when due the principal or redemption price of and interest on such Bonds. Any Bonds so provided for will no longer be outstanding under the Bond Resolution or payable from *ad valorem* taxes on taxable property in the District, and the owners of such Bonds shall thereafter be entitled to payment only from the monies and Defeasance Obligations deposited in trust.

Investment of Debt Service Funds

Following collection and deposit of the proceeds of the taxes into a debt service fund of the District held by the Treasurer (the "Debt Service Fund"), the District will instruct the Treasurer, as ex officio Treasurer of the District, to invest the monies credited to the Debt Service Fund in accordance with Title 15, Chapter 9, Article 7, Arizona Revised Statutes. The District is statutorily permitted to invest monies in the Debt Service Fund only in the investments set forth in Section 15-1025, Arizona Revised Statutes, which include, with certain restrictions, bonds issued or guaranteed by the United States of America (the "United States") or any of its agencies or instrumentalities when such obligations are guaranteed as to principal and interest by the United States or by any agency or instrumentality thereof, bonds of the State or any Arizona county, city, town, or school district, certain bonds of any Arizona county, municipality or municipal district utility, certain bonds of any Arizona municipal improvement district, federally insured savings accounts or certificates of deposit, and bonds issued by federal land banks, federal intermediate credit

banks, or banks for cooperatives and certain certificates of deposit (pursuant to Section 35-323.01, Arizona Revised Statutes). All earnings derived from such investments are credited to the Debt Service Fund. The statutes governing investment of monies in the Debt Service Fund are subject to change. The District does not monitor the manner in which the Treasurer invests monies in the Debt Service Fund.

Except to the extent any Bond proceeds are deposited to the Debt Service Fund and except as otherwise described above, neither the proceeds of the sale of the Bonds nor any school property of the District (including that financed with the proceeds of the sale of the Bonds) are security for, or a source of payment of principal of or interest on the Bonds.

STATE CONSTITUTIONAL LIMITATION ON EXPENDITURES

Pursuant to Article 9, Section 21, Arizona Constitution (the “AEL Provision”), Arizona public school districts are subject to an aggregate expenditure limitation (the “Aggregate Expenditure Limitation”), determined annually by the State Economic Estimates Commission. The aggregate expenditure of revenues described in the AEL Provision for all public school districts, determined annually by November 1 of each year by the Arizona Department of Education (“ADE”), may only exceed the Aggregate Expenditure Limitation if authorized by the State legislature (the “Legislature”) for a single fiscal year, by concurrent resolution, upon affirmative vote of two-thirds of the membership of each house of the Legislature (the “Override”) by March 1 of the fiscal year. Certain public school district revenues, including federal grants, federal COVID-19 relief funds and budget overrides, are not subject to the Aggregate Expenditure Limitation. In prior fiscal years, public school districts have either not exceeded the Aggregate Expenditure Limitation or have exceeded the Aggregate Expenditure Limitation with Override authorization from the Legislature.

If the Legislature does not pass the Override (if needed) in a fiscal year, public school districts, including the District, would be required to reduce fiscal year budgeted expenditures by April 1 of such year. Each public school district is responsible for the manner in which it would deal with a required pro-rata reduction of relevant aggregate expenditures. Actions like furloughs, a hiring freeze, salary reductions, shifting from in-person to remote instruction and using available fund balances are various options considered by school districts in Arizona. There is a range of outcomes in future fiscal years that could be achieved by the District by taking some or all of the actions described in the immediately preceding sentence (or other, similar actions). Certain actions would allow the District to continue regular operations while other actions could result in significantly reduced operations of the District.

Based on a report of ADE, the Aggregate Expenditure Limitation would have been exceeded by approximately \$1.204 billion (14.48%) in fiscal year 2024/25. On June 27, 2025, the Legislature passed the Override providing public school districts with the authority to spend amounts as budgeted for the current fiscal year (2025/26) and for the next fiscal year (2026/27) and to continue operations as normal.

Even with the approval of the Override by the Legislature for fiscal years through 2026/27, it is expected that school districts will continue to exceed the Aggregate Expenditure Limitation in future fiscal years. The Legislature will need to pass separate Overrides in and for such future fiscal years unless, by State voter approval at a General Election to be held in November 2026 or thereafter, the AEL Provision is repealed or amended to permit a more permanent increase in the Aggregate Expenditure Limitation.

As stated elsewhere herein, the Bonds will be payable from a continuing, direct, annual *ad valorem* tax levied against all taxable property within the District, unlimited as to rate and amount. See “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS.” Although the Legislature's failure to pass an Override in future fiscal years (if needed) could have the budgetary consequences described above, it would not directly affect the levy and collection of property taxes in the District, the security and source of payment for the Bonds. In addition, the Aggregate Expenditure Limitation does not apply to payment of debt service on long-term obligations of the District, including the Bonds. An investment in the Bonds should be made only after due consideration of the foregoing.

SOURCES AND USES OF FUNDS

Sources of Funds

Principal Amount	\$34,000,000.00*
[Net] Original Issue Premium (a)	_____
Total Sources of Funds	=====

Uses of Funds

Deposit to Bond Building Fund	
Payment of Costs of Issuance (b)	_____
Total Uses of Funds	=====

* *Subject to change.*

(a) *Net original issue premium consists of original issue premium on the Bonds, less original issue discount on the Bonds.*

(b) *Includes compensation and costs of the Underwriter (as defined herein) with respect to the Bonds.*

ESTIMATED DEBT SERVICE REQUIREMENTS

The following table illustrates the (i) annual debt service on the outstanding bonds of the District, (ii) estimated annual debt service on the Bonds and (iii) total estimated annual debt service on all bonds of the District outstanding after the issuance of the Bonds.

TABLE 1

**Schedule of Estimated Annual Debt Service Requirements (a)
Laveen Elementary School District No. 59**

Fiscal Year	Bonds Outstanding		The Bonds*		Total Estimated Annual Debt Service Requirements*
	Principal	Interest	Principal	Interest (b)	
2025/26	\$2,945,000	\$1,223,225	\$500,000	\$1,020,000 (c)	\$5,688,225
2026/27	1,650,000	1,075,975	1,800,000	1,507,500	6,033,475
2027/28	1,470,000	993,475	2,550,000	1,426,500	6,439,975
2028/29	1,370,000	927,925	3,050,000	1,311,750	6,659,675
2029/30	1,315,000	859,425	1,700,000	1,174,500	5,048,925
2030/31	1,365,000	806,825	1,100,000	1,098,000	4,369,825
2031/32	1,415,000	752,225	1,000,000	1,048,500	4,215,725
2032/33	1,475,000	689,475	1,600,000	1,003,500	4,767,975
2033/34	1,545,000	624,075	1,600,000	931,500	4,700,575
2034/35	1,600,000	555,525	1,600,000	859,500	4,615,025
2035/36	1,665,000	484,525	1,650,000	787,500	4,587,025
2036/37	1,725,000	410,675	1,750,000	713,250	4,598,925
2037/38	1,815,000	334,175	1,750,000	634,500	4,533,675
2038/39	1,905,000	253,575	1,750,000	555,750	4,464,325
2039/40	880,000	168,875	1,800,000	477,000	3,325,875
2040/41	900,000	124,875	1,800,000	396,000	3,220,875
2041/42	925,000	84,375	1,600,000	315,000	2,924,375
2042/43	950,000	42,750	1,600,000	243,000	2,835,750
2043/44			1,900,000	171,000	2,071,000
2044/45			1,900,000	85,500	1,985,500
	<u>\$26,915,000</u>		<u>\$34,000,000</u>		

(a) Prepared by Stifel, Nicolaus & Company, Incorporated (the "Underwriter").

(b) Interest on the Bonds is estimated.

(c) The first interest payment on the Bonds will be due on January 1, 2026*. Thereafter, interest payments will be made semiannually on each July 1 and January 1 until maturity or prior redemption.

* Subject to change.

LITIGATION

No litigation or administrative action or proceeding is pending to restrain or enjoin, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the levy and collection of taxes to pay the debt service on the Bonds, to contest or question the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds. Representatives of the District will deliver a certificate to the same effect at the time of the initial delivery of the Bonds.

RATING

Moody's Investors Service, Inc. ("Moody's") has assigned a rating of "Aaa" to the Bonds. Such rating reflects only the view of Moody's. An explanation of the significance of a rating assigned by Moody's may be obtained at One Front Street, Suite 1900, San Francisco, California 94111. Such rating may be revised or withdrawn entirely at any time by Moody's if, in its judgment, circumstances so warrant. Any downward revision or withdrawal of such rating may have an adverse effect on the market price or marketability of the Bonds. The District will covenant in its continuing disclosure certificate with respect to the Bonds that it will file notice of any formal change in any rating relating to the Bonds. See "CONTINUING DISCLOSURE" and APPENDIX F – "FORM OF CONTINUING DISCLOSURE CERTIFICATE" herein.

LEGAL MATTERS

In connection with the issuance of the Bonds, the District will furnish the Underwriter with the approving opinion of Gust Rosenfeld P.L.C., Phoenix, Arizona, Bond Counsel ("Bond Counsel") addressing legal matters relating to the validity of the Bonds under Arizona law, and with regard to the tax-exempt status of the interest income thereon (see "TAX EXEMPTION"). The signed legal opinion of Bond Counsel is dated and premised on the law in effect only as of the date of original delivery of the Bonds and will be delivered to the District at the time of original issuance. The fees of Bond Counsel and counsel to the Underwriter are expected to be paid from the proceeds of the sale of the Bonds and are contingent upon delivery of the Bonds.

The proposed text of the legal opinion is set forth as APPENDIX E – "FORM OF APPROVING LEGAL OPINION." The legal opinion to be delivered may vary from the text of APPENDIX E – "FORM OF APPROVING LEGAL OPINION" if necessary to reflect the facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution, by recirculation of this Official Statement or otherwise, should not be construed as a representation that Bond Counsel has reviewed or expressed any opinion concerning any matters relating to the Bonds subsequent to the original delivery of the Bonds.

Bond Counsel has reviewed the information in the tax caption on the cover page as well as the information under the headings "THE BONDS," "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS," "TAX EXEMPTION," "ORIGINAL ISSUE DISCOUNT," "BOND PREMIUM," "RELATIONSHIP AMONG PARTIES" (but only as it applies to Bond Counsel) and "CONTINUING DISCLOSURE" (except as it relates to the District's compliance with prior continuing disclosure undertakings) and in APPENDICES E – "FORM OF APPROVING LEGAL OPINION" and F – "FORM OF CONTINUING DISCLOSURE CERTIFICATE" but otherwise has not participated in the preparation of this Official Statement and will not pass upon its accuracy, completeness or sufficiency. Bond Counsel has neither examined nor attempted to examine nor verify any of the financial or statistical statements or data contained in this Official Statement and will express no opinion with respect thereto.

Certain legal matters will be passed upon for the Underwriter by Greenberg Traurig, LLP, Phoenix, Arizona, counsel to the Underwriter.

From time to time, there are legislative proposals (and interpretations of such proposals by courts of law and other entities and individuals) which, if enacted, could alter or amend the property tax system of the State and numerous matters, both financial and non-financial, impacting the operations of school districts which could have a material impact on the District and could adversely affect the secondary market value and marketability (liquidity) of the

Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations (such as the Bonds) issued prior to enactment.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. The rendering of an opinion also does not guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX EXEMPTION

In the opinion of Bond Counsel, under existing laws, regulations, rulings and judicial decisions, and assuming continuing compliance with certain restrictions, conditions and requirements by the District as described below, interest income on the Bonds is excluded from gross income for federal income tax purposes. In the opinion of Bond Counsel, interest income on the Bonds is exempt from State income taxes. The opinion of Bond Counsel will be dated as of the date of initial delivery of the Bonds. The form of such opinion is included as APPENDIX E – “FORM OF APPROVING LEGAL OPINION” attached hereto.

The Code imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Bonds from gross income for federal income tax purposes, including a requirement that the District rebate to the federal government certain of its investment earnings with respect to the Bonds. The District has covenanted to comply with the provisions of the Code relating to such matters and the opinion of Bond Counsel assumes continuing compliance with such covenants. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Bonds being included as gross income for federal income tax purposes, under certain circumstances, from the date of initial issuance. The Bonds do not provide for an adjustment in the interest rate or yield in the event of taxability and an event of taxability does not cause an acceleration of the principal on the Bonds.

The Code also imposes an “alternative minimum tax” upon certain individuals and corporations. A taxpayer’s “alternative minimum taxable income” (“AMTI”) is its taxable income with certain adjustments. Interest income on the Bonds is not an item of tax preference to be included in the AMTI. Notwithstanding the preceding sentence, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code) for the purpose of computing the alternative minimum tax imposed on corporations.

Although Bond Counsel will render an opinion that, as of the delivery date of the Bonds, interest income on the Bonds is excluded from gross income for federal income tax purposes, the accrual or receipt of interest on the Bonds may otherwise affect a Beneficial Owner’s (as defined in APPENDIX G – “BOOK-ENTRY-ONLY SYSTEM”) federal tax liability. Certain taxpayers may experience other tax consequences. Taxpayers who become Beneficial Owners of the Bonds, including without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain subchapter S corporations, individuals who receive Social Security or Railroad Retirement benefits and taxpayers who have or are deemed to have incurred indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the applicability of such tax consequences to the respective Beneficial Owner. The nature and extent of these other tax consequences will depend upon the Beneficial Owner’s particular tax status and the Beneficial Owner’s other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

The Bonds are not “private activity bonds” within the meaning of Section 141 of the Code.

From time to time, there are legislative proposals in Congress, which, if enacted or made effective, could alter or amend the federal tax matters referred to above or adversely affect the market value and marketability (liquidity) of the Bonds. Any such change that occurs before initial delivery of the Bonds could cause Bond Counsel to deliver an opinion substantially different from the opinion shown in APPENDIX E – “FORM OF APPROVING LEGAL OPINION.” The extent of change in Bond Counsel’s opinion cannot be determined at this time. It cannot be predicted whether, when or in what form any such proposal or proposals might be enacted or whether, if enacted, such proposal

or proposals would apply to obligations (such as the Bonds) issued prior to the enactment or effective date. Prospective purchasers should consult with their own tax advisors regarding any pending or proposed federal income tax legislation.

ORIGINAL ISSUE DISCOUNT

The initial public offering prices of the Bonds maturing on July 1, 20__ through and including July 1, 20__ (collectively, the “Discount Bonds”), are less than the respective amounts payable at maturity. As a result, the Discount Bonds will be considered to be issued with original issue discount. The difference between the initial public offering price (assuming it is the first price at which a substantial amount of that maturity of Discount Bonds was sold (the “OID Issue Price”)) of the Discount Bonds and the amount payable at maturity of the Discount Bonds will be treated as “original issue discount.” With respect to a Beneficial Owner who purchases a Discount Bond in the initial public offering at the OID Issue Price and who holds the Discount Bond to maturity, the full amount of original issue discount will constitute interest income which is not includible in the gross income of the Beneficial Owner of the Discount Bond for federal income tax purposes and Arizona income tax purposes and that Beneficial Owner will not, under present federal income tax law and present Arizona income tax law, realize a taxable capital gain upon payment of the Discount Bond at maturity.

The original issue discount on each of the Discount Bonds is treated for federal income tax purposes and Arizona income tax purposes as accreting daily over the term of such Discount Bond on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on January 1 and July 1 (with straight-line interpolation between compounding dates).

The amount of original issue discount accreting each period will be added to the Beneficial Owner’s tax basis for the Discount Bond. The adjusted tax basis will be used to determine taxable gain or loss upon disposition of the Discount Bond. An initial Beneficial Owner of a Discount Bond who disposes of the Discount Bond prior to maturity should consult his or her tax advisor as to the amount of the original issue discount accrued over the period held and the amount of taxable gain or loss upon the sale or disposition of the Discount Bond prior to maturity.

The Code contains certain provisions relating to the accretion of original issue discount in the case of subsequent Beneficial Owners of the Discount Bonds. Beneficial Owners who do not purchase the Discount Bonds in the initial offering at the OID Issue Price should consult their own tax advisors with respect to the tax consequences of the ownership of Discount Bonds.

A portion of the original issue discount that accretes in each year to a Beneficial Owner of a Discount Bond may result in certain collateral federal income tax consequences as described in “TAX EXEMPTION” herein.

Beneficial Owners of Discount Bonds in states other than Arizona should consult their own tax advisors with respect to the state and local tax consequences of owning Discount Bonds.

BOND PREMIUM

The initial public offering prices of the Bonds maturing on July 1, 20__ through and including July 1, 20__ (collectively, the “Premium Bonds”) are greater than the amount payable on such Premium Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial Beneficial Owner of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial Beneficial Owner must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial Beneficial Owner is determined by using such Beneficial Owner’s yield to maturity. Beneficial Owners of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium with respect to the Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning Premium Bonds.

UNDERWRITING

The Bonds will be purchased by the Underwriter at an aggregate purchase price of \$_____, pursuant to a bond purchase agreement (the “Purchase Contract”) entered into by and between the District and the Underwriter. If the Bonds are sold to produce the yields shown on the inside front cover page hereof, the Underwriter’s compensation will be \$_____. The Purchase Contract provides that the Underwriter will purchase all of the Bonds so offered if any are purchased. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into unit investment trusts) and others at yields lower than the public offering yields stated on the inside front cover page hereof. The initial offering yields set forth on the inside front cover page may be changed, from time to time, by the Underwriter without amendment of the Official Statement.

The Underwriter and its affiliates comprise a full service financial institution engaged in activities which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates may have provided, and may in the future provide, a variety of these services to the District and to persons and entities with relationships with the District, for which they received or will receive customary fees and expenses.

In the ordinary course of these business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the District (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the District.

The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire such assets, securities and instruments. Such investment and securities activities may involve securities and instruments of the District.

RELATIONSHIP AMONG PARTIES

Bond Counsel has previously represented, and is currently representing, the Underwriter with respect to other financings and has acted or is acting as bond counsel with respect to other bonds underwritten by the Underwriter and may do so in the future. Bond Counsel also serves and has served as bond counsel for one or more of the political subdivisions that the District territorially overlaps. Counsel to the Underwriter has previously acted as bond counsel with respect to other bonds underwritten by the Underwriter and may continue to do so in the future if requested.

CONTINUING DISCLOSURE

The District will covenant for the benefit of the owners of the Bonds to provide certain financial information and operating data relating to the District by not later than February 1 in each year commencing February 1, 2026 (the “Annual Reports”), and to provide notices of the occurrence of certain enumerated events (the “Notices of Listed Events”). The Annual Reports, the Notices of Listed Events and any other document or information required to be filed by the District as such will be filed with the Municipal Securities Rulemaking Board (the “MSRB”) through the MSRB’s Electronic Municipal Market Access system (“EMMA”), each as described in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” The specific nature of the information to be contained in the Annual Reports and the Notices of Listed Events is also set forth in APPENDIX F – “FORM OF CONTINUING DISCLOSURE CERTIFICATE.” These covenants will be made in order to assist the Underwriter in complying with the Securities and Exchange Commission’s Rule 15c2-12(b)(5) (the “Rule”). A failure by the District to comply with these covenants must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price. *Pursuant to Arizona Law, the ability of the District to comply with such covenants will be subject to annual appropriation of funds sufficient to provide for the costs of compliance with such covenants.* Should the District not

comply with such covenants due to a failure to appropriate for such purpose, the District has covenanted to provide notice of such fact to the MSRB through EMMA. Absence of continuing disclosure, due to non-appropriation or otherwise, could adversely affect the Bonds, specifically their market price and transferability.

The District has reviewed its filing requirements and has implemented written procedures to facilitate compliance with its continuing disclosure undertakings in all material respects.

GENERAL PURPOSE FINANCIAL STATEMENTS

The annual comprehensive financial report of the District for the fiscal year ended June 30, 2024, a copy of which is included in APPENDIX C – “THE DISTRICT – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024” of this Official Statement, includes the District’s financial statements for the fiscal year ended June 30, 2024 that were audited by CWDL Certified Public Accountants, a certified public accounting firm, to the extent indicated in its report thereon. **The District has not requested the consent of CWDL Certified Public Accountants to include its report and CWDL Certified Public Accountants has performed no procedures subsequent to rendering its report on the financial statements.**

THE FINANCIAL STATEMENTS INCLUDED IN APPENDIX C OF THIS OFFICIAL STATEMENT ARE CURRENT AS OF THEIR DATE ONLY AND MAY NOT REPRESENT THE CURRENT FINANCIAL CONDITION OF THE DISTRICT.

[Remainder of page intentionally left blank.]

CONCLUDING STATEMENT

To the extent that any statements made in this Official Statement involve matters of opinion or estimates, whether or not expressly stated to be such, they are made as such and not as representations of fact or certainty, and no representation is made that any of these statements have been or will be realized. All forecasts, projections, opinions, assumptions or estimates are “forward looking statements” that must be read with an abundance of caution and that may not be realized or may not occur in the future. All financial and other information in this Official Statement has been derived by the District from official records and other sources and is believed by the District to be accurate and reliable. Information other than that obtained from official records of the District has been identified by source and has not been independently confirmed or verified by the District and its accuracy is not guaranteed. The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OF MARICOPA COUNTY, ARIZONA

By: _____
President of the Governing Board

THE DISTRICT – DISTRICT INFORMATION

General Information

The District was organized in 1908 and is located in the southwestern portion of Maricopa County, Arizona (the “County”) approximately 10 miles southwest of downtown Phoenix, Arizona. The District overlaps the City of Phoenix, Arizona, encompasses approximately 29 square miles and serves an estimated population of 57,270. See APPENDIX D – “MARICOPA COUNTY, ARIZONA” for information pertaining to the County.

Enrollment

The following table illustrates the current and historical average daily membership (“A.D.M.”) of the District’s student population.

TABLE 2
AVERAGE DAILY MEMBERSHIP
Laveen Elementary School District No. 59

Fiscal Year	A.D.M. (a)
2024/25	7,552
2023/24	7,331
2022/23	7,163
2021/22	6,956
2020/21	6,770

(a) *A.D.M. means average daily membership and is computed by taking the average number of students enrolled over the first 100 days of the school year, with students that are concurrently enrolled in Local Education Agencies being counted on a fractional basis for purposes of determining the District’s A.D.M.*

Source: The Arizona Department of Education and the District.

Facilities

The District currently operates the following schools:

TABLE 3
SCHOOL FACILITIES
Laveen Elementary School District No. 59

Facility	Grade Range
Desert Meadows School	Pre-K – 8
Estrella Foothills Global Academy	Pre-K – 8
Laveen Elementary School	Pre-K – 8
Paseo Pointe School	Pre-K – 8
Rogers Ranch School	Pre-K – 8
Vista del Sur Accelerated Academy	Pre-K – 8
Laveen Leadership Academy at Cheatham Farms	K – 8
Maurice C. Cash Elementary School	K – 8
Trailside Point Performing Arts Academy	K – 8

Pre-K = Pre-kindergarten
K = Kindergarten

Administration and Governance

The District has 29 principals and administrators, 452 certified employees and 481 classified support personnel. This provides the District with a student-teacher ratio of approximately 19:1.

The District is governed by a five-member Governing Board and administered by one Superintendent. The members of the Governing Board of the District are elected at large from the District for a four-year term. The present members of the Governing Board of the District are:

TABLE 4
GOVERNING BOARD
Laveen Elementary School District No. 59

Jill Barragan, *President*
Linda Abegg, *Clerk*
Michele Anderson, *Member*
Jennifer Goetzke, *Member*
Mekell Bell, *Member*

Information Related to Potential Community Reinvestment Act Credit

The Community Reinvestment Act (the “CRA”) is federal legislation that is intended to encourage depository institutions to help meet the credit needs of low and moderate income neighborhoods. Performance for purposes of the CRA is evaluated in a number of ways including credits for investment (including by purchasing municipal bonds) in areas that provide free or reduced-price school meals through the National School Lunch Program to eligible students who participate in certain federal assistance programs (including the Supplemental Nutrition Assistance Program).

The table below shows schools of the District where at least 50% of the students are eligible for free or reduced-price school meals through the National School Lunch Program. Such eligibility information is the most recent available for the District, is not current and therefore must be considered with an abundance of caution.

TABLE 5
NATIONAL SCHOOL LUNCH PROGRAM
Laveen Elementary School District No. 59

Facility	Eligibility Percent <i>(a)</i>
Cheatham Elementary School	≥98%
Maurice C. Cash Elementary School	≥98
Trailside Point Performing Arts Academy	≥98
Desert Meadows School	96
Laveen Elementary School	93
Rogers Ranch School	90
Estrella Foothills Global Academy	63
Paseo Pointe School	60
Vista del Sur Accelerated Academy	32

No representation is made as to the status of any investment in the Bonds as it might affect performance by any depository institution under the CRA.

(a) Based on claim data for the month of October as reported by school food authorities. School year 2024/25 eligibility data published as of August 6, 2025.

Source: *Free and Reduced-Price Percentage Report School Year 2024/25*, Arizona Department of Education Health and Nutrition Services.

[THIS PAGE INTENTIONALLY LEFT BLANK]

**THE DISTRICT –
FINANCIAL INFORMATION**

PROPERTY TAXES

As described under the heading “SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS,” the District will be required by law to cause to be levied on all the taxable property in the District a continuing, direct, annual, *ad valorem* property tax sufficient to pay all principal, interest, and costs of administration for the Bonds as the same become due. The State’s *ad valorem* property tax levy and collection procedures are summarized under this heading “PROPERTY TAXES.”

Taxable Property

Real property and improvements and personal property are either valued by the Assessor of the County or the Arizona Department of Revenue (the “Department of Revenue”). Property valued by the Assessor of the County is referred to as “locally assessed” property and generally encompasses residential, agricultural and traditional commercial and industrial property. Property valued by the Department of Revenue is referred to as “centrally valued” property and generally includes large mine and utility entities.

Locally assessed property is assigned two values: Full Cash Value and Limited Property Value (both as defined herein). Centrally valued property is assigned one value: Full Cash Value.

Full Cash Value

In the context of a specific property parcel, full cash value (“Full Cash Value”) is statutorily defined to mean “the value determined as prescribed by statute” or if a statutory method is not prescribed it is “synonymous with market value, which means the estimate of value that is derived annually by using standard appraisal methods and techniques,” which generally include the market approach, the cost approach and the income approach. In valuing locally assessed property, the Assessor of the County generally uses a cost approach to value commercial/industrial property and a market approach to value residential property. In valuing centrally valued property, the Department of Revenue begins generally with information provided by taxpayers and then applies procedures provided by State law. State law allows taxpayers to appeal such Full Cash Values by providing evidence of a lower value, which may be based upon another valuation approach. Full Cash Value is used as the ceiling for determining Limited Property Value. Unlike Limited Property Value, increases in Full Cash Value are not limited.

Limited Property Value

In the context of a specific property parcel, limited property value (“Limited Property Value”) is a property value determined pursuant to the Arizona Constitution and Arizona Revised Statutes. Except as described in the next sentence, for locally assessed property in existence in the prior year, Limited Property Value is limited to the lesser of Full Cash Value or an amount 5% greater than Limited Property Value determined for the prior year for such specific property parcel. In the following circumstances, Limited Property Value is established at a level or percentage of Full Cash Value that is comparable to that of other properties of the same or a similar use or classification: property that was erroneously totally or partially omitted from the property tax rolls in the preceding tax year, except as a result of the matters described in this sentence; property for which a change in use has occurred since the preceding tax year and property that has been modified by construction, destruction, or demolition since the preceding valuation year such that the total value of the modification is equal to or greater than fifteen percent of the Full Cash Value. (Limited Property Value of property that has been split, subdivided or consolidated varies depending on when the change occurred.) A separate Limited Property Value is not provided for centrally valued property.

Full Cash Value and Limited Property Value for Taxing Jurisdictions

The Full Cash Value in the context of a taxing jurisdiction is the sum of the Full Cash Value associated with each parcel of property in the jurisdiction. Full Cash Value of the jurisdiction is the basis for determining constitutional and statutory debt limits for certain political subdivisions in Arizona, including the District.

The Limited Property Value in the context of a taxing jurisdiction is the sum of the Limited Property Value associated with each parcel of locally assessed property within the jurisdiction plus the sum of the Full Cash Value associated with each parcel of centrally valued property within the jurisdiction. Limited Property Value of the jurisdiction is used as the basis for levying both primary and secondary taxes. See “Primary Taxes” and “Secondary Taxes” below.

Property Classification and Assessment Ratios

All property, both real and personal, is assigned a classification (defined by property use) and related assessment ratio that is multiplied by the Limited Property Value or Full Cash Value of the property, as applicable, to obtain the “Limited Assessed Property Value” and the “Full Cash Assessed Value,” respectively.

The assessment ratios for each property classification are set forth by tax year in the following table.

TABLE 6

Property Tax Assessment Ratios (Tax Year)

Property Classification (a)	2021	2022	2023	2024	2025
Mining, utilities, commercial and industrial (b)	18%	17.5%	17%	16.5%	16%
Agricultural and vacant land	15	15	15	15	15
Owner occupied residential	10	10	10	10	10
Leased or rented residential	10	10	10	10	10
Railroad, private car company and airline flight property (c)	15	15	14	14	13

- (a) Additional classes of property exist, but seldom amount to a significant portion of a municipal body’s total valuation.
- (b) The assessment ratio for this property classification will decrease to 15.5% for tax year 2026 and 15% for each tax year thereafter.
- (c) This percentage is determined annually pursuant to Section 42-15005, Arizona Revised Statutes.

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

Primary Taxes

Per State statute, taxes levied for the maintenance and operation of counties, cities, towns, school districts, community college districts and the State are “primary taxes.” Primary taxes are levied against Net Limited Assessed Property Value (as defined herein). “Net Limited Assessed Property Value” is determined by excluding the value of property exempt from taxation from Limited Assessed Property Value of locally assessed property and from Full Cash Assessed Value of centrally valued property and combining the resulting two amounts.

The primary taxes levied by each county, city, town and community college district are constitutionally limited to a maximum increase of 2% over the maximum allowable prior year’s levy limit plus any taxes on property not subject to taxation in the preceding year (e.g., new construction and property brought into the jurisdiction because of annexation). The 2% limitation does not apply to primary taxes levied on behalf of school districts.

The combined taxes on owner occupied residential property only, for purposes other than voter-approved bond indebtedness and overrides and certain special district assessments, are constitutionally limited to 1% of the Limited Property Value of such property. This constitutional limitation on the combined tax levies for owner occupied residential property is implemented by reducing the school district's taxes. To offset the effects of reduced school district property taxes, the State compensates the school district by providing additional State aid.

Secondary Taxes

Per State statute, taxes levied for payment of bonds like the Bonds, voter-approved budget overrides, the maintenance and operation of special purpose districts such as sanitary, fire, road improvement, water conservation and career technical education districts, and taxes levied by school districts for qualified desegregation expenditures are "secondary taxes." Like primary taxes, secondary taxes are also levied against Net Limited Assessed Property Value. There is no constitutional or statutory limitation on annual levies for voter-approved bond indebtedness and overrides and certain special district assessments.

Calculating Debt Limitations

Net Full Cash Assessed Value is determined by excluding the value of property exempt from taxation from Full Cash Assessed Value of both locally assessed and centrally valued property and combining the resulting two amounts. Net Full Cash Assessed Value is the basis for determining bonded debt limitations for certain political subdivisions in Arizona, including the District.

Tax Procedures

The State tax year has been defined as the calendar year, notwithstanding the fact that tax procedures begin prior to January 1 of the tax year and continue through May of the succeeding calendar year.

On or before the third Monday in August each year the Board of Supervisors of the County prepares the tax roll setting forth certain valuations by taxing district of all property in the County subject to taxation. The tax roll is then forwarded to the Treasurer. (The Assessor of the County is required to have completed the assessment roll by December 15th of the year prior to the levy. This roll identifies the valuation and classification of each parcel located within the County for the tax year.)

Property owners may file an appeal with the Assessor of the County to request a review of the Assessor of the County's determination of the Full Cash Value and legal classification of their property. Once the appeals process is complete, the Assessor of the County, if necessary, corrects the tax roll based upon the appeal decisions and sends the corrected values to each taxing jurisdiction (cities, school districts, including the District, community colleges and special districts such as fire and health).

With the various budgetary procedures having been completed by the governmental entities, the appropriate tax rate for each jurisdiction is then levied upon each non-exempt parcel of property in order to determine the total tax owed by each property owner. Any subsequent decrease in the value of the tax roll due to appeals through the process described above or other reasons reduces the amount of taxes received by each jurisdiction.

The property tax lien on real property attaches on January 1 of the year the tax is levied. Such lien is prior and superior to all other liens and encumbrances on the property subject to such tax except liens or encumbrances held by the State or liens for taxes accruing in any other years. Set forth below is a record of property taxes levied and collected in the District for a portion of the current fiscal year and all of the previous five fiscal years.

TABLE 7

**Property Taxes Levied and Collected (a)
Laveen Elementary School District No. 59**

Fiscal Year	District Tax Rate	Adopted District Tax Levy	Adjusted District Tax Levy as of June 30th	Collected to June 30th of Initial Fiscal Year		Adjusted District Tax Levy as of 8/29/2025	Cumulative Collections to August 29, 2025	
				Amount	% of Adj. Levy		Amount	% of Adj. Levy
2025/26	\$ 6.5201	\$ 26,873,783	\$ 26,873,783	(b)	(b)	\$ 26,873,783	(b)	(b)
2024/25	6.9125	24,842,002	24,813,534	\$ 24,212,351	97.58%	24,813,068	\$ 24,580,782	99.06%
2023/24	7.1326	23,748,862	23,684,644	23,041,527	97.28	23,620,312	23,608,955	99.95
2022/23	7.2672	21,642,763	21,579,807	20,973,235	97.19	21,457,365	21,450,792	99.97
2021/22	7.3633	19,591,151	19,585,572	18,990,041	96.96	19,501,209	19,495,012	99.97
2020/21	7.5220	18,914,179	18,889,028	18,330,995	97.05	18,841,067	18,836,113	99.97

(a) *Taxes are collected by the Treasurer. Taxes are levied by the Board of Supervisors of the County as required by Arizona Revised Statutes. Delinquent taxes are subject to an interest and penalty charge of 16% per annum, which is prorated at a monthly rate of 1.33%. Interest and penalty collections for delinquent taxes are not included in the collection figures above, but are deposited in the County's General Fund. Interest and penalties with respect to the first half tax collections (delinquent November 1) are waived if the full year's taxes are paid by December 31.*

In November 2024, voters in the District authorized the District to continue to exceed its statutorily prescribed maintenance and operations budget limit by an amount not to exceed 15% of the prescribed limit. The authorization, which began in fiscal year 2025/26, extends for seven years, although in the sixth (fiscal year 2030/31) and seventh (fiscal year 2031/32) years, the amount by which the prescribed budget limit may be exceeded is limited to 10% and 5%, respectively. Tax rates for corresponding years include amounts available for this override.

In November 2024, voters in the District authorized the District to exceed its statutorily prescribed district additional assistance by an amount not to exceed the lesser of \$7,498,876 or 10% of the District's revenue control limit per year. The authorization began in fiscal year 2025/26 and extends for seven years. Tax rates for corresponding years include amounts available for this override. If voters do not authorize the District to continue to exceed its statutorily prescribed district additional assistance by fiscal year 2031/32, the District will have to decrease its budgeted expenditures in fiscal years that follow.

(b) *2025/26 taxes in course of collection:
First installment due 10-01-25, delinquent 11-01-25;
Second installment due 03-01-26, delinquent 05-01-26.*

Source: The Office of Budget and Finance of the County.

SRP In Lieu Contribution

SPECIAL NOTE: The assessed value of property owned by the Salt River Project Agricultural Improvement and Power District ("SRP") is not included in the assessed value of the District in the prior table or in any other valuation information set forth in this Official Statement. Because of SRP's quasi-governmental nature, property owned by SRP is exempt from property taxation.

However, SRP may elect each year to make voluntary contributions in lieu of property taxes with respect to certain of its electrical facilities (the "SRP Electric Plant"). If SRP elects to make the in lieu contribution for the year, the Full Cash Value of the portion of the SRP Electric Plant located within the District and the in lieu contribution amount is determined in the same manner as the Full Cash Value and property taxes owed is determined for similar non-governmental public utility property, with certain special deductions.

If SRP elected not to make such contributions, the District would be required to contribute funds from other sources or levy an increased tax rate on all other taxable property to provide sufficient amounts to pay debt service on the Bonds. If after electing to make the in lieu contribution, SRP then failed to make the in lieu contribution when due, the Treasurer and the District have no recourse against the property of SRP and there may be a delay in the payment of that portion of the debt service on the Bonds that would have been paid by SRP's in lieu contribution.

Since 1964, when the in lieu contribution was originally authorized by the Arizona Revised Statutes, SRP has always elected to make the in lieu contribution. The fiscal year 2024/25 Net Limited Assessed Property Value equivalent of SRP within the District is \$6,620,933 which represents approximately 1.80% of the combined fiscal year 2024/25 Net Limited Assessed Property Value in the District. The estimated fiscal year 2025/26 Net Limited Assessed Property Value equivalent of SRP within the District is \$7,454,000 which represents approximately 1.77% of the combined fiscal year 2025/26 Net Limited Assessed Property Value in the District.

Delinquent Tax Procedures

The property taxes due the District are billed, along with State and other taxes, each September and are due and payable in two installments on October 1 and March 1 and become delinquent on November 1 and May 1, respectively. Delinquent taxes are subject to an interest penalty of 16% per annum prorated monthly as of the first day of each subsequent month. (Delinquent interest is waived if a taxpayer, delinquent as to the November 1 payment, pays the entire year's tax bill by December 31.) After the close of the tax collection period, the Treasurer prepares a delinquent property tax list and the property so listed is subject to a tax lien sale in February of the succeeding year. In the event that there is no purchaser for the tax lien at the sale, the tax lien is assigned to the State, and the property is reoffered for sale from time to time until such time as it is sold, subject to redemption, for an amount sufficient to cover all delinquent taxes.

After three years from the sale of the tax lien, the tax lien certificate holder may bring an action in a court of competent jurisdiction to foreclose the right of redemption and, if the delinquent taxes plus accrued interest are not paid by the owner of record or any entity having a right to redeem, a judgment is entered ordering the Treasurer to deliver a treasurer's deed to the certificate holder as prescribed by law.

Chapter 176, Laws of Arizona 2024 (commonly referred to by its original bill number as "SB 1431") revises the redemption and foreclosure process for tax lien certificate holders whereby a delinquent taxpayer may request an entry of judgment directing the sale of the property for excess proceeds. If a delinquent taxpayer requests an excess proceeds sale, and an entry of judgment is granted to direct such excess proceeds sale, a tax lien certificate holder's potential financial return on the subject tax lien eligible for foreclosure may decrease relative to the tax lien certificate holder's potential financial return on such tax lien prior to the enactment of SB 1431. Therefore, in connection with the new excess proceeds sale process instituted by SB 1431, it is reasonable to conclude that "tax sale investors" may be less willing to purchase tax liens. The effective date of SB 1431 was September 14, 2024. None of the District, the Underwriter or the counsel or agents of either of them, are able to determine or predict what impact, if any, SB 1431 will have on property tax collections in the District.

In the event of bankruptcy of a taxpayer pursuant to the United States Bankruptcy Code (the "Bankruptcy Code"), the law is currently unsettled as to whether a lien can attach against the taxpayer's property for property taxes levied

during the pendency of bankruptcy. Such taxes might constitute an unsecured and possibly non-interest bearing administrative expense payable only to the extent that the secured creditors of a taxpayer are oversecured, and then possibly only on the prorated basis with other allowed administrative claims. It cannot be determined, therefore, what adverse impact bankruptcy might have on the ability to collect *ad valorem* taxes on property of a taxpayer within the District. Proceeds to pay such taxes come only from the taxpayer or from a sale of the tax lien on delinquent property.

When an owner of land or property within the District (a “debtor”) files or is forced into bankruptcy, any act to obtain possession of the debtor’s estate, any act to create or perfect any lien against the property of the debtor or any act to collect, assess or recover a claim against the debtor that arose before the commencement of the bankruptcy is stayed pursuant to the Bankruptcy Code. While the automatic stay of a bankruptcy court may not prevent the sale of tax liens against the real property of a bankrupt taxpayer, the judicial or administrative foreclosure of a tax lien against the real property of a debtor would be subject to the stay of bankruptcy court. It is reasonable to conclude that “tax sale investors” may be reluctant to purchase tax liens under such circumstances, and, therefore, the timeliness of the payment of post-bankruptcy petition tax collections becomes uncertain.

It cannot be determined what impact any deterioration of the financial conditions of any taxpayer, whether or not protection under the Bankruptcy Code is sought, may have on payment of or the secondary market for the Bonds. None of the District, the Underwriter or their respective agents or consultants has undertaken any independent investigation of the operations and financial condition of any taxpayer, nor have they assumed responsibility for the same.

In the event the County is expressly enjoined or prohibited by law from collecting taxes due from any taxpayer, such as may result from the bankruptcy of a taxpayer, any resulting deficiency could be collected in subsequent tax years by adjusting the District’s tax rate charged to non-bankrupt taxpayers during such subsequent tax years.

ASSESSED VALUATIONS AND TAX RATES

TABLE 8

**Direct and Overlapping Net Limited Assessed Property Values and Tax Rates
Per \$100 Assessed Valuation**

Overlapping Jurisdiction	2025/26 Net Limited Assessed Property Value	2025/26 Total Tax Rate Per \$100 Net Limited Assessed Property Value
State of Arizona	\$ 92,371,826,506	None
Maricopa County	60,724,517,168	\$ 1.1591
Maricopa County Community College District	60,724,517,168	1.0828
Maricopa County Fire District Assistance Tax	60,724,517,168	0.0076
Maricopa County Special Health Care District	60,724,517,168	0.2914
Maricopa County Library District	60,724,517,168	0.0462
Maricopa County Flood Control District (a)	56,554,825,877	0.1428
Central Arizona Water Conservation District (b)	60,724,517,168	0.1400
Laveen Meadows Fire District	68,705,376	1.8694
City of Phoenix	17,772,778,262	2.0799
Phoenix Union High School District No. 210	6,986,210,640	4.2688
Laveen Elementary School District No. 59	413,178,286	6.5201

(a) The assessed value of the Maricopa County Flood Control District does not include the personal property assessed valuation of the County.

(b) Value shown for the Central Arizona Water Conservation District covers only the County portion of such District. (See footnote (b) following TABLE 17.)

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue and the Assessor and Office of Budget and Finance of the County.

TABLE 9**Net Limited Assessed Property Value by Property Classification
Laveen Elementary School District No. 59**

Class	2025/26	2024/25	2023/24	2022/23	2021/22
Commercial, industrial, utilities and mines	\$ 54,213,001	\$ 49,138,688	\$ 45,893,943	\$ 42,912,509	\$ 43,290,939
Agricultural and vacant	20,631,058	22,908,208	17,187,989	16,394,039	13,341,755
Residential (owner occupied)	237,805,246	208,974,902	193,857,630	174,222,683	157,508,999
Residential (rental)	100,439,144	80,715,551	75,994,638	64,409,468	53,126,630
Certain government property improvements	89,837	85,560	-	77,605	73,909
Totals (a)	<u>\$ 413,178,286</u>	<u>\$ 361,822,909</u>	<u>\$ 332,934,201</u>	<u>\$ 298,016,304</u>	<u>\$ 267,342,232</u>

(a) Totals may not add up due to rounding.

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue, Property Tax Rates and Assessed Values, Arizona Tax Research Association and Office of Budget and Finance of the County.

TABLE 10**Net Limited Assessed Property Value of Major Taxpayers
Laveen Elementary School District No. 59**

Major Taxpayer (a)	2025/26 Net Limited Assessed Property Value	As % of 2025/26 Net Limited Assessed Property Value
Sanctuary Azcom LLC	\$ 3,366,952	0.81%
Amerco Real Estate Company	2,700,516	0.65
Tradewinds Capital LP	2,435,305	0.59
RGLIV Laveen LLC	2,323,520	0.56
Walmart Inc	2,273,075	0.55
3536 Lavco LLC	2,116,103	0.51
Southwest Gas Corporation (T&D)	2,089,463	0.51
NPC South Mountain LLC	1,901,601	0.46
Deerwood Acquisitions Arizona LLC	1,726,419	0.42
Home Depot USA Inc	1,623,361	0.39
	<u>\$ 22,556,314</u>	<u>5.46%</u>

(a) Some of such taxpayers or their parent corporations are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith file reports, proxy statements and other information with the Securities and Exchange Commission (the "Commission"). Such reports, proxy statements and other information (collectively, the "Filings") may be inspected, copied and obtained at prescribed rates at the Commission's public reference facilities at 100 F Street, N.E., Washington, D.C. 20549-2736. In addition, the Filings may also be inspected at the offices of the New York Stock Exchange at 20 Broad Street, New York, New York 10005. The Filings may also be obtained through the Internet on the Commission's EDGAR database at <http://www.sec.gov>. No representatives of the District, the Underwriter, Bond Counsel or counsel to the Underwriter have examined the information set forth in the Filings for accuracy or completeness, nor do they assume responsibility for the same.

Source: The Assessor of the County.

TABLE 11**Comparative Net Limited Assessed Property Values**

Fiscal Year	Laveen Elementary School District No. 59	Phoenix Union High School District No. 210	City of Phoenix	Maricopa County	State of Arizona
2025/26	\$ 413,178,286	\$ 6,986,210,640	\$ 17,772,778,262	\$ 60,724,517,168	\$ 92,371,826,506
2024/25	361,822,909	6,827,276,366	17,190,475,852	58,328,686,360	88,425,611,337
2023/24	332,934,201	6,473,626,844	16,265,338,887	54,722,326,231	83,026,530,244
2022/23	298,016,304	6,194,275,589	15,490,531,936	51,575,018,189	78,405,598,978
2021/22	267,342,232	5,945,159,184	14,800,877,416	48,724,126,672	74,200,233,397

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association.

TABLE 12
Estimated Net Full Cash Value History
Laveen Elementary School District No. 59

Fiscal Year	Estimated Net Full Cash Value (a)
2025/26	\$ 7,645,063,941
2024/25	7,313,337,170
2023/24	5,890,588,513
2022/23	4,242,105,878
2021/22	3,741,505,374

(a) *Estimated Net Full Cash Value is the total market value of the property within the District less the estimated Full Cash Value of property exempt from taxation within the District.*

Source: *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue.

DIRECT AND OVERLAPPING BONDED INDEBTEDNESS

TABLE 13

Current Year Statistics (For Fiscal Year 2025/26)

Laveen Elementary School District No. 59

Total General Obligation Bonds Outstanding and to be Outstanding	\$ 60,915,000* (a)
Net Limited Assessed Property Value	413,178,286
Net Full Cash Assessed Value	863,589,965
Estimated Net Full Cash Value	7,645,063,941

* Subject to change.

(a) Includes the Bonds. See footnotes (b) and (c) to TABLE 15 for a description of the treatment of certain proceeds of the Bonds and previously issued school improvement bonds for State voter authorization and debt limit purposes.

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue and Assessor and Office of Budget and Finance of the County.

TABLE 14

Direct General Obligation Bonded Debt Outstanding and to be Outstanding

Laveen Elementary School District No. 59

<u>Issue Series</u>	<u>Original Amount</u>	<u>Purpose</u>	<u>Final Maturity Date (July 1)</u>	<u>Balance Outstanding and to be Outstanding (a)</u>
2019	\$ 15,180,000	School improvements & refunding	2039	\$ 12,070,000
2023	19,170,000	School improvements	2043	<u>14,845,000</u>
Total General Obligation Bonded Debt Outstanding				\$ 26,915,000
Plus: The Bonds				<u>34,000,000*</u>
Total General Obligation Bonded Debt Outstanding and to be Outstanding				<u><u>\$ 60,915,000*(a)</u></u>

* Subject to change.

(a) Includes the Bonds. See footnotes (b) and (c) to TABLE 15 for a description of the treatment of certain proceeds of the Bonds and previously issued school improvement bonds for State voter authorization and debt limit purposes.

**Constitutional / Statutory Debt Limit / Unused Borrowing Capacity after Bond Issuance
Laveen Elementary School District No. 59**

TABLE 15

2025/26 Arizona Constitutional Debt Limitation (15% of Net Full Cash Assessed Value)	\$ 129,538,494
Less: Bonds Outstanding and to be Outstanding (a)	(60,915,000) *
Less: Original Issue Premium on the Bonds (b)	() *
Less: Unamortized Original Issue Premium of Prior Bonds (c)	(1,761,277)
Unused Constitutional Borrowing Capacity	<u>\$ 66,862,217 *</u>

* *Subject to change.*

(a) *Includes the Bonds.*

(b) *This amount represents premium on the Bonds, which has been or will be deposited into the Bond Building Fund for project cost use, and such amount reduces in equal amount the borrowing capacity of the District under State statutes and the Arizona Constitution and the principal amount of school improvement bonds authorized at the Election (as described under the heading "THE BONDS – Authorization and Purpose"). Such capacity (but not authorization) will be recaptured as premium is amortized.*

(c) *This amount represents certain of the unamortized premium on the District's outstanding bonds issued after August 2016, which amount is treated as described in footnote (b) above.*

TABLE 16

2025/26 Statutory Limitation on Class B Bonds [Greater of 10% of the Net Full Cash Assessed Value (\$86,358,996) or \$1,500 per student (\$11,320,500)]	\$ 86,358,996
Less: Class B Bonds Outstanding and to be Outstanding (a)	(60,915,000) *
Less: Original Issue Premium on the Bonds (b)	() *
Less: Unamortized Original Issue Premium of Prior Bonds (c)	(1,761,277)
Unused Statutory Borrowing Capacity	<u>\$ 23,682,719 *</u>

* *Subject to change.*

(a) *"Class B" bonds are school district general obligation bonds, like the Bonds, approved by a vote of the qualified electors of a school district at an election held from and after December 31, 1998, and subject to the statutory debt limitation indicated in this table. Includes the Bonds.*

(b) *See footnote (b) to TABLE 15 for a description of the treatment of certain proceeds of the Bonds for State voter authorization and debt limit purposes.*

(c) *See footnote (c) to TABLE 15 above.*

TABLE 17

**Direct and Overlapping General Obligation Bonded Debt
Laveen Elementary School District No. 59**

Overlapping Jurisdiction	General Obligation Bonded Debt (b)	Proportion Applicable to the District (a)	
		Approximate Percent	Net Debt Amount
State of Arizona	None	0.45%	None
Maricopa County	None	0.68	None
Maricopa County Community College District	\$ 26,675,000	0.68	\$ 181,390
Maricopa County Special Health Care District	512,560,000	0.68	3,485,408
City of Phoenix	679,210,000	2.03	13,787,963
Phoenix Union High School District No. 210	455,605,000	5.91	26,926,256
Laveen Elementary School District No. 59 (c)	60,915,000*	100.00	<u>60,915,000*</u>
Net Direct and Overlapping General Obligation Bonded Debt			<u><u>\$ 105,296,017*</u></u>

* Subject to change.

- (a) Proportion applicable to the District is computed on the ratio of Net Limited Assessed Property Value for 2025/26.
- (b) Includes total stated principal amount of general obligation bonds outstanding. Does not include outstanding principal amount of certificates of participation, revenue obligations or loan obligations outstanding for the jurisdictions listed above. Does not include outstanding principal amounts of various County and city improvement districts, as the bonds of these districts are presently being paid from special assessments against property within the various improvement districts.

Does not include presently authorized but unissued general obligation bonds of such jurisdictions which may be issued in the future as indicated in the following table. Additional bonds may also be authorized by voters within overlapping jurisdictions pursuant to future elections.

Overlapping Jurisdiction	General Obligation Bonds Authorized but Unissued
City of Phoenix	\$402,355,000
Laveen Elementary School District No. 59 (d)	16,000,000*
Phoenix Union High School District No. 201	155,000,000

Also does not include the obligation of the Central Arizona Water Conservation District (the "CAWCD") to the United States Department of the Interior (the "Department of the Interior"), for repayment of certain capital costs for construction of the Central Arizona Project ("CAP"), a major reclamation project that has been substantially completed by the Department of the Interior. The obligation is evidenced by a master contract between CAWCD and the Department of the Interior. In April 2003, the United States and CAWCD agreed to settle litigation over the amount of the construction cost repayment obligation, the amount of the

respective obligations for payment of the operation, maintenance and replacement costs and the application of certain revenues and credits against such obligations and costs. Under the agreement, CAWCD's obligation for substantially all of the CAP features that have been constructed so far will be set at \$1.646 billion, which amount assumes (but does not mandate) that the United States will acquire a total of 667,724 acre feet of CAP water for federal purposes. The United States will complete unfinished CAP construction work related to the water supply system and regulatory storage stages of CAP at no additional cost to CAWCD. Of the \$1.646 billion repayment obligation, 73% will be interest bearing and the remaining 27% will be non-interest bearing. These percentages will be fixed for the entire 50-year repayment period, which commenced October 1, 1993. CAWCD is a multi-county water conservation district having boundaries coterminous with the exterior boundaries of Arizona's Maricopa, Pima and Pinal Counties. It was formed for the express purpose of paying administrative costs and expenses of the CAP and to assist in the repayment to the United States of the CAP capital costs. Repayment will be made from a combination of power revenues, subcontract revenues (i.e., agreements with municipal, industrial and agricultural water users for delivery of CAP water) and a tax levy against all taxable property within CAWCD's boundaries. At the date of this Official Statement, the tax levy is limited to 14 cents per \$100 of Net Limited Assessed Property Value, of which 14 cents is being levied. (See Sections 48-3715 and 48-3715.02, Arizona Revised Statutes.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract.

(c) Includes the Bonds.

(d) Reflects reduction in authorization from the Election in connection with the issuance of the Bonds.

Source: The various entities, *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue and the Assessor, Office of Budget and Finance and Treasurer of the County.

TABLE 18

**Direct and Overlapping General Obligation Bonded Debt Ratios
Laveen Elementary School District No. 59**

	Per Capita Bonded Debt Population Estimated @ 57,270	As % of District's 2025/26 Net Limited Assessed Property Value	As % of District's 2025/26 Estimated Net Full Cash Value
Net Direct General Obligation Bonded Debt (a)*	\$1,063.65	14.74%	0.80%
Net Direct and Overlapping General Obligation Debt (a)*	1,838.59	25.48	1.38

* Subject to change.

(a) Includes the Bonds.

Source: *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue, *Property Tax Rates and Assessed Values*, Arizona Tax Research Association, Assessor and Office of Budget and Finance of the County and the U.S. Census Bureau, Small Area Income and Poverty Estimates (SAIPE) Program (data released in December 2024).

**Other Obligations
Laveen Elementary School District No. 59**

The District currently has no capital lease-purchase agreements, installment purchase agreements or similar obligations outstanding or unpaid.

DISTRICT EMPLOYEE RETIREMENT SYSTEM

Retirement Plan

The District's employees are covered by the Arizona State Retirement System (the "System"), a cost-sharing, multiple-employer defined benefit plan. The annual contribution rates are prescribed to be the rate actuarially determined by the System's actuary, with minimum employer and employee rate requirements of not less than 2.00%. For fiscal year 2025/26, the District's and its employees' contribution has been calculated by the actuary to be 12.00% (11.86% Retirement Pension and Health Insurance Benefit, 0.14% Long Term Disability Income Plan) of payroll amounts. For fiscal year 2024/25, the District's and its employees' contribution was 12.27% (12.12% Retirement Pension and Health Insurance Benefit, 0.15% Long Term Disability Income Plan) of payroll amounts. For fiscal year 2023/24, the District's and its employees' contribution was 12.29% (12.14% Retirement Pension and Health Insurance Benefit, 0.15% Long Term Disability Income Plan) of payroll amounts. See Note 10 in APPENDIX C – "THE DISTRICT – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024" for further discussion of the District and its employees' obligations to the System as of June 30, 2024.

The Governmental Accounting Standards Board ("GASB") adopted GASB Statement Number 68, *Accounting and Financial Reporting for Pensions* ("GASB 68"), which, beginning with fiscal years starting after June 15, 2014, requires cost-sharing employers to report their "proportionate share" of the plan's net pension liability in their government-wide financial statements. GASB 68 also requires that the cost-sharing employer's pension expense component include its proportionate share of the System's pension expense, the net effect of annual changes in the employer's proportionate share and the annual differences between the employer's actual contributions and its proportionate share. Both the District and each covered employee contribute to the System. At June 30, 2024, the District reported a liability of \$58,594,630 for its proportionate share of the net pension liability under the System. The pension liability was measured as of June 30, 2023. See Note 10 in APPENDIX C – "THE DISTRICT – AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024" for further discussion.

Other Post-Employment Benefits

During the year ended June 30, 2018, the District implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB 75"). The District is required to report the actuarially accrued cost of post-employment benefits, other than pension benefits ("OPEB"), such as health and life insurance for current and future retirees. GASB 75 addresses reporting by governments that provide OPEB by measuring and recognizing net assets or liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures related to OPEB provided through defined benefit OPEB plan. Please refer to APPENDIX C of the Official Statement which includes the District's audited financial statements and specifically "NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES."

The District currently does not offer any OPEB. The District's employees, their spouses and survivors may be eligible for certain retiree health care benefits under health care programs provided by the State. Employees on long-term disability and their spouses also may qualify for retiree health care benefits through the State. Such individuals may obtain the health care benefits offered by the State by paying 100% of the applicable health care insurance premium, net of any subsidy provided by the State. The benefits are available to all retired participants in the State's health care program. The District does not currently make payments for OPEB costs for such retirees.

REVENUES AND EXPENDITURES

The following information of the District was derived from the annual expenditure budget of the District for fiscal year 2025/26, the unaudited annual financial statement for fiscal year 2024/25 and the audited financial statements of the District for fiscal years 2019/20 through and including 2023/24. (State law no longer requires school districts to file revenue budgets.) Budgeted figures for fiscal year 2025/26 and unaudited figures for fiscal year 2024/25 are on a cash basis and are presented in the format required by State law. Budgeted figures for fiscal year 2025/26 and unaudited figures for 2024/25 are "forward looking" statements that may not be realized during the course of the fiscal

year as presented herein and thus must be viewed with an abundance of caution. Audited figures for fiscal years 2019/20 through and including 2023/24 are on a modified accrual basis. The presentation which follows has not been independently subject to any audit procedures.

The following information should be read in conjunction with the audited financial statements of the District. **See APPENDIX C for the District's most recent audited general purpose financial statements, which are for fiscal year ended June 30, 2024.** Such audited financial statements are the most recent available for the District, are not current and therefore must be considered with an abundance of caution. **The District has not requested the consent of CWDL Certified Public Accountants to include its report and CWDL Certified Public Accountants has performed no procedures subsequent to rendering its report on the financial statements.**

TABLE 19

**General Fund
Laveen Elementary School District No. 59**

	Budgeted 2025/26	Unaudited Actual 2024/25	2023/24	2022/23 (a)	Audited 2021/22	2020/21	2019/20
FUND BALANCE AT BEGINNING OF YEAR		\$ 43,125,098	\$ 32,737,069	\$ 24,801,972	\$ 10,222,424	\$ 9,320,974	\$ 7,474,234
REVENUES							
Property taxes		\$ 11,767,750	\$ 16,746,858	\$ 15,568,393	\$ 9,999,477	\$ 10,110,473	\$ 9,932,837
State aid and grants		-	-	-	35,034,498	34,123,793	32,134,564
Federal aid and grants		-	-	-	731,625	689,277	491,507
Other local revenue		-	-	-	6,030,144	5,441,648	5,781,772
Intergovernmental		51,024,268	54,222,402	49,053,230	-	-	-
Auxiliary operations		-	184,864	166,009	-	-	-
Contributions and donations		-	597,220	574,136	-	-	-
Investment earnings		-	816,681	424,702	-	-	-
Other		459,504	45,059	242,305	-	-	-
TOTAL REVENUES		\$ 63,251,522	\$ 72,613,084	\$ 66,028,775	\$ 51,795,744	\$ 50,365,191	\$ 48,340,680
ADJUSTMENTS							
Transfers in		\$ -	\$ 670,385	\$ 731,598	\$ 801,906	\$ 668,737	\$ 263,846
Transfers out		-	-	-	(158,088)	-	-
Insurance recoveries		-	-	-	-	-	320,138
Qasimyar judgment		-	315,060	-	-	-	-
EXPENDITURES		\$ 106,376,620	\$ 106,335,598	\$ 91,562,345	\$ 62,661,986	\$ 60,354,902	\$ 56,398,898
EXPENDITURES							
Current							
Instruction	\$ 34,138,465	\$ 32,512,960	\$ 31,379,086	\$ 30,702,216	\$ 28,927,076	\$ 26,619,583	\$ 25,607,665
Support services:							
Students and instructional staff	10,737,447	9,257,527	8,876,354	8,346,137	7,293,375	7,368,595	6,567,650
General and school administration	6,063,682	5,162,738	5,137,656	4,996,666	6,367,507	6,187,445	5,785,546
Business and other support services	-	1,833,483	2,333,769	2,161,469	-	-	-
Central services	4,321,939	-	-	-	-	-	-
Operation and maintenance of plant services	9,239,777	7,319,570	8,521,200	7,687,891	6,333,164	5,952,274	5,296,404
Student transportation services	4,131,461	3,807,762	4,433,287	3,625,048	2,485,235	2,338,078	2,326,677
Operation of noninstructional services	160,634	150,880	245,060	140,680	888,213	1,188,707	1,485,967
School-sponsored cocurricular activities	2,082	-	-	-	-	-	-
School-sponsored athletics	2,738	2,168	-	-	-	-	-
K-3 reading program	662,504	639,498	-	-	-	-	-
Budgeted carryforward	4,000,000	-	-	-	-	-	-
Capital outlay:							
Facilities acquisition	-	-	2,089,784	970,865	-	-	-
Debt service:							
Principal	-	-	181,546	176,687	-	-	-
Interest and fiscal charges	-	-	12,758	17,617	-	-	-
TOTAL EXPENDITURES	\$ 73,460,729	\$ 60,686,589	\$ 63,210,500	\$ 58,825,276	\$ 52,400,902	\$ 50,132,478	\$ 47,077,924
FUND BALANCE AT END OF YEAR		\$ 45,690,034	\$ 43,125,098	\$ 32,737,069	\$ 10,261,084	\$ 10,222,424	\$ 9,320,974

(a) Fund balance at the beginning of fiscal year 2022/23 differs from fund balance at the end of fiscal year 2021/22 due to reclassification of grant funding.

TABLE 20
Debt Service Fund
Laveen Elementary School District No. 59

	Budgeted	Unaudited Actual			Audited		
	2025/26	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20
FUND BALANCE AT BEGINNING OF YEAR		\$ 564,196	\$ 515,969	\$ 162,429	\$ 231,375	\$ 387,731	\$ 193,932
REVENUES							
Property taxes		\$ 5,055,262	\$ 4,819,000	\$ 4,312,939	\$ 3,651,167	\$ 3,695,830	\$ 3,746,276
Other local		789,973	-	-	160,887	206,914	310,739
Investment earnings		-	367,708	57,951	-	-	-
TOTAL REVENUES		\$ 5,845,235	\$ 5,186,708	\$ 4,370,890	\$ 3,812,054	\$ 3,902,744	\$ 4,057,015
ADJUSTMENTS							
Premium on sale of bonds		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,519
Issuance of refunding bonds		-	-	-	-	-	1,870,000
Payment to refunding bonds escrow		-	-	-	-	-	(1,980,818)
TOTAL FUNDS AVAILABLE FOR							
EXPENDITURES		\$ 6,409,431	\$ 5,702,677	\$ 4,533,319	\$ 4,043,429	\$ 4,290,475	\$ 4,299,648
EXPENDITURES							
Current:							
General and school administration			\$ 2,850	\$ -	\$ 1,800	\$ 1,800	\$ 1,750
Debt service:	\$ 5,187,875	\$ 5,529,293					
Principal retirement			3,925,000	3,325,000	3,095,000	3,190,000	3,060,000
Interest and fiscal charges			1,210,631	692,350	784,200	867,300	801,466
Debt issuance cost			-	-	-	-	48,701
TOTAL EXPENDITURES	\$ 5,187,875	\$ 5,529,293	\$ 5,138,481	\$ 4,017,350	\$ 3,881,000	\$ 4,059,100	\$ 3,911,917
FUND BALANCE AT END OF YEAR		\$ 880,138	\$ 564,196	\$ 515,969	\$ 162,429	\$ 231,375	\$ 387,731

APPENDIX C

THE DISTRICT AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2024

The following audited financial statements are for the fiscal year ended June 30, 2024. These are the most recent audited financial statements available to the District. THESE FINANCIAL STATEMENTS ARE NOT CURRENT AND MAY NOT REPRESENT THE CURRENT FINANCIAL CONDITION OF THE DISTRICT. See “REVENUES AND EXPENDITURES” in APPENDIX B.

Such audited financial statements are the most recent available for the District, are not current and therefore must be considered with an abundance of caution. **The District has not requested the consent of CWDL Certified Public Accountants to include its report and CWDL Certified Public Accountants has performed no procedures subsequent to rendering its report on the financial statements.**

[THIS PAGE INTENTIONALLY LEFT BLANK]



INDEPENDENT AUDITORS' REPORT

Governing Board
Laveen Elementary School District No. 59
Laveen, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Laveen Elementary School District No. 59 (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Laveen Elementary School District No. 59, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter – Restatement of Fund Balances and Net Position

As discussed in Note 11, beginning fund balances within the governmental funds and beginning net position within the statement of activities were restated to correct errors from a prior period. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension/OPEB schedules, and budgetary comparison information, as listed within the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor 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 nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024 on our consideration of the District'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 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 the District's internal control over financial reporting and compliance.



Mesa, Arizona
December 27, 2024

REQUIRED SUPPLEMENTARY INFORMATION

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

As management of the Laveen Elementary School District No. 59 (District), we offer the 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, 2024.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$133.0 million (net position). The District's total net position increased by \$11.7 million.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$83.3 million, an increase of \$28.3 million in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$40.4 million, or 48% of total General Fund expenditures.
- The District's net capital assets decreased \$0.5 million.
- The District's long-term liabilities increased by \$15.5 million, or 20%, primarily due to the issuance of \$19.2 million in School Improvement Bonds during the current year.

OVERVIEW OF THE 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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic 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 *Statement of Net Position* presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows 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 to 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 vacation leave).

The government-wide financial statements distinguish functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are for public education.

The government-wide financial statements can be found immediately following this MD&A.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the District are divided into two categories: governmental funds and proprietary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government'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 government'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.

The District maintains ten individual governmental funds. 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 Fund, Special Projects Fund, Bond Building Fund, and Debt Service Fund, the four of which are considered to be major funds. Data from the other six governmental funds are combined into a single aggregated presentation.

An operating budget for expenditures is prepared and adopted by the District each fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds. Budgetary control is ultimately exercised at the fund level. Budgetary control is maintained through the use of periodic reports that compare actual expenditures against budgeted amounts. The expenditure budget can be revised annually, per Arizona Revised Statutes. The District also maintains an encumbrance accounting system as one technique of maintaining budgetary control. Encumbered amounts lapse at year-end. An annual budget of revenue from all sources is not prepared.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The basic governmental fund financial statements can be found on pages 14 - 17 of this report.

Proprietary Funds – The District maintains one type of proprietary fund. The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service fund to account for its employee benefit trust. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 18 – 20 of this report.

Notes to Basic Financial Statements

The notes to basic financial statements 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 basic financial statements can be found on pages 21 – 39 of this report.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Required Supplementary Information Other than MD&A

The District reports a multi-year schedule of the District's proportionate share of net pension/OPEB liability and contributions to its cost-sharing pension/OPEB plans starting on page 41.

Governments have the option of presenting the General Fund and major special revenue budgetary statements as part of the basic financial statements or as required supplementary information (RSI) other than the MD&A. The District has elected to present the General Fund and Special Projects budgetary comparison schedules as RSI other than the MD&A, which can be found starting on page 43 of this report. Notes to the RSI are presented after the budgetary comparison schedules on page 45.

Other information

The combining statements in connection with nonmajor governmental funds are presented immediately following the required supplementary information other than the MD&A. Combining and individual fund statements and schedules can be found on pages 46 – 56 of this report.

The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The statistical section can be found on pages 57 – 77 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as useful indicators of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$133.0 million at the close of the most recent fiscal year.

A summary of the District's Statement of Net Position is presented below:

	Governmental Activities		
	(Restated)		
	2024	2023	Net Change
ASSETS			
Current and other assets	\$ 102,097,647	\$ 71,676,891	\$ 30,420,756
Capital assets	128,114,909	126,758,001	1,356,908
Total Assets	230,212,556	198,434,892	31,777,664
DEFERRED OUTFLOWS	8,210,854	10,578,132	(2,367,278)
Total Assets and Deferred Outflows	238,423,410	209,013,024	29,410,386
LIABILITIES			
Current liabilities	9,241,986	7,195,493	2,046,493
Long-term liabilities	93,112,387	77,657,650	15,454,737
Total Liabilities	102,354,373	84,853,143	17,501,230
DEFERRED INFLOWS	3,051,892	2,835,376	216,516
Total Liabilities and Deferred Inflows	105,406,265	87,688,519	17,717,746
NET POSITION			
Net investment in capital assets	109,408,305	105,876,362	3,531,943
Restricted	31,435,490	31,050,794	384,696
Unrestricted	(7,826,650)	(15,602,651)	7,776,001
Total Net Position	\$ 133,017,145	\$ 121,324,505	\$ 11,692,640

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Government-Wide Financial Analysis (Continued)

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, improvements, vehicles, equipment, and furniture), less any related debt used to acquire those assets that are still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related 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. An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the District was able to report positive balances in the net investment in capital assets and restricted net position. The District reported a negative balance in unrestricted net position due to the District's reporting of its proportionate share of the net pension liability for its cost-sharing pension plan/OPEB required under Governmental Accounting Standards Board (GASB) Statements No. 68. Additional information on the District's net pension/OPEB liability can be found in Note 10 of this report.

Overall, net position increased \$11.7 million, or 8%. Key elements of this increase are indicated as follows:

	Governmental Activities		
	(Restated)		
	2024	2023	Net Change
REVENUES			
Program revenues:			
Charges for services	\$ 3,469,014	\$ 3,651,309	\$ (182,295)
Operating grants and contributions	24,152,003	25,854,164	(1,702,161)
Capital grants and contributions	391,993	-	391,993
General revenues:			
Property taxes	22,544,672	20,520,852	2,023,820
Equalization and additional state aid	53,405,591	48,356,138	5,049,453
Interest and other	1,930,134	1,141,907	788,227
Total Revenues	105,893,407	99,524,370	6,369,037
EXPENSES			
Instruction	47,609,928	46,747,529	862,399
Support Services:			
Students and instructional staff	12,786,528	11,834,814	951,714
General and school administration	6,287,401	5,818,632	468,769
Business and other support services	2,376,886	363,814	2,013,072
Operation and maintenance of plant	10,033,235	9,318,170	715,065
Operation of noninstructional services	8,760,033	7,710,564	1,049,469
Student transportation	4,704,401	4,462,398	242,003
Interest on long-term debt	1,327,295	574,261	753,034
Total Expenses	93,885,707	86,830,182	7,055,525
Excess before special item			
Special item - Qasimyar Judgment (Note 9)	(315,060)	-	(315,060)
Change in net position	11,692,640	12,694,188	(1,001,548)
Net Position - Beginning, Restated	121,324,505	108,630,317	12,694,188
Net Position - Ending	\$ 133,017,145	\$ 121,324,505	\$ 11,692,640

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Program Revenues

The District reported a decrease in charges for services of \$0.2 million during the current fiscal year. This decrease was not considered significant.

Operating grants and contributions decreased \$1.7 million (7%). This decrease was mainly due to the decrease in federal grants related to COVID-19 funding that was expiring during the current fiscal year.

The increase in capital grants and contributions of \$0.4 million was due to an increase in funding from the ADOA's School Facilities Division for the improvement, repair, and maintenance of District facilities.

General Revenues

The District experienced an increase in property tax revenue of \$2.0 million primarily due to an increase in property tax assessed values within the District boundaries.

State and county equalization and additional state aid increased \$5.0 million (10%) because of the growth in student enrollment and increases in the state funding formula. Growth in student enrollment and increases in the state's budget formula increase property tax revenue from the voter-approved M&O and DAA overrides.

The change in interest and other income was \$0.8 million. This increase was due to an increase in interest revenue from an increase in interest rates with cash held at the county treasurer.

The District incurred an 8% increase in expenses in the current year. The District's mission is to provide an appropriate and outstanding educational experience for every student served within budget constraints. The increase was mainly due to increases in salaries and related benefits, repairs and maintenance, supplies, other professional services, and professional education.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL 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 a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$83.3 million, an increase of \$28.3 million in comparison with the prior year. Approximately 48% of this total amount (\$40.4 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remaining fund balance is restricted to indicate that it is not available for new spending.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Fund balances as of June 30, 2024, and the changes in fund balances from prior year are summarized below:

	Balance	Increase (Decrease) From 2022-23
GOVERNMENTAL FUND		
General Fund	\$ 42,494,978	\$ 9,757,909
Special Projects Fund	1,616,136	(971,179)
Bond Building Fund	18,166,098	18,166,098
Debt Service Fund	564,196	48,227
Nonmajor Governmental Funds	20,508,439	566,421
Total Fund Balance	83,349,847	27,567,476

The District continues to experience a positive change in the fund balance of the General Fund from conservative spending practices and increases in state funding from an increase in the student population. In addition, the District has seen an increase in property tax revenue from increases in assessed values within its boundaries.

The decrease of \$1.0 million in the Special Projects Fund was due to the District spending down grant funds that were received in the prior year.

The increase in the Bond Building Fund of \$18.2 million was due to the issuance of \$19.2 million in School Improvement bonds during the current fiscal year. The District only spent \$1.5 million of the bond proceeds during the current fiscal year.

The change within the Debt Service Fund was not considered significant.

Nonmajor Governmental Funds experienced an increase of \$0.6 million primarily due to conservative spending practices and an increase in adjacent ways property tax revenue relative to current year expenditures.

FINANCIAL ANALYSIS OF THE PROPRIETARY FUNDS

Net position in the Internal Service Funds amounted to \$6.8 million, an increase of \$0.1 million from the prior year. The change in the Internal Service Fund was not considered significant.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget totaled \$1.3 million. In Arizona, school districts build their original "adopted" budget based on a projection of the coming fiscal year's 100th day average daily attendance. In May, the District is allowed to increase or decrease its budget for differences between expected and actual student growth. The increase in the budget was allocated among various line items, mostly regular education – instruction, operations and maintenance of plant, and special education – instruction. Budgetary basis General Fund expenditures were \$6.2 million less than budget during the fiscal year. This was primarily due to a large favorable budget variance in regular education and special education instruction expenditures. Budgetary-based expenditures were within 11% of the budget.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$128.1 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, vehicles, furniture, and equipment. The net decrease was mainly due to depreciation expense exceeding current year acquisitions during the year.

Major capital asset events during the current fiscal year included the following projects:

- Vista del Sur Accelerated Academy east campus classroom improvements.
- New school site design and planning.
- Various IT and security upgrades.
- School buses.

Capital asset activity as of June 30, 2024 is summarized below:

	Governmental Activities		
	2024	2023	Net Change
CAPITAL ASSETS			
Land	\$ 13,064,185	\$ 13,064,185	\$ -
Construction in progress	1,949,386	3,898,289	(1,948,903)
Land improvements	4,430,982	4,850,714	(419,732)
Buildings & improvements	102,737,638	101,751,144	986,494
Vehicles, equipment, and furniture	5,932,718	5,075,664	857,054
Total Capital Assets	\$ 128,114,909	\$ 128,639,996	\$ (525,087)

Additional information on the District's capital assets can be found in Note 5 of this report.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

Long-Term Debt

At end of the current fiscal year, the District's debt included compensated absences, financed purchase agreements, bonds payable, and the net pension/OPEB liability. Financed purchases decreased due to scheduled principal payments and general obligation bonds increased due to the issuance of School Improvement Bonds during the current fiscal year. The net pension liability decreased \$0.1 million due to various factors as explained in Note 10 of this report. The increase in the net OPEB liability was not considered significant.

	Governmental Activities		
	2024	2023	Net Change
LONG-TERM LIABILITIES			
General obligation bonds	\$ 30,720,000	\$ 15,475,000	15,245,000
Unamortized premium	1,950,906	1,614,465	336,441
Financed purchases	282,373	463,919	(181,546)
Compensated absences	1,516,774	1,371,282	145,492
Net pension liability	58,594,630	58,699,603	(104,973)
Net OPEB liability - multiple employer	47,704	33,381	14,323
Total Long-term Liabilities	\$ 93,112,387	\$ 77,657,650	\$ 15,454,737

The state constitution limits the amount of total outstanding bonded indebtedness of a non-unified school district to 15% of its net full cash value. The current constitutional debt limitation for the District is \$72.8 million, which is significantly more than the District's outstanding bonded debt.

Additional information on the District's long-term liabilities can be found in Note 9 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Steady growth in enrollment and ongoing new housing development within the District.
- Increased state per pupil funding and modest one-time state supplemental funding for FY 2025.
- Need to maintain competitive salaries to attract and retain high-quality staff.
- Expiration of increased Federal grant funding related to COVID-19.

The above factors were considered in preparing the District's budget for the 2024-25 fiscal year.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, 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, Laveen Elementary School District No. 59, 5001 West Dobbins Road, Laveen, Arizona 85339 or via the District's website: www.laveenschools.org.

BASIC FINANCIAL STATEMENTS

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities
ASSETS	
Cash and investments	\$ 83,336,395
Property taxes receivable	1,119,393
Intergovernmental receivable	13,234,571
Deposits	61,476
Prepays	2,363,685
Net OPEB asset	1,982,127
Capital assets, not depreciated	15,013,571
Capital assets, net of accumulated depreciation	113,101,338
Total Assets	230,212,556
DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding	5,577
Deferred outflows related to pensions	7,921,083
Deferred outflows related to the cost-sharing OPEB	284,194
Total Deferred Outflows of Resources	8,210,854
LIABILITIES	
Accounts payable	2,253,357
Accrued wages and benefits	1,082,739
Claims payable	315,060
Due to other governments	374,421
Unearned revenues	379,053
Matured bond principal payable	3,925,000
Interest payable	912,356
Long-term liabilities:	
Due within one year	4,142,788
Due in more than one year	88,969,599
Total Liabilities	102,354,373
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	2,073,129
Deferred inflows related to the cost-sharing OPEB	978,763
Total Deferred Inflows of Resources	3,051,892
NET POSITION	
Net investment in capital assets	109,408,305
Restricted:	
Net OPEB asset	1,982,127
Teacher compensation and other qualified programs (A.R.S 15-977)	4,381,460
Instructional improvement programs	4,613,933
Federal and state instructional programs	1,616,136
Food service	2,434,963
Civic center	863,656
Community programs	3,134,776
Extracurricular activities	300,302
Other special revenues	56,418
Student activities	67,162
Capital projects	4,655,769
Debt service	564,196
Self-insurance	6,764,592
Unrestricted	(7,826,650)
Total Net Position	\$ 133,017,145

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Function/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Primary Government:					
Governmental Activities:					
Instruction	\$ 47,609,928	\$ 408,663	\$ 12,557,013	\$ -	\$ (34,644,252)
Support services:					
Students	6,430,501	40,254	839,139	-	(5,551,108)
Instructional staff	6,356,027	11,288	2,273,880	-	(4,070,859)
General administration	2,089,527	140,060	5,273	-	(1,944,194)
School administration	4,197,874	474,606	134,048	-	(3,589,220)
Business and other support services	2,376,886	9,231	369,428	-	(1,998,227)
Operation and maintenance of plant	10,033,235	47,392	933,976	391,993	(8,659,874)
Student transportation	4,704,401	28,428	1,194,181	-	(3,481,792)
Operation of noninstructional services	8,760,033	2,309,092	5,845,065	-	(605,876)
Interest on long-term debt	1,327,295	-	-	-	(1,327,295)
Total	\$ 93,885,707	\$ 3,469,014	\$ 24,152,003	\$ 391,993	\$ (65,872,697)
General revenues:					
Property taxes					22,544,672
Grants and contributions not restricted to specific programs:					
State and county equalization and additional state aid					53,405,591
Investment earnings					1,859,969
Other					70,165
Special item					
Qasimyar Judgement (Note 9)					(315,060)
Total general revenues and special items					77,565,337
Change in net position					11,692,640
Net position - July 1, 2023					122,030,672
Aggregate amount of adjustments to and restatements of beginning net position					(706,167)
Net position - July 1, 2023, as restated					121,324,505
Net position - ending					\$ 133,017,145

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Special Projects Fund	Bond Building Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	\$ 32,162,031	\$ -	\$ 19,425,323	\$ 5,390,824	\$ 19,834,926	\$ 76,813,104
Receivables:						
Property taxes	920,559	-	-	85,312	113,522	1,119,393
Intergovernmental	9,664,942	2,770,527	-	-	799,102	13,234,571
Deposits	-	-	-	-	61,476	61,476
Due from other funds	343,335	-	-	-	-	343,335
Prepays	2,119,385	-	-	-	-	2,119,385
Total Assets	\$ 45,210,252	\$ 2,770,527	\$ 19,425,323	\$ 5,476,136	\$ 20,809,026	\$ 93,691,264
LIABILITIES						
Accounts payable	\$ 883,227	\$ 28,094	\$ 1,259,225	\$ -	\$ 82,540	\$ 2,253,086
Intergovernmental payable	374,421	-	-	-	-	374,421
Accrued wages	526,562	403,909	-	-	149,540	1,080,011
Claims payable	315,060	-	-	-	-	315,060
Matured principal payable	-	-	-	3,925,000	-	3,925,000
Interest payable	-	-	-	912,356	-	912,356
Due to other funds	-	343,335	-	-	-	343,335
Unearned revenue	-	379,053	-	-	-	379,053
Total Liabilities	2,099,270	1,154,391	1,259,225	4,837,356	232,080	9,582,322
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenues	616,004	-	-	74,584	68,507	759,095
FUND BALANCES						
Nonspendable	2,119,385	-	-	-	-	2,119,385
Restricted	-	1,616,136	18,166,098	564,196	20,508,439	40,854,869
Unassigned	40,375,593	-	-	-	-	40,375,593
Total Fund Balances	42,494,978	1,616,136	18,166,098	564,196	20,508,439	83,349,847
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 45,210,252	\$ 2,770,527	\$ 19,425,323	\$ 5,476,136	\$ 20,809,026	\$ 93,691,264

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balance - Governmental Funds \$ 83,349,847

Amounts reported for assets and liabilities for governmental activities in the *Statement of Net Position* are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the *Statement of Net Position*, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 178,224,294	
Accumulated depreciation	<u>(50,109,385)</u>	128,114,909

Property tax revenue not collected within 60 days subsequent to fiscal year end are reported as deferred inflows of resources in the governmental funds:	759,095
--	---------

Net OPEB asset:

OPEB assets held in trust for future benefits are not available for District operations and, therefore, are not reported in the governmental funds:	1,982,127
---	-----------

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the *Statement of Net Position*, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Financed purchase liability	(282,373)	
General obligation bonds	(30,720,000)	
Unamortized premiums	(1,950,906)	
Unamortized deferred amount on refunding	5,577	
Net pension liability	(58,594,630)	
Net cost-sharing OPEB liability	(47,704)	
Compensated absences	<u>(1,516,774)</u>	(93,106,810)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the *Statement of Net Position*, deferred outflows and inflows of resources relating to pensions are reported:

Deferred outflows of resources relating to pensions:	7,921,083	
Deferred inflows of resources relating to pensions:	(2,073,129)	
Deferred outflows of resources to the cost-sharing OPEB:	284,194	
Deferred inflows of resources to the cost-sharing OPEB:	<u>(978,763)</u>	5,153,385

Internal service fund:

An internal service fund is used by the District's management to charge the costs of the proprietary and liability insurance programs to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities.

	<u>6,764,592</u>	
Total Net Position - Governmental Activities		<u>\$ 133,017,145</u>

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General Fund	Special Projects Fund	Bond Building Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	\$ 16,746,858	\$ -	\$ -	\$ 4,819,000	\$ 937,768	\$ 22,503,626
Intergovernmental	54,222,402	10,315,038	-	-	12,713,572	77,251,012
Food Services Sales	-	-	-	-	692,971	692,971
Community Schools	-	-	-	-	2,444,486	2,444,486
Auxiliary Operations	184,864	-	-	-	-	184,864
Student Activities	-	-	-	-	48,569	48,569
Rental Income	-	-	-	-	98,124	98,124
Contributions and Donations	597,220	-	-	-	101,355	698,575
Investment earnings	816,681	48,917	-	367,708	505,090	1,738,396
Other	45,059	-	-	-	25,106	70,165
Total Revenues	72,613,084	10,363,955	-	5,186,708	17,567,041	105,730,788
EXPENDITURES						
Current						
Instruction	31,379,086	4,637,359	-	-	6,771,038	42,787,483
Support services:						
Students	5,294,678	882,864	-	-	39,177	6,216,719
Instructional staff	3,581,676	2,431,715	-	-	456	6,013,847
General administration	1,728,233	-	-	2,850	146,286	1,877,369
School administration	3,409,423	123,933	-	-	503,760	4,037,116
Business and other support services	2,333,769	376,778	-	-	19,543	2,730,090
Operations and maintenance of plant	8,521,200	997,912	-	-	325,099	9,844,211
Student transportation	4,433,287	1,276,454	-	-	16,250	5,725,991
Operations of noninstructional services	245,060	304,089	-	-	8,035,191	8,584,340
Debt service:						
Principal	181,546	-	-	3,925,000	-	4,106,546
Interest and fiscal charges	12,758	-	-	1,210,631	-	1,223,389
Bond issuance costs	-	-	265,661	-	-	265,661
Capital outlay:						
Facilities acquisition	2,089,784	33,645	1,259,225	-	37,653	3,420,307
Total Expenditures	63,210,500	11,064,749	1,524,886	5,138,481	15,894,453	96,833,069
Excess (Deficiency) of Revenues						
Over Expenditures	9,402,584	(700,794)	(1,524,886)	48,227	1,672,588	8,897,719
Other Financing Sources (Uses)						
General obligation bonds issued	-	-	19,170,000	-	-	19,170,000
Premium on general obligation bonds	-	-	520,984	-	-	520,984
Transfers in	670,385	-	-	-	-	670,385
Transfers out	-	(270,385)	-	-	(400,000)	(670,385)
Net Financing Sources (Uses)	670,385	(270,385)	19,690,984	-	(400,000)	19,690,984
SPECIAL ITEM						
Qasimyar judgment (Note 9)	(315,060)	-	-	-	-	(315,060)
NET CHANGE IN FUND BALANCE	9,757,909	(971,179)	18,166,098	48,227	1,272,588	28,273,643
Fund Balance - July 1, 2023	32,737,069	2,587,315	-	515,969	19,942,018	55,782,371
Aggregate amount of adjustments to and restatements of beginning fund balances	-	-	-	-	(706,167)	(706,167)
Fund Balance - July 1, 2023, as restated	32,737,069	2,587,315	-	515,969	19,235,851	55,076,204
Fund Balance - June 30, 2024	\$ 42,494,978	\$ 1,616,136	\$ 18,166,098	\$ 564,196	\$ 20,508,439	\$ 83,349,847

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Governmental Funds **\$ 28,273,643**

Amounts reported for governmental activities in the Statement of Activities are different from amounts reported in governmental funds because:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the Statement of Activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capital outlay:	\$ 5,916,975	
Depreciation expense:	<u>(4,529,516)</u>	1,387,459

In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the *Statement of Activities*, only the resulting gain or loss is reported. (30,551)

Some revenues reported in the governmental funds that did not provide current financial resources in prior years have been recognized previously in the Statement of Activities and therefore are not reported as revenues in the *Statement of Activities*.

Property taxes	41,046
----------------	--------

Governmental funds report pension/OPEB contributions as expenditures when made. However, in the *Statement of Activities*, pension/OPEB expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions/OPEB.

Pension contributions	6,138,331
Pension expense	(8,986,567)
OPEB ASRS contributions	130,729
OPEB ASRS expense	192,388

The repayment of principal of long-term debt consumes the current financial resources of governmental funds. This transaction, however, has any effect on net position. The repayment of principal on long-term debt reduces long-term debt on the *Statement of Net Position*.

Proceeds on issuance of long-term debt	(19,170,000)
Premium on issuance of long-term debt	(520,984)
Principal payment on financed purchases	181,546
Principal payment on general obligation bonds	3,925,000
Amortization of deferred bond items	184,543
Amortization of the deferred amount on refunding	(22,788)

Some expenses reported in the Statement of Activities, such as increase in compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. (145,492)

The Internal Service Funds are used by management to charge the cost of insurance. The changes in net position of the Internal Service Funds are reported with governmental activities in the Statement of Activities.

	114,337
Change in Net Position of Governmental Activities	<u>\$ 11,692,640</u>

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	Governmental Activities - Internal Service Fund
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 6,523,291
Prepays	244,300
Total Assets	\$ 6,767,591
LIABILITIES	
Current Liabilities:	
Accounts payable	\$ 271
Accrued wages	2,728
Total Liabilities	2,999
NET POSITION	
Unrestricted	6,764,592
Total Net Position	\$ 6,764,592

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Governmental Activities - Internal Service Fund
OPERATING REVENUES	
Contributions	\$ 6,829,895
OPERATING EXPENSES	
Premiums	<u>6,837,131</u>
Operating Income	<u>(7,236)</u>
NONOPERATING REVENUES	
Investment income	<u>121,573</u>
Total Nonoperating Revenues	<u>121,573</u>
Change in Net Position	114,337
Net Position - Beginning	<u>6,650,255</u>
Net Position - Ending	<u>\$ 6,764,592</u>

See accompanying Notes to the Basic Financial Statements

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:

Cash received from contributions	\$ 6,829,895
Cash payments to suppliers for goods and services	<u>(7,081,548)</u>
Net cash provided by/(used) for operating activities	<u>(251,653)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Investment income	<u>121,573</u>
-------------------	----------------

Net Increase (Decrease) in Cash and Cash Equivalents

(130,080)

Cash and Cash Equivalents - Beginning of Year

6,653,371

Cash and Cash Equivalents - End of Year

\$ 6,523,291

**RECONCILIATION OF OPERATING INCOME TO CASH AND CASH
EQUIVALENTS PROVIDED BY OPERATING ACTIVITIES:**

Operating income (loss)	\$ (7,236)
Changes in operating assets and liabilities:	
Increase in prepaids	(244,300)
Decrease in accounts payable	(321)
Increase in accrued wages	<u>204</u>

Net Cash and Cash Equivalents Provided by Operating Activities

\$ (251,653)

See accompanying Notes to the Basic Financial Statements

NOTES TO BASIC FINANCIAL STATEMENTS

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Laveen Elementary School District No. 59 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the District's more significant accounting policies follows.

Reporting Entity

The District is a special-purpose government that a separately elected governing body governs. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the funds of those organizational entities for which its elected governing board is financially accountable.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the *Statement of Net Position* and the *Statement of Activities*) report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District had no business-type activities during the fiscal year.

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 and other items not properly 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.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 provider have been met.

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.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

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, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of long-term principal and interest due early in the following year (within one month), the expenditures and related liabilities have been recognized in the Debt Service Fund.

Property taxes, intergovernmental grants and aid, tuition, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Amounts reported as program revenues include 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use for governmental activities, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

The District reports the following major governmental funds:

Major Governmental Funds

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. For budget purposes, it is described as the Maintenance and Operation Fund by Arizona Revised Statutes (A.R.S.) and is budgeted within four subsections titled regular education programs, special education programs, pupil transportation, and K-3 reading program.

The *Special Projects Fund* accounts for the revenues and expenditures of state and federally funded projects.

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

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

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the District reports the following fund type:

Proprietary Fund

The Proprietary Funds are Internal Service Funds that account for activities related to the District's self-insurance program, and the operation of District functions that provide goods and services to other District departments on a cost reimbursement basis.

The Proprietary Fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting and are presented in a single column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for health and welfare benefits and charges to District departments for goods and services. Operating expenses for the internal service funds include the cost of goods and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Assets, Deferred Outflows of resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires the District to deposit certain cash with the County Treasurer. That cash is pooled for investment purposes, except for cash in the Debt Service and Bond Building Funds, which are invested separately. As required by statute, interest earned by the Bond Building Fund is recorded in the Debt Service Fund.

A.R.S. authorize the District to invest public monies in the State and County Treasurer's investment pools; U.S. Treasury obligations; specified state and local government bonds; and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories. Statute authorizes the District to deposit monies for Auxiliary Operations and Student Activities 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 withholding accounts for taxes, employee insurance programs, and federal savings bonds. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Statute requires collateral for deposits of monies at 102% of all deposits not covered by federal depository insurance. The State Board of Investments provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. No comparable oversight is provided for the County Treasurer's investment pool, and that pool's structure does not provide for shares.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Assets, Deferred Outflows of resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity
(Continued)**

Property Taxes Receivables

The Maricopa 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. A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy.

The District does not report a reserve for uncollectible property taxes as they are considered 100 percent collectible due to the County attaching a lien against all amounts past due as noted above.

Intergovernmental Receivable

Intergovernmental receivables are comprised of the following:

State Equalization	\$ 9,664,942
Instructional Improvement	241,079
State Grants	290,859
Federal Grants	3,037,691
Total Intergovernmental Receivable	<u>\$ 13,234,571</u>

Short-Term Interfund Receivables and Payables

During the course of operations, individual funds within the District’s pooled cash accounts may borrow money from other funds within the pool on a short-term basis. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

Deposits

Deposits in the amount of \$61,476 represent cash deposits with Mohave Educational Services in the food service cooperative.

Prepays

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.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Property, plant and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Asset Class	Years
Land improvements	20 - 50 years
Building and improvements	10 - 50 years
Vehicles, equipment, furniture	5 - 30 years

Deferred Outflows 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 assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Generally, resources from the General Fund are used to pay for compensated absences.

Pension and Other Postemployment Benefits

For purposes of measuring the net pension and other postemployment benefit (OPEB) 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.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Deferred Inflows of Resources

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 assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. The net investment in capital assets is separately reported because the District's capital assets make up a significant portion of total net position. Restricted net position account for the portion of net position restricted by parties outside the District. Unrestricted net position is the remaining net position not included in the previous two categories.

Fund Balance

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, committed, assigned, and unassigned fund balance classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form such as inventories or are legally or contractually required to be maintained intact.

Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations. The committed fund balances are self-imposed limitations approved by the District's Governing Board, which is the highest level of decision-making authority within the District. Only the District Governing Board can remove or change the constraints placed on committed fund balances through formal board action at a public meeting. Fund balances must be committed prior to fiscal year-end. Assigned fund balances are resources constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. The District's Governing Board has not authorized any management officials to make assignments of resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Fund Balance (Continued)

The District has not adopted a spending priority policy. When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, in accordance with GASB 54, the District uses restricted fund balance first. For the disbursement of unrestricted fund balances, the District follows the spending policy described in GASB 54 to use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

The District has classified its fund balances as follows:

	General Fund	Special Projects Fund	Bond Building Fund	Debt Service Fund	Non-Major Governmental Funds	Total Governmental Activities
Nonspendable						
Prepays	\$ 2,119,385	\$ -	\$ -	\$ -	\$ -	\$ 2,119,385
Restricted						
Teacher compensation and other qualified programs (A.R.S. 15-977)	-	-	-	-	4,381,460	4,381,460
Instructional improvement programs	-	-	-	-	4,613,933	4,613,933
Federal and state instructional programs	-	1,616,136	-	-	-	1,616,136
Food service	-	-	-	-	2,434,963	2,434,963
Civic center	-	-	-	-	863,656	863,656
Community programs	-	-	-	-	3,134,776	3,134,776
Extracurricular activities	-	-	-	-	300,302	300,302
Other special revenues	-	-	-	-	56,418	56,418
Student activities	-	-	-	-	67,162	67,162
Capital projects	-	-	18,166,098	-	4,655,769	22,821,867
Debt service	-	-	-	564,196	-	564,196
Total restricted	-	1,616,136	18,166,098	564,196	20,508,439	40,854,869
Unassigned	40,375,593	-	-	-	-	40,375,593
Total	\$ 42,494,978	\$ 1,616,136	\$ 18,166,098	\$ 564,196	\$ 20,508,439	\$ 83,349,847

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The District adopts an annual operating budget for expenditures for all governmental fund types on essentially the same modified accrual basis of accounting used to record actual expenditures (See Notes to Required Supplementary Information for exceptions). The Governing Board presents a proposed budget to the Superintendent of Public Instruction and County School Superintendent on or by July 5. The Governing Board legally adopts the final budget by July 15, after a public hearing has been held. Once adopted the budget can be increased or decreased only for specific reasons set forth in the A.R.S. All appropriations lapse at year-end.

Budgetary control over expenditures is exercised at the fund level. However, the General Fund is budgeted within four subsections (see preceding description of General Fund), any of which may be over-expended with the prior approval of the Governing Board at a public meeting, providing the expenditures for all subsections do not exceed the General Fund's total budget.

An annual budget of revenue from all sources for the fiscal year is not prepared.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits and investments at June 30, 2024 consist of the following:

Deposits:	
Cash in bank	\$ 620,345
Investments:	
Cash on deposit with county treasurer	82,716,050
Total deposits and investments	<u>\$ 83,336,395</u>

Deposits

Custodial Credit Risk – This is the risk that, in the event of a failure by a counterparty, the District will not be able to recover its deposits or collateralized securities that are in the possession of an outside party. The District had a carrying value of \$620,345 for cash on deposit with a local financial institution and a bank balance of \$874,260 at June 30, 2024. The District does not have a formal policy regarding custodial credit risk. However, of the bank balance, \$250,000 was insured by federal depository insurance and the remaining balance was collateralized by the State of Arizona Pooled Collateral Program.

Investments

At June 30, 2024, the District's investments were reported at fair value. The District's investments consisted of only cash on deposit with the County Treasurer.

Custodial Credit Risk – The District's investment in the County Treasurer's investment pools represents a proportionate interest in those pools' portfolios; however, the District's portion is not identified with any specific investment and is not subject to custodial credit risk.

Interest Rate Risk – The District does not have a formal investment policy regarding interest rate risk; however, the District manages its exposure to declines in fair values by limiting the average maturity of its investment portfolio to one year or less.

Credit Risk – The District does not have a formal investment policy regarding credit risk. However, the District is prohibited by state law from investing in investments other than State and County Treasurer's investment pools, U.S. Treasury obligations, specified state and local government bonds and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements. The District's investment in the County Treasurer's investment pool did not receive a credit quality rating from a national rating agency.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 – UNAVAILABLE AND UNEARNED REVENUES

Property taxes are recognized as revenues in the fiscal year in which they are levied in the government-wide financial statements and represent a reconciling item between the government-wide and fund financial statements. In the fund financial statements property taxes are recognized as revenues in the fiscal year they are levied and collected or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end or collected in advance of the fiscal year for which they are levied are reported as deferred inflows of resources.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also record unearned revenue in connection with resources that have been received, but not yet earned.

At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenues reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes receivable:		
General Fund	\$ 616,004	\$ -
Special Projects Fund	-	379,053
Debt Service Fund	74,584	-
Nonmajor Governmental Funds	68,507	-
Total	<u>\$ 759,095</u>	<u>\$ 379,053</u>

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 01, 2023	Additions	Deductions	Balance June 30, 2024
Capital assets not being depreciated				
Land	\$ 13,064,185	\$ -	\$ -	\$ 13,064,185
Construction in progress	278,140	1,949,386	(278,140)	1,949,386
Total capital assets not being depreciated	<u>13,342,325</u>	<u>1,949,386</u>	<u>(278,140)</u>	<u>15,013,571</u>
Capital assets being depreciated				
Land improvements	9,370,813	12,602	-	9,383,415
Buildings and improvements	135,819,526	1,937,098	-	137,756,624
Vehicles, equipment, and furniture	13,972,852	2,296,029	(198,197)	16,070,684
Total capital assets being depreciated	<u>159,163,191</u>	<u>4,245,729</u>	<u>(198,197)</u>	<u>163,210,723</u>
Less accumulated depreciation				
Land improvements	(4,561,507)	(390,926)	-	(4,952,433)
Buildings and improvements	(32,003,238)	(3,015,748)	-	(35,018,986)
Vehicles, equipment, and furniture	(9,182,770)	(1,122,842)	167,646	(10,137,966)
Total accumulated depreciation	<u>(45,747,515)</u>	<u>(4,529,516)</u>	<u>167,646</u>	<u>(50,109,385)</u>
Total capital assets, being depreciated, net	<u>113,415,676</u>	<u>(283,787)</u>	<u>(30,551)</u>	<u>113,101,338</u>
Governmental activities capital assets, net	<u>\$ 126,758,001</u>	<u>\$ 1,665,599</u>	<u>\$ (308,691)</u>	<u>\$ 128,114,909</u>

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 – CAPITAL ASSETS (CONTINUED)

Depreciation expenses was charged to governmental functions as follows:

Governmental Activities:	
Instruction	\$ 3,126,099
Support Services:	
Students	24,027
Instructional Staff	114,140
General Administration	157,945
School Administration	1,322
Business and Other Support Services	180,159
Operations and Maintenance of Plant	160,079
Student Transportation	696,799
Operation of Noninstructional Services	68,946
	<u>\$ 4,529,516</u>

As of June 30, 2024, the District reported the following construction commitments:

Project	Governmental activities	
	Spent-to-date	Estimated remaining
Vista Del Sur Renovations	\$ 1,460,972	\$ 949,705
New School Site #10	488,414	1,802,343
Total	<u>\$ 1,949,386</u>	<u>\$ 2,752,048</u>

NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2024, interfund receivables and payables were as follows:

	Due from other funds
Due to other funds	General Fund
Special Projects Fund	<u>\$ 343,335</u>

The above interfund receivable and payable are due to cash shortfalls at June 30, 2024. Cash will be received subsequent to June 30, 2024 to repay the short-term borrowings.

Interfund transfers for the year ended June 30, 2024 consisted of the following:

Transfer to	Transfer from		Total
	Special Projects Fund	Nonmajor Governmental Funds	
General Fund	\$ 270,385	\$ 400,000	<u>\$ 670,385</u>

Transfers were made to record indirect costs transferred to the indirect cost pool for various federal grants.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 – LONG-TERM OBLIGATIONS

Compensated Absences

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. During fiscal year ended June 30, 2024, the District paid for compensated absences primarily from the General Fund.

Financed Purchase Agreements

The District has acquired energy efficient upgrades and technology equipment and improvements under contract agreements at a total purchase price of \$2.0 million. The following schedule details debt service requirements to maturity for the District's financed purchases as of June 30, 2024:

Year ended, June 30,	Governmental Activities	
	Principal	Interest
2025	\$ 186,539	\$ 7,765
2026	95,834	1,318
Total	<u>\$ 282,373</u>	<u>\$ 9,083</u>

General Obligation Bonds Payable

Bonds payable at year end consist 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, a major governmental fund, are used to pay bonded debt. The District's legal debt limit is \$72.8 million, and the available margin is \$40.1 million.

Purpose	Interest Rate	Maturity	Original Issue	Balance
Governmental Activities:				
Refunding Bonds, Series 2019	2.00 - 5.00%	7/1/24-7/1/26	\$ 1,870,000	\$ 960,000
School Improvement Bonds, Series 2019	2.00 - 5.00%	7/1/24-7/1/39	13,310,000	12,130,000
School Improvement Bonds, Series 2023	4.00 - 5.00%	7/1/24-7/1/43	19,170,000	17,630,000
				<u>\$ 30,720,000</u>

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

Year ended, June 30,	Governmental Activities	
	Principal	Interest
2025	\$ 3,805,000	\$ 1,382,875
2026	2,945,000	1,223,225
2027	1,650,000	1,075,975
2028	1,470,000	993,475
2029	1,370,000	927,925
2030-2034	7,115,000	3,732,025
2035-2039	8,710,000	2,038,475
2040-2043	3,655,000	420,875
Total	<u>\$ 30,720,000</u>	<u>\$ 11,794,850</u>

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 – LONG-TERM OBLIGATIONS (CONTINUED)

Changes in long-term liabilities for the year ended June 30, 2024 are summarized as follows:

	Balance			Balance		Due Within
	July 01, 2023	Additions	Deductions	June 30, 2024		One Year
General obligation bonds	\$ 15,475,000	\$ 19,170,000	\$ (3,925,000)	\$ 30,720,000	\$	3,805,000
Unamortized premium	1,614,465	520,984	(184,543)	1,950,906		-
Financed purchases	463,919	-	(181,546)	282,373		186,539
Compensated absences	1,371,282	949,132	(803,640)	1,516,774		151,249
Net pension liability	58,699,603	-	(104,973)	58,594,630		-
Cost-sharing OPEB plan	33,381	14,323	-	47,704		-
Total	\$ 77,657,650	\$ 20,654,439	\$ (5,199,702)	\$ 93,112,387	\$	4,142,788

NOTE 8 – 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 joined the Valley Schools Insurance Trust (VSIT), Valley School Employee Benefit Trust (VSEBT), and the Valley Schools Worker's Compensation pool (VSWCP) together with several school districts in the State.

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 Valley Schools Insurance Trust (VSIT). VSIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts. The District pays an annual premium to VSIT for its general insurance coverage. The agreement provides that VSIT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts of each insured event.

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

The District joined the Valley Schools Workers' Compensation Pool (VSWCP) together with other school districts in the state for risks of loss related to workers' compensation claims. VSWCP 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 annual premiums to VSWCP for its employee workers' compensation coverage. The agreement provides that VSWCP will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts of each insured event.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 – CONTINGENT LIABILITIES

Federal grants - In the normal course of operations, the District receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed by District officials to be material.

Litigation - Each year the District receives notices of claims for damages occurring generally from negligence, bodily injury, breach of contract, and other legal matters. The filing of such claims commences a statutory period for initiating a lawsuit against the District arising therefrom. The District has comprehensive general liability insurance with the ASRRT. The District is not aware of any litigation that might result in a materially adverse outcome.

Qasimyar v. Maricopa County – A class-action judgement was made between Maricopa County and the plaintiffs by the Tax Court. As a result of the judgment, the Assessor's Office submitted resolutions to the Treasurer's Office, which in most cases resulted in a decrease to the Limited Property Value, and a corresponding refund to the taxpayer. The Tax Court ruling is applicable to certain properties during Tax Years 2015-2021 along with adjustments to certain properties for Tax Years 2016-2023. The Treasurer's Office has published the estimated financial impact for all taxing districts as calculated to February 2024. The estimated financial impact to the District in the amount of \$315,060 was recorded in the General Fund as a Special Item with a corresponding claims payable liability.

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS

Cost Sharing Pension Plan

At June 30, 2024, the District reported the following related to pension/OPEB to which it contributes:

	Cost-sharing pension plan	Cost-sharing OPEB plan	Total
Net (assets)	\$ -	\$ (1,982,127)	\$ 1,982,127
Net pension liability	58,594,630	47,704	58,642,334
Deferred outflows of resources	7,921,083	284,194	8,205,277
Deferred inflows of resources	2,073,129	978,763	3,051,892
Pension expense	8,986,567	(192,388)	8,794,179

Arizona State Retirement System

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); 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. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Arizona State Retirement System (Continued)

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 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

**With actuarially reduced benefits.*

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. 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 retirement benefit option chosen determines the survivor benefit. 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.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. 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 5 to 9 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 monthly long-term disability benefit equal to two-thirds of 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.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Arizona State Retirement System (Continued)

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 year ended June 30, 2024, statute required active ASRS members to contribute at the actuarially determined rate of 12.29% (12.14% for retirement and 0.15% for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.29% (12.03% for retirement, 0.11% for health insurance premium benefit, and 0.15% for long term disability) of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 9.99% (9.94% for retirement and 0.05% for long-term disability) of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill. The District's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2024, were \$6,138,331, \$55,061, and \$75,668, respectively.

During fiscal year 2024, the District paid for pension and OPEB contributions as follows: 73% from the General Fund, 10% from the Special Projects Fund and 17% from nonmajor governmental other funds.

Liability

On June 30, 2024, the District reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability:

	Pension/OPEB (asset) liability
Pension	\$ 58,594,630
Health insurance premium benefit	(1,982,127)
Long-term disability	47,704
Total Pension/OPEB Expense:	<u>\$ 56,660,207</u>

The net asset and net liabilities were measured as of June 30, 2023. 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, 2022, to the measurement date of June 30, 2023.

The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2023, and the change from its proportions measured as of June 30, 2022, are noted on the following page.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Liability (Continued)

	District % Proportion June 30, 2023	Increase (Decrease) from June 30, 2022
Pension	0.36211%	0.00248%
Health insurance premium benefit	0.36711%	0.00214%
Long-term disability	0.36405%	0.00263%

Expenses

For the year ended June 30, 2024, the District recognized the following pension and OPEB expense:

	Pension/OPEB Expense
Pension	\$ 8,986,567
Health insurance premium benefit	(241,199)
Long-term disability	48,811
Total Pension/OPEB Expense:	<u>\$ 8,794,179</u>

Deferred Outflows/Inflows of Resources

On June 30, 2024, 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 Benefit	Long-Term Disability
Differences between expected and actual experience	\$ 1,324,005	\$ 83,642	\$ 43,071
Changes of assumptions or other inputs	-	-	12,589
Changes in proportion and differences between contributions and proportionate share of contributions	458,747	-	14,163
Contributions subsequent to the measurement date	6,138,331	55,061	75,668
Total	<u>\$ 7,921,083</u>	<u>\$ 138,703</u>	<u>\$ 145,491</u>

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
Differences between expected and actual experience	\$ -	\$ 739,184	\$ 26,850
Changes of assumptions or other inputs	-	39,444	69,439
Net difference between projected and actual earnings on pension plan investments	2,073,129	87,059	3,818
Changes in proportion and differences between contributions and proportionate share of contributions	-	12,834	135
Total	<u>\$ 2,073,129</u>	<u>\$ 878,521</u>	<u>\$ 100,242</u>

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Deferred Outflows/Inflows of Resources (Continued)

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions and OPEB will be recognized in expenses as follows:

Year Ending June 30:	Deferred Outflows (Inflows) of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
2025	\$ 48,850	\$ (335,388)	\$ (2,575)
2026	(2,315,828)	(368,050)	(10,451)
2027	2,234,220	(49,625)	4,115
2028	(257,619)	(47,350)	(10,615)
2029	-	5,534	(10,499)
Thereafter	-	-	(394)
Total	\$ (290,377)	\$ (794,879)	\$ (30,419)

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

	Pensions	Health Insurance Premium Benefit	Long-Term Disability
Actuarial valuation date	June 30, 2022	June 30, 2022	June 30, 2022
Actuarial roll forward date	June 30, 2023	June 30, 2023	June 30, 2023
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Investment rate of return	7.0%	7.0%	7.0%
Projected salary increases	2.9-8.4%	Not applicable	Not applicable
Inflation rate	2.3%	2.3%	2.3%
Permanent base increases	Included	Not applicable	Not applicable
Mortality rates	2017 SRA Scale U-MP	2017 SRA Scale U-MP	Not applicable
Recovery rates	Not applicable	Not applicable	2012 GLDT

Actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2020.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Actuarial Assumptions (Continued)

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	3.50%
Credit	23%	5.90%
Real estate	17%	5.90%
Private equity	10%	6.70%
Interest rate sensitive	6%	1.50%
Total	100%	

Discount Rate

The discount rate used to measure the ASRS total pension/OPEB liability was 7.0%. 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 plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

Sensitivity of the District's Proportionate Share of the ASRS Net Pension Liability to Changes in the Discount Rate – The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	Proportionate share of the net liability (asset)		
	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Pension	\$ 87,766,150	\$ 58,594,630	\$ 34,270,743
Health insurance premium benefit	(1,385,420)	(1,982,127)	(2,489,194)
Long-term disability	69,759	47,704	26,008

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report.

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 – PENSION AND OTHER POSTEMPLOYMENT BENEFITS PLANS (CONTINUED)

Arizona State Retirement System (Continued)

Contributions payable - The District's accrued payroll and employee benefits included \$105,153 of outstanding pension amounts payable to ASRS for the year ended June 30, 2024.

NOTE 11 – RESTATEMENT

At June 30, 2024, the District recorded a restatement of fund balance to correct an error within the fund balance of the Nonmajor Governmental Funds Other Special Revenue Fund. The District recorded a receivable of \$706,167 in the prior year in the anticipation of receiving grant funding. However, the grant had been fully funded and the awards were closed. Therefore, the receivable was reversed through fund balance and the expenditures were moved to an appropriate fund. The net effects of the restatements on the Governmental Activities and Governmental Funds are as follows:

Governmental Funds

	Fund balance as previously stated	Correction of an error	Fund balance as restated
General Fund	\$ 32,737,069	\$ -	\$ 32,737,069
Special Projects Fund	2,587,315	-	2,587,315
Bond Building Fund	-	-	-
Debt Service Fund	515,969	-	515,969
Nonmajor Governmental Funds	19,942,018	(706,167)	19,235,851
Total governmental funds	<u>\$ 55,782,371</u>	<u>\$ (706,167)</u>	<u>\$ 55,076,204</u>

Governmental Activities

	Net position as previously stated	Net position restatement	Net position as restated
Governmental Activities	<u>\$ 122,030,672</u>	<u>\$ (706,167)</u>	<u>\$ 121,324,505</u>

NOTE 12 – SUBSEQUENT EVENT

On December 10, 2024, the District purchased land on the SSE Corner of 63rd Avenue, Baseline Road, Laveen, AZ, in anticipation of constructing school site #11. The purchase price for the land was \$6.3 million

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS
COST SHARING PENSION PLAN
LAST TEN FISCAL YEARS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Reporting Fiscal Year (Measurement Date)									
	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)	2015 (2014)
Proportion of the net pension liability	0.362111%	0.35963%	0.35522%	0.33733%	0.32538%	0.31020%	0.31123%	0.27895%	0.26443%	0.22571%
Proportionate share of the net pension liability	\$ 58,594,630	\$ 58,699,603	\$ 46,674,331	\$ 58,447,550	\$ 47,346,576	\$ 43,261,983	\$ 48,483,567	\$ 45,025,332	\$ 41,189,518	\$ 36,026,917
Covered payroll	\$ 48,324,901	\$ 43,482,642	\$ 40,439,025	\$ 37,464,711	\$ 35,084,498	\$ 31,587,662	\$ 31,027,920	\$ 26,700,593	\$ 24,888,145	\$ 22,452,843
Proportionate share of the net pension liability as a percentage of its covered payroll	121.25%	135.00%	115.42%	156.01%	134.95%	136.96%	156.26%	168.63%	165.50%	160.46%
Plan fiduciary net position as a percentage of the total pension liability	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

SCHEDULE OF CONTRIBUTIONS

	Reporting Fiscal Year									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 6,138,331	\$ 5,634,918	\$ 5,141,139	\$ 4,641,323	\$ 4,217,944	\$ 3,838,662	\$ 3,359,356	\$ 3,273,107	\$ 2,993,528	\$ 2,824,918
Contributions in relation to the actuarially determined contribution	6,138,331	5,634,918	5,141,139	4,641,323	4,217,944	3,838,662	3,359,356	3,273,107	2,993,528	2,824,918
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 51,847,755	\$ 48,324,901	\$ 43,482,642	\$ 40,439,025	\$ 37,464,711	\$ 35,084,498	\$ 31,587,662	\$ 31,027,920	\$ 26,700,593	\$ 24,888,145
Contributions as a percentage of covered payroll	11.84%	11.66%	11.82%	11.48%	11.26%	10.94%	10.64%	10.55%	11.21%	11.35%

See accompanying Notes to Required Supplementary Information

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET OPEB (ASSET) LIABILITY AND
CONTRIBUTIONS
COST SHARING OPEB PLAN – HEALTH INSURANCE PREMIUM BENEFIT
JUNE 30, 2024, AND ONE YEAR PRIOR

SCHEDULE OF CONTRIBUTIONS - HEALTH INSURANCE PREMIUM BENEFIT

	Reporting Fiscal Year	
	2024	2023
Actuarially determined contribution	\$ 224,063	\$ 224,063
Contributions in relation to the actuarially determined contribution	224,063	224,063
Contribution deficiency (excess)	\$ -	\$ -
District's covered payroll	\$ 51,847,755	\$ 48,324,901
Contributions as a percentage of covered payroll	0.43%	0.46%

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - LONG-TERM DISABILITY

	Reporting Fiscal Year (Measurement Date)	
	2024 (2023)	2023 (2022)
Proportion of the net pension liability	0.36405%	0.36142%
Proportionate share of the net pension liability	\$ 47,704	\$ 33,381
Covered payroll	\$ 48,324,901	\$ 43,482,642
Proportionate share of the net pension liability as a percentage of its covered payroll	0.10%	0.08%
Plan fiduciary net position as a percentage of the total pension liability	93.70%	95.40%

See accompanying Notes to Required Supplementary Information

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET OPEB (ASSET) LIABILITY AND CONTRIBUTIONS
COST SHARING OPEB PLAN – LONG-TERM DISABILITY
JUNE 30, 2024, AND ONE YEAR PRIOR

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - LONG-TERM DISABILITY

	Reporting Fiscal Year (Measurement Date)	
	2024 (2023)	2023 (2022)
Proportion of the net pension liability	0.36405%	0.36142%
Proportionate share of the net pension liability	\$ 47,704	\$ 33,381
Covered payroll	\$ 48,324,901	\$ 43,482,642
Proportionate share of the net pension liability as a percentage of its covered payroll	0.10%	0.08%
Plan fiduciary net position as a percentage of the total pension liability	93.70%	95.40%

SCHEDULE OF CONTRIBUTIONS - LONG-TERM DISABILITY

	Reporting Fiscal Year	
	2024	2023
Actuarially determined contribution	\$ 75,668	\$ 65,373
Contributions in relation to the actuarially determined contribution	75,668	65,373
Contribution deficiency (excess)	\$ -	\$ -
District's covered payroll	\$ 51,847,755	\$ 48,324,901
Contributions as a percentage of covered payroll	0.15%	0.14%

See accompanying Notes to Required Supplementary Information

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variances -
	Original	Final	Budgetary Basis	Final to Actual
REVENUES				
Property taxes	\$ -	\$ -	\$ 11,639,917	\$ 11,639,917
Intergovernmental	-	-	47,071,891	47,071,891
Other	-	-	33,400	33,400
Total Revenues	-	-	58,833,344	58,833,344
EXPENDITURES				
Regular education:				
Instruction	27,614,663	27,918,261	24,928,982	2,989,279
Support services - students	1,580,351	1,580,351	1,543,601	36,750
Support services - instructional staff	2,566,271	2,566,271	2,396,510	169,761
Support services - general administration	1,495,253	1,495,253	1,473,398	21,855
Support services - school administration	3,582,432	3,582,432	3,293,280	289,152
Support services - central services	1,877,811	1,877,811	1,631,867	245,944
Operations and maintenance of plant	7,987,629	8,487,629	7,598,184	889,445
Operation of noninstructional services	145,655	145,655	243,014	(97,359)
School sponsored cocurricular activities	2,002	2,002	599	1,403
School sponsored athletics	2,652	2,652	1,354	1,298
Total regular education	46,854,719	47,658,317	43,110,789	4,547,528
Special education:				
Instruction	5,498,806	5,948,806	5,009,344	939,462
Support services - students	3,557,266	3,557,266	3,497,456	59,810
Support services - instructional staff	782,390	782,390	730,866	51,524
Support services - general administration	4,623	4,623	-	4,623
Support services - school administration	2,000	2,000	12	1,988
Support services - central services	26,860	26,860	25,283	1,577
Operations and maintenance of plant	2,000	2,000	-	2,000
Total special education	9,873,945	10,323,945	9,262,961	1,060,984
Pupil transportation:				
Student transportation services	3,843,566	3,843,566	3,258,830	584,736
K-3 reading program:				
Instruction	583,407	583,407	476,957	106,450
Support services - instructional staff	-	-	94,604	(94,604)
Total K-3 reading program	583,407	583,407	571,561	11,846
Total Expenditures	61,155,637	62,409,235	56,204,141	6,205,094
Excess (Deficiency) of Revenues				
Over Expenditures	(61,155,637)	(62,409,235)	2,629,203	65,038,438
Special Item				
Qasimyar Judgment (Note 9)	-	-	(315,060)	(315,060)
NET CHANGE IN FUND BALANCE	(61,155,637)	(62,409,235)	2,314,143	64,723,378
Fund Balance - Beginning	-	-	2,824,036	2,824,036
Fund Balance - Ending	\$ (61,155,637)	\$ (62,409,235)	\$ 5,138,179	\$ 67,547,414

See accompanying Notes to Required Supplementary Information

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
BUDGETARY COMPARISON SCHEDULE FOR THE SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 10,315,038	\$ 10,315,038
Investment earnings	-	-	48,917	48,917
Total Revenues	-	-	10,363,955	10,363,955
EXPENDITURES				
Regular education:				
Instruction	4,085,268	4,169,333	2,967,696	1,201,637
Support services - students	597,271	609,562	433,881	175,681
Support services - instructional staff	2,352,511	2,400,920	1,708,955	691,965
Support services - school administration	170,604	174,114	123,933	50,181
Support services - central services	481,867	491,783	350,047	141,736
Operations and maintenance of plant	1,373,705	1,401,972	997,912	404,060
Operation of noninstructional services	96,968	98,963	70,441	28,522
Other instructional programs	521,279	532,005	378,677	153,328
Total regular education	9,679,473	9,878,652	7,031,542	2,847,110
Special education:				
Instruction	2,098,779	2,141,967	1,524,634	617,333
Support services - students	618,061	630,779	448,983	181,796
Support services - instructional staff	994,936	1,015,410	722,760	292,650
Support services - central services	36,797	37,555	26,731	10,824
Total special education	3,748,573	3,825,711	2,723,108	1,102,603
Pupil transportation:				
Student transportation services	1,757,140	1,793,297	1,276,454	516,843
Capital outlay				
Facilities acquisition	46,315	47,268	33,645	13,623
Total Expenditures	15,231,501	15,544,928	11,064,749	4,480,179
Excess (Deficiency) of Revenues				
Over Expenditures	(15,231,501)	(15,544,928)	(700,794)	14,844,134
Other Financing Sources (Uses):				
Transfers out	-	-	(270,385)	(270,385)
NET CHANGE IN FUND BALANCE	(15,231,501)	(15,544,928)	(971,179)	14,573,749
Fund Balance - Beginning	-	-	2,587,315	2,587,315
Fund Balance - Ending	\$ (15,231,501)	(15,544,928)	\$ 1,616,136	\$ 17,161,064

See accompanying Notes to Required Supplementary Information

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NOTES TO THE REQUIRED
SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2024

NOTE 1 – AVAILABILITY OF PRIOR YEAR OPEB INFORMATION

Information prior to the measurement dates of June 30, 2023, was not available. GASB Statements No. 75 requires the District to present 10 years of pension information as required supplementary information. However, until a full 10 years of trend data is compiled, the District will present information for only those years for which information is available.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

The District's adopted budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, with the following exception:

- 1) The General Fund as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances includes the District's Maintenance and Operation Fund in addition to several other District funds as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*; however, for budgetary purposes, the District prepares a separate Maintenance and Operation Fund budget.

The following adjustments are necessary to present actual revenues, expenditures, other financing sources and uses, beginning fund balance and ending fund balance on a budgetary basis in order to present only the activity of the District's Maintenance and Operation Fund for budgetary purposes.

	General Fund					
	Total	Total	Other	Special	Beginning	Ending
	Revenues	Expenditures	Financing Sources and Uses	Items	Fund Balance	Fund Balance
Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 72,613,084	\$ 63,210,500	\$ 670,385	\$ (315,060)	\$ 32,737,069	\$ 42,494,978
Non-maintenance and operation activity included in the General Fund	(13,779,740)	(7,006,359)	(670,385)	-	(29,913,033)	(37,356,799)
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget to Actual	\$ 58,833,344	\$ 56,204,141	\$ -	\$ (315,060)	\$ 2,824,036	\$ 5,138,179

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
NONMAJOR GOVERNMENTAL FUNDS
FUND DESCRIPTIONS
JUNE 30, 2024

SPECIAL REVENUE FUNDS

Classroom Site Fund – accounts for the revenues and expenditures of State apportioned educational sales tax monies.

Instructional Improvement Fund - accounts for revenues and expenditures for State apportioned Indian Gaming monies.

Other Special Revenue Fund - accounts for the revenues and expenditures of the following activities or objectives: civic center, community school, extracurricular activity fee tax credit, fingerprinting, textbooks, grants and gifts to teachers, and student activities.

Food Service Fund - accounts for the financial operations of preparing and serving regular and incidental meals and snacks in connection with school functions.

CAPITAL PROJECTS FUNDS

Adjacent Ways Fund - accounts for monies received to finance such improvements as public streets or alleys adjacent to school property.

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

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds				Capital Projects Funds		
	Instructional		Other Special Revenue Fund	Food Service Fund	Adjacent Ways Fund	School Facilities Board Fund	Non-Major Governmental Funds
	Classroom Site Fund	Improvement Fund					
ASSETS							
Cash and investments	\$ 4,386,654	\$ 4,372,854	\$ 4,521,434	\$ 1,943,230	\$ 4,547,688	\$ 63,066	\$ 19,834,926
Receivables:							
Property taxes	-	-	-	-	113,522	-	113,522
Intergovernmental	-	241,079	-	558,023	-	-	799,102
Deposits	-	-	-	61,476	-	-	61,476
Total Assets	\$ 4,386,654	\$ 4,613,933	\$ 4,521,434	\$ 2,562,729	\$ 4,661,210	\$ 63,066	\$ 20,809,026
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ 5,861	\$ 76,679	\$ -	\$ -	\$ 82,540
Accrued wages	5,194	-	93,259	51,087	-	-	149,540
Total Liabilities	5,194	-	99,120	127,766	-	-	232,080
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues	-	-	-	-	68,507	-	68,507
FUND BALANCES							
Restricted	4,381,460	4,613,933	4,422,314	2,434,963	4,592,703	63,066	20,508,439
Total Fund Balances	4,381,460	4,613,933	4,422,314	2,434,963	4,592,703	63,066	20,508,439
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 4,386,654	\$ 4,613,933	\$ 4,521,434	\$ 2,562,729	\$ 4,661,210	\$ 63,066	\$ 20,809,026

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				Capital Projects Funds		
	Classroom Site	Instructional Improvement	Other Special	Food Service	Adjacent Ways	School Facilities	Non-Major
	Fund	Fund	Revenue Fund	Fund	Fund	Board Fund	Governmental Funds
REVENUES							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 937,768	\$ -	\$ 937,768
Intergovernmental	6,286,362	520,664	-	5,514,553	-	391,993	12,713,572
Food Services Sales	-	-	-	692,971	-	-	692,971
Community Schools	-	-	2,444,486	-	-	-	2,444,486
Student Activities	-	-	48,569	-	-	-	48,569
Rental Income	-	-	98,124	-	-	-	98,124
Contributions and Donations	-	-	101,355	-	-	-	101,355
Investment earnings	116,742	111,565	129,439	59,314	90,713	(2,683)	505,090
Other	-	-	2,146	22,960	-	-	25,106
Total Revenues	6,403,104	632,229	2,824,119	6,289,798	1,028,481	389,310	17,567,041
EXPENDITURES							
Current							
Instruction	6,417,966	12,951	340,121	-	-	-	6,771,038
Support services:							
Students	12,930	-	26,247	-	-	-	39,177
Instructional staff	-	-	456	-	-	-	456
General administration	-	-	146,286	-	-	-	146,286
School administration	-	-	503,760	-	-	-	503,760
Business and other support services	-	-	-	19,543	-	-	19,543
Operations and maintenance of plant	-	-	23,369	-	-	301,730	325,099
Student transportation	-	-	16,250	-	-	-	16,250
Operations of noninstructional services	-	-	1,755,145	6,280,046	-	-	8,035,191
Capital outlay:							
Facilities acquisition	-	-	3,116	-	34,537	-	37,653
Total Expenditures	6,430,896	12,951	2,814,750	6,299,589	34,537	301,730	15,894,453
Excess (Deficiency) of Revenues							
Over Expenditures	(27,792)	619,278	9,369	(9,791)	993,944	87,580	1,672,588
Other Financing Sources (Uses)							
Transfers out	-	-	-	(400,000)	-	-	(400,000)
NET CHANGE IN FUND BALANCE	(27,792)	619,278	9,369	(409,791)	993,944	87,580	1,272,588
Fund Balance - July 1, 2023	4,409,252	3,994,655	5,119,112	2,844,754	3,598,759	(24,514)	19,942,018
Aggregate amount of adjustments to and restatements of beginning fund balances	-	-	(706,167)	-	-	-	(706,167)
Fund Balance - July 1, 2023, as restated	4,409,252	3,994,655	4,412,945	2,844,754	3,598,759	(24,514)	19,235,851
Fund Balance - June 30, 2024	\$ 4,381,460	\$ 4,613,933	\$ 4,422,314	\$ 2,434,963	\$ 4,592,703	\$ 63,066	\$ 20,508,439

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
CLASSROOM SITE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 6,286,362	\$ 6,286,362
Investment earnings	-	-	116,742	116,742
Total Revenues	-	-	6,403,104	6,403,104
EXPENDITURES				
Regular education:				
Instruction	9,623,087	9,721,892	5,735,096	3,986,796
Support services - students	19,687	19,889	11,733	8,156
Total regular education	9,642,774	9,741,781	5,746,829	3,994,952
Special education:				
Instruction	1,145,808	1,157,572	682,870	474,702
Support services - students	2,008	2,029	1,197	832
Total special education	1,147,816	1,159,601	684,067	475,534
Total Expenditures	10,790,590	10,901,382	6,430,896	4,470,486
Excess (Deficiency) of Revenues				
Over Expenditures	(10,790,590)	(10,901,382)	(27,792)	10,873,590
Fund Balance - Beginning	-	-	4,409,252	4,409,252
Fund Balance - Ending	\$ (10,790,590)	\$ (10,901,382)	\$ 4,381,460	\$ 15,282,842

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
INSTRUCTIONAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 520,664	\$ 520,664
Investment earnings	-	-	111,565	111,565
Total Revenues	-	-	632,229	632,229
EXPENDITURES				
Regular education:				
Instruction	3,615,125	3,615,125	12,951	3,602,174
Total Expenditures	3,615,125	3,615,125	12,951	3,602,174
Excess (Deficiency) of Revenues				
Over Expenditures	(3,615,125)	(3,615,125)	619,278	4,234,403
Fund Balance - Beginning	-	-	3,994,655	3,994,655
Fund Balance - Ending	\$ (3,615,125)	\$ (3,615,125)	\$ 4,613,933	\$ 8,229,058

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OTHER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Community Schools	\$ -	\$ -	\$ 2,444,486	\$ 2,444,486
Student Activities	-	-	48,569	48,569
Rentals	-	-	98,124	98,124
Contributions and Donations	-	-	101,355	101,355
Investment earnings	-	-	129,439	129,439
Other	-	-	2,146	2,146
Total Revenues	-	-	2,824,119	2,824,119
EXPENDITURES				
Regular education:				
Instruction	322,170	322,170	252,675	69,495
Support services - students	5,258	5,258	4,124	1,134
Support services - instructional staff	581	581	456	125
Support services - general administration	186,520	186,520	146,286	40,234
Support services - school administration	642,312	642,312	503,760	138,552
Operations and maintenance of plant	29,796	29,796	23,369	6,427
Operation of noninstructional services	1,857,262	1,857,262	1,456,635	400,627
School sponsored cocurricular activities	129,368	129,368	101,462	27,906
School sponsored athletics	10,337	10,337	8,107	2,230
Total regular education	3,183,604	3,183,604	2,496,874	686,730
Special education:				
Operation of noninstructional services	380,611	380,611	298,510	82,101
Pupil transportation:				
Student transportation services	20,719	20,719	16,250	4,469
Capital Outlay:				
Facilities acquisition	3,973	3,973	3,116	857
Total Expenditures	3,588,907	3,588,907	2,814,750	774,157
Excess (Deficiency) of Revenues				
Over Expenditures	(3,588,907)	(3,588,907)	9,369	3,598,276
Fund Balance - Beginning	-	-	4,412,945	4,412,945
Fund Balance - Ending	\$ (3,588,907)	\$ (3,588,907)	\$ 4,422,314	\$ 8,011,221

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
FOOD SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 5,514,553	\$ 5,514,553
Food service sales	-	-	692,971	692,971
Investment earnings	-	-	59,314	59,314
Other	-	-	22,960	22,960
Total Revenues	-	-	6,289,798	6,289,798
EXPENDITURES				
Regular education:				
Support services - central services	17,373	17,373	19,543	(2,170)
Operation of noninstructional services	5,582,627	5,582,627	6,280,046	(697,419)
Total Expenditures	5,600,000	5,600,000	6,299,589	(699,589)
Excess (Deficiency) of Revenues Over Expenditures	(5,600,000)	(5,600,000)	(9,791)	5,590,209
Other Financing Sources (Uses):				
Transfers out	-	-	(400,000)	(400,000)
NET CHANGE IN FUND BALANCE	(5,600,000)	(5,600,000)	(409,791)	5,190,209
Fund Balance - Beginning	-	-	2,844,754	2,844,754
Fund Balance - Ending	\$ (5,600,000)	\$ (5,600,000)	\$ 2,434,963	\$ 8,034,963

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
ADJACENT WAYS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Property taxes	\$ -	\$ -	\$ 937,768	\$ 937,768
Investment earnings	-	-	90,713	90,713
Total Revenues	-	-	1,028,481	1,028,481
EXPENDITURES				
Capital outlay:				
Facilities acquisition	4,435,687	4,435,687	34,537	4,401,150
Excess (Deficiency) of Revenues				
Over Expenditures	(4,435,687)	(4,435,687)	993,944	5,429,631
Fund Balance - Beginning	-	-	3,598,759	3,598,759
Fund Balance - Ending	\$ (4,435,687)	\$ (4,435,687)	\$ 4,592,703	\$ 9,028,390

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
BOND BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	<u>Budgeted Amounts</u>		<u>Variances -</u>	
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final to Actual</u>
EXPENDITURES				
Debt service:				
Bond issuance costs	\$ 3,392,004	\$ 3,392,004	\$ 265,661	\$ 3,126,343
Capital outlay				
Facilities acquisition	16,077,996	16,077,996	1,259,225	14,818,771
Total Expenditures	19,470,000	19,470,000	1,524,886	14,818,771
Excess (Deficiency) of Revenues				
Over Expenditures	(19,470,000)	(19,470,000)	(1,524,886)	14,818,771
Other Financing Sources (Uses):				
General obligation bonds issued	-	-	19,170,000	19,170,000
Premium on general obligation bonds	-	-	520,984	520,984
Total Other Financing Sources (Uses)	-	-	19,690,984	19,690,984
NET CHANGE IN FUND BALANCE	(19,470,000)	(19,470,000)	18,166,098	37,636,098
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ 18,166,098	\$ 37,636,098

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
SCHOOL FACILITIES BOARD FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variances - Final to Actual
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 391,993	\$ 391,993
Investment earnings (loss)	-	-	(2,683)	(2,683)
Total Revenues	-	-	389,310	389,310
EXPENDITURES				
Regular education:				
Operations and maintenance of plant	5,000,000	5,000,000	301,730	4,698,270
Total Expenditures	5,000,000	5,000,000	301,730	4,698,270
Excess (Deficiency) of Revenues				
Over Expenditures	(5,000,000)	(5,000,000)	87,580	5,087,580
Fund Balance - Beginning	-	-	(24,514)	(24,514)
Fund Balance - Ending	\$ (5,000,000)	\$ (5,000,000)	\$ 63,066	\$ 5,063,066

LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FISCAL YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Variances -	
	Original	Final	Actual	Final to Actual
REVENUES				
Property taxes	\$ -	\$ -	4,819,000	\$ 4,819,000
Investment earnings	-	-	367,708	367,708
Total Revenues	-	-	5,186,708	5,186,708
EXPENDITURES				
Regular education:				
Support services - general administration	-	2,228	2,850	(622)
Debt service				
Principal retirement	3,068,630	3,068,630	3,925,000	(856,370)
Interest and fiscal charges	946,491	946,491	1,210,631	(264,140)
Total debt service	4,015,122	4,015,122	5,135,631	(1,120,509)
Total Expenditures	4,015,122	4,017,350	5,138,481	(1,120,509)
Excess (Deficiency) of Revenues				
Over Expenditures	(4,015,122)	(4,017,350)	48,227	4,066,199
Fund Balance - Beginning	-	-	515,969	515,969
Fund Balance - Ending	\$ (4,015,122)	\$ (4,017,350)	\$ 564,196	\$ 4,582,168

APPENDIX D

MARICOPA COUNTY, ARIZONA

The following information concerning the County is provided for background information only. No attempt has been made to determine what part, if any, of the data presented is applicable to the District; consequently, no representation is made as to the relevance of the data to the District or the Bonds. THE BONDS WILL NOT BE OBLIGATIONS OF THE COUNTY. The Bonds will be direct obligations of the District, payable solely from ad valorem taxes levied against all taxable property in the District as described under the heading "SECURITY FOR AND SOURCES OF PAYMENT OF THE BONDS."

General

The County was named after the Maricopa Indian tribe and was formed as the fifth county of Arizona in 1871. The principal geographic features of the County consist of the expansive river valleys of the Salt and Gila Rivers and a number of rugged mountain ranges scattered throughout the County.

The County encompasses approximately 9,222 square miles, 98 square miles of which is water.

LAND OWNERSHIP Maricopa County, Arizona

Control/Ownership	Percent of Land in County
U.S. Forest Service and Bureau of Land Management	39%
State of Arizona	11
Indian Reservation	5
Individual or Corporation	29
Other Public Lands	16
Total	100%

Source: *Arizona County Profiles*, Arizona Commerce Authority.

Municipal Government and Organization

The governmental and administrative affairs of the County are carried out by a Board of Supervisors (the "Board") comprised of five members who each serve four-year terms. The Board appoints a Chief Administrative Officer who is responsible for carrying out Board policies and administering County operations.

Located within the County are the cities of Avondale, Buckeye, Chandler, Glendale, Goodyear, Litchfield Park, Mesa, Peoria, Phoenix, Scottsdale, Surprise, Tempe and Tolleson; the towns of Carefree, Cave Creek, Fountain Hills, Guadalupe, Gilbert, Paradise Valley, Wickenburg and Youngtown and the unincorporated retirement communities of Sun City and Sun City West, along with several smaller communities.

The following table illustrates respective population statistics for the principal communities of the County, the County and the State.

POPULATION STATISTICS

Year	City of Phoenix	City of Mesa	City of Buckeye	City of Chandler	City of Glendale	City of Scottsdale	City of Tempe	Maricopa County	State of Arizona
2024 Estimate (a)	1,697,696	524,892	113,349	286,342	260,878	249,935	193,336	4,726,247	7,621,703
2020 Census	1,608,139	504,258	91,502	275,987	248,325	241,361	180,587	4,420,568	7,151,502
2010 Census	1,445,632	439,041	50,876	236,123	226,721	217,385	161,719	3,817,117	6,392,017
2000 Census	1,321,045	396,375	8,497	176,581	218,812	202,705	158,625	3,072,149	5,130,632
1990 Census	983,392	288,104	4,436	89,862	147,864	130,075	141,993	2,122,101	3,665,339
1980 Census	789,704	152,404	3,434	29,673	97,172	88,622	106,920	1,509,175	2,716,546

(a) Estimate as of July 2024 (data released in December 2024).

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

Economy

The County's economy is based on high technology manufacturing, light manufacturing and commercial activities (including construction and trade), tourism, government and agriculture. The table below illustrates the employment structure of the County.

NON-AGRICULTURAL EMPLOYMENT STRUCTURE Maricopa County, Arizona

	2025 Percent of Total (a)
Mining and construction	7.6%
Manufacturing	6.0
Trade, transportation and utilities	19.2
Information	1.6
Financial activities	9.0
Professional and business services	15.9
Educational and health services	17.6
Leisure and hospitality	10.7
Services and miscellaneous	3.3
Government	9.1
Total	100.0%

(a) Data through July 2025.

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

LABOR FORCE AND NONFARM EMPLOYMENT
Maricopa County, Arizona

	<u>2025 (a)</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Mining and construction	176,300	177,800	168,200	152,400	139,100	135,100
Manufacturing	139,700	142,600	142,300	140,400	133,700	129,900
Trade, transportation, and utilities	444,700	456,800	454,700	447,400	427,100	401,900
Information	37,600	39,500	42,200	42,800	39,700	37,400
Financial activities	207,900	206,700	209,200	214,600	214,300	206,600
Professional and business services	370,000	379,000	385,200	383,500	367,400	352,200
Educational and health services	409,600	398,800	379,600	359,100	339,100	329,300
Leisure and hospitality	247,400	254,300	245,800	229,900	206,200	187,200
Other services	77,400	75,400	74,900	71,400	66,800	60,100
Government	212,700	231,300	225,900	218,500	216,500	218,400
	<u>2,323,300</u>	<u>2,362,200</u>	<u>2,328,000</u>	<u>2,260,000</u>	<u>2,149,900</u>	<u>2,058,100</u>

(a) Data through July 2025.

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics.

The following table illustrates the unemployment rate averages for the County, the State and the United States of America.

UNEMPLOYMENT RATE AVERAGES

<u>Calendar Year</u>	<u>Maricopa County (a)</u>	<u>State of Arizona (a)</u>	<u>United States of America</u>
2025 (b)	3.5%	4.0%	4.2%
2024	3.1	3.6	4.0
2023	3.2	3.7	3.6
2022	3.3	3.8	3.6
2021	4.6	5.0	5.3
2020	7.2	7.8	8.1

(a) Each year, historical estimates from the Local Area Unemployment Statistics (LAUS) program are revised to reflect new population controls from the Census Bureau, updated input data, and reestimation. The data for model-based areas also incorporate new seasonal adjustment, and the unadjusted estimates are controlled to new census division and U.S. totals. Sub-state area data subsequently are revised to incorporate updated inputs, reestimation, and controlling to new statewide totals.

(b) Data through July 2025.

Source: Arizona Office of Economic Opportunity, prepared in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics and the U.S. Bureau of Labor Statistics.

Retail Sales

The following table illustrates retail sales for the County.

TAXABLE RETAIL SALES Maricopa County, Arizona (\$000s omitted)

Calendar Year	Taxable Retail Sales (a)
2025 (b)	\$44,566,408
2024	72,535,228
2023	73,072,528
2022	71,219,545
2021	66,043,105
2020	54,900,739

(a) The statutory definition of “Retail Sales” is the business of selling tangible personal property at retail. Therefore, this class does not include services or hotels, restaurants or food sales.

(b) Data through July 2025.

Source: Arizona Department of Revenue, Office of Economic Research and Analysis.

Bank Deposits

The following table illustrates bank deposits for the County.

BANK DEPOSITS Maricopa County, Arizona (\$ in millions)

Fiscal Year	Amount
2024	\$168,515
2023	163,826
2022	178,327
2021	158,003
2020	132,017

Source: Federal Deposit Insurance Corporation.

FORM OF APPROVING LEGAL OPINION

[Closing Date]

GOVERNING BOARD
LAVEEN ELEMENTARY SCHOOL DISTRICT
NO. 59 OF MARICOPA COUNTY, ARIZONA

We have examined the transcript of proceedings relating to the issuance by Laveen Elementary School District No. 59 (the “District”) of Maricopa County, Arizona (the “County”), of the District’s \$34,000,000* aggregate principal amount of School Improvement Bonds, Project of 2024, Series A (2025) (the “Bonds”). The Bonds are dated [Closing Date], and bear interest payable January 1 and July 1 of each year to maturity or prior redemption, commencing January 1, 2026*.

As to questions of fact material to our opinion we have relied upon, and assumed due and continuing compliance with the provisions of, the proceedings and other documents, and have relied upon certifications, covenants and representations furnished to us without undertaking to verify the same by independent investigation, including, without limitation, those with respect to causing interest on the Bonds to be and remain excluded from gross income for federal income tax purposes.

Based upon the foregoing, we are of the opinion, as of this date, which is the date of initial delivery of the Bonds against payment therefor, that:

1. The Bonds are valid and binding general obligations of the District.
2. All of the taxable property within the District is subject to the levy of a direct, annual, ad valorem tax to pay the principal of and interest on the Bonds without limit as to rate or amount. It is required by law that the Board of Supervisors of the County levy, at the time of making the levy of taxes for County purposes, an annual tax upon the taxable property in the District sufficient to pay the principal of and interest on the Bonds when due.
3. Under existing laws, regulations, rulings and judicial decisions, the interest income on the Bonds is excludable from gross income for the purpose of calculating federal income taxes and is exempt from Arizona income taxes. Interest income on the Bonds is not an item of tax preference to be included in computing the alternative minimum tax; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations (as defined in Section 59(k) of the Code (as defined herein)) for the purpose of computing the alternative minimum tax imposed on corporations. The Bonds are not private activity bonds within the meaning of Section 141 of the Internal Revenue Code of 1986, as amended (the “Code”). We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

The Code imposes various restrictions, conditions and requirements relating to the continued exclusion of interest income on the Bonds from gross income for federal income tax purposes, including a requirement that the District rebate to the federal government certain investment earnings with respect to the Bonds. Failure to comply with such restrictions, conditions and requirements could result in the interest income on the Bonds being included as gross income for federal income tax purposes from their date of issuance. The District has covenanted to comply with the restrictions, conditions and requirements of the Code necessary to preserve the tax-exempt status of the Bonds. For purposes of this opinion we have assumed continuing compliance by the District with such restrictions, conditions and requirements.

* *Subject to change.*

The rights of the owners of the Bonds and the enforceability of those rights may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and the enforcement of those rights may be subject to the exercise of judicial discretion in accordance with general principles of equity.

GUST ROSENFELD P.L.C.

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$34,000,000*
LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OF MARICOPA COUNTY, ARIZONA
SCHOOL IMPROVEMENT BONDS,
PROJECT OF 2024, SERIES A (2025)

CONTINUING DISCLOSURE CERTIFICATE
(CUSIP Base No. 567303)

This Continuing Disclosure Certificate (this “Disclosure Certificate”) is undertaken by Laveen Elementary School District No. 59 of Maricopa County, Arizona (the “District”) in connection with the issuance of its \$34,000,000* School Improvement Bonds, Project of 2024, Series A (2025) (the “Bonds”). In consideration of the initial sale and delivery of the Bonds, the District covenants as follows:

Section 1. **Purpose of the Disclosure Certificate.** This Disclosure Certificate is for the benefit of the Bondholders (as defined herein) and in order to assist the Participating Underwriter (as defined herein) in complying with the Rule (as defined herein).

Section 2. **Definitions.** Any capitalized term used herein shall have the following meanings, unless otherwise defined herein:

“Annual Report” shall mean the annual report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Audited Financial Statements” shall mean the District’s annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the District intends to continue to prepare in substantially the same form.

“Bond Counsel” shall mean Gust Rosenfeld P.L.C. or such other nationally recognized bond counsel as may be selected by the District.

“Bondholder” shall mean any registered owner or beneficial owner of the Bonds.

“Dissemination Agent” shall mean the District, or any person designated in writing by the District as the Dissemination Agent.

“EMMA” shall mean the Electronic Municipal Market Access system of MSRB, or any successor thereto approved by the Securities and Exchange Commission, as a repository for municipal continuing disclosure information pursuant to the Rule.

“Financial Obligation” shall mean (i) a debt obligation; (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii), except that “Financial Obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

* *Subject to change.*

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board, or any successor thereto.

“Official Statement” shall mean the final official statement dated [_____, 2025] relating to the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) Commencing February 1, 2026, and by no later than February 1 of each year thereafter (the “Filing Date”), the District shall, either directly or by directing the Dissemination Agent to do so, provide an Annual Report to MSRB. The Annual Report shall be provided electronically and in a format prescribed by MSRB. The Annual Report shall be consistent with the requirements of Section 4 of this Disclosure Certificate and shall include information from the fiscal year ending on the preceding June 30. All documents provided to MSRB shall be accompanied by identifying information prescribed by MSRB. Currently, filings are required to be made with EMMA. Not later than fifteen (15) business days prior to such Filing Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District).

(b) If the District is unable or for any reason fails to provide electronically to EMMA an Annual Report or any part thereof by the Filing Date required in subsection (a) above, the District shall, in a timely manner, send a notice to EMMA in substantially the form attached as Exhibit A not later than the Filing Date.

(c) If the District’s Audited Financial Statements are not submitted with the Annual Report and the District fails to provide to EMMA a copy of its Audited Financial Statements within thirty (30) days of receipt thereof by the District, then the District shall, in a timely manner, send a notice to EMMA in substantially the form attached as Exhibit B.

(d) The Dissemination Agent shall:

(i) Determine the proper electronic filing address of EMMA each year prior to the date(s) for providing the Annual Report and Audited Financial Statements; and

(ii) If the Dissemination Agent is other than the District, file a report or reports with the District certifying that the Annual Report and Audited Financial Statements, if applicable, have been provided pursuant to this Disclosure Certificate, stating the date such information was provided and listing where it was provided.

Section 4. Content of Annual Reports.

(a) The Annual Report may be submitted as a single document or as separate documents comprising an electronic package, and may incorporate by reference other information as provided in this Section, including the Audited Financial Statements of the District; provided, however, that if the Audited Financial Statements of the District are not available at the time of the filing of the Annual Report, the District shall file unaudited financial statements of the District with the Annual Report and, when the Audited Financial Statements of the District are available, the same shall be submitted to EMMA within thirty (30) days of receipt thereof by the District.

(b) The District’s Annual Report shall contain or incorporate by reference the following:

(i) Type of Financial and Operating Data to be Provided:

(A) Subject to the provisions of Sections 3 and 4(a) hereof, Audited Financial Statements for the District.

(B) Annually updated financial information and operating data of the type contained in the following tables in APPENDIX A – “THE DISTRICT – DISTRICT INFORMATION” and APPENDIX B – “THE DISTRICT – FINANCIAL INFORMATION” of the Official Statement:

- (1) TABLE 2 – Average Daily Membership;
- (2) TABLE 7 – Property Taxes Levied and Collected;
- (3) TABLE 9 – Net Limited Assessed Property Value by Property Classification;
- (4) TABLE 10 – Net Limited Assessed Property Value of Major Taxpayers; and
- (5) TABLES 15 and 16 – Constitutional/Statutory Debt Limit/Unused Borrowing Capacity after Bond Issuance.

(C) In the event of an amendment pursuant to Section 8 of this Disclosure Certificate not previously described in an Annual Report, an explanation, in narrative form, of the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided and, if the amendment is made to the accounting principles to be followed, a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles, including a qualitative discussion of the differences, and the impact on the presentation and, to the extent feasible, a quantitative comparison.

(ii) Accounting Principles Pursuant to Which Audited Financial Statements Shall Be Prepared: The Audited Financial Statements shall be prepared in accordance with generally accepted accounting principles and state law requirements as are in effect from time to time. A more complete description of the accounting principles currently followed in the preparation of the District’s Audited Financial Statements is contained in Note 1 of the Audited Financial Statements included within the Official Statement.

Notice of amendment to the accounting principles shall be sent within thirty (30) days to EMMA.

(c) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from EMMA. The District shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section shall govern the giving of notices by the District, either directly or by directing the Dissemination Agent to do so, of the occurrence of any of the following events with respect to the Bonds. The District shall in a timely manner, not in excess of ten (10) business days after the occurrence of the event, provide notice of the following events with EMMA:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service (the "IRS") of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the District;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of

- business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
 - (xv) The incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect Bondholders, if material; and
 - (xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

(b) “Materiality” will be determined in accordance with the applicable federal securities laws.

Note to Section 5(a)(xii): For the purposes of the event identified in subsection (a)(xii) above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

Section 6. Termination of Reporting Obligation. The District’s obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Such termination shall not terminate the obligation of the District to give notice of such defeasance or prior redemption.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate if:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in identity, nature or status of the District, or the type of business conducted;

(b) This Disclosure Certificate, as amended, would, in the opinion of Bond Counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of Bondholders, as determined by Bond Counsel.

Section 9. Filing with EMMA. The District shall, or shall cause the Dissemination Agent to, electronically file all items required to be filed with EMMA.

Section 10. Additional Information. The District may, at the District’s election, include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate. If the District chooses to include such information, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. **Default.** In the event of a failure of the District to comply with any provision of this Disclosure Certificate, any Bondholder may seek specific performance by court order to cause the District to comply with its obligations under this Disclosure Certificate. The sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance and such failure shall not constitute a default under the Bonds or the resolution authorizing the Bonds.

Section 12. **Compliance by District.** The District hereby covenants to comply with the terms of this Disclosure Certificate. The District expressly acknowledges and agrees that compliance with the undertaking contained in this Disclosure Certificate is its sole responsibility and the responsibility of the Dissemination Agent, if any, and that such compliance, or monitoring thereof, is not the responsibility of, and no duty is present with respect thereto for, the Participating Underwriter or Bond Counsel.

Section 13. **Subject to Appropriation.** Pursuant to Arizona law, the District's undertaking to provide information under this Disclosure Certificate is subject to appropriation to cover the costs of preparing and sending the Annual Report and notices of Listed Events to EMMA. Should funds that would enable the District to provide the information required to be disclosed hereunder not be appropriated, then notice of such fact shall, in a timely manner, be sent to EMMA in substantially the form attached as Exhibit C.

Section 14. **Beneficiaries.** This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

Section 15. **Governing Law and Interpretation of Terms.** This Disclosure Certificate shall be governed by the law of the State of Arizona and any action to enforce this Disclosure Certificate must be brought in an Arizona state court. The terms and provisions of this Disclosure Certificate shall be interpreted in a manner consistent with the interpretation of such terms and provisions under the Rule and the federal securities law.

Dated: [Closing Date].

**LAVEEN ELEMENTARY SCHOOL DISTRICT NO. 59
OF MARICOPA COUNTY, ARIZONA**

By _____
Its Chief Financial Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Laveen Elementary School District No. 59 of Maricopa County, Arizona
Name of Bond Issue: \$34,000,000* School Improvement Bonds, Project of 2024, Series A (2025)
Dated Date of Bonds: [Closing Date] Base CUSIP: 567303

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by Section 3(a) of the Continuing Disclosure Certificate dated [Closing Date]. The District anticipates that the Annual Report for fiscal year ended June 30, ____ will be filed by _____

Dated: _____

Laveen Elementary School District No. 59 of Maricopa
County, Arizona

By _____
Its _____

EXHIBIT B

NOTICE OF FAILURE TO FILE AUDITED FINANCIAL STATEMENTS

Name of Issuer: Laveen Elementary School District No. 59 of Maricopa County, Arizona
Name of Bond Issue: \$34,000,000* School Improvement Bonds, Project of 2024, Series A (2025)
Dated Date of Bonds: [Closing Date] Base CUSIP: 567303

NOTICE IS HEREBY GIVEN that the District failed to provide its Audited Financial Statements with its Annual Report or, if not then available, within 30 days of receipt as required by Section 4(a) of the Continuing Disclosure Certificate dated [Closing Date], with respect to the above-named Bonds. The District anticipates that the Audited Financial Statements for the fiscal year ended June 30, ____ will be filed by _____

Dated: _____

Laveen Elementary School District No. 59 of Maricopa
County, Arizona

By _____
Its _____

EXHIBIT C

NOTICE OF FAILURE TO APPROPRIATE FUNDS

Name of Issuer: Laveen Elementary School District No. 59 of Maricopa County, Arizona
Name of Bond Issue: \$34,000,000* School Improvement Bonds, Project of 2024, Series A (2025)
Dated Date of Bonds: [Closing Date] Base CUSIP: 567303

NOTICE IS HEREBY GIVEN that the District failed to appropriate funds necessary to perform the undertaking required by the Continuing Disclosure Certificate dated [Closing Date].

Dated: _____

Laveen Elementary School District No. 59 of Maricopa
County, Arizona

By _____
Its _____

BOOK-ENTRY-ONLY SYSTEM

The Depository Trust Company (“DTC”) will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Securities Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants” and together with the Direct Participants, the “Participants”). DTC has Standard & Poor’s rating of: “AA+.” The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial

Owners may wish to provide their names and addresses to the Bond Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal of and interest on the Bonds and the redemption price of any Bond will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Bond Registrar and Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar and Paying Agent or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal of and interest on the Bonds and the redemption price of any Bonds will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Bond Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Bond Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.