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# SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

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## Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**

**SOMERTON, ARIZONA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Issued by:  
Financial Services Department

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**

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## **INTRODUCTORY SECTION**

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# Somerton School District No.11

“Children, Our Priority-Personal Best, Our Goal”

343 N. Carlisle Avenue • P.O. Box 3200 • Somerton, AZ. 85350-3200

Phone (928) 341-6000 • Fax (928) 341-6090

[www.ssd11.org](http://www.ssd11.org)

December 17, 2021

Citizens and Governing Board  
Somerton Elementary School District No. 11  
343 N. Carlisle Avenue  
Somerton, AZ 85350

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Somerton Elementary School District No. 11 (District) for the fiscal year ended June 30, 2021.

This report consists of management’s representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District’s financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District’s financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor’s report is presented as the first component of the financial section of this report.

**Administration:** *Laura Noel, Ed.D, Superintendent*

**Governing Board:** *Juan Castillo, President • Lorena Zendejas, Clerk • Lizandro “Louie” Galaviz • Daniel Paz • Cristina Clark*

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

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

## **PROFILE OF THE DISTRICT**

The District is one of ten public school districts located in Yuma County, Arizona. It provides a program of public education from kindergarten through grade eight with an estimated average daily membership of 2,715 as of June 30, 2021. The projected enrollment for fiscal year 2021-22 is 2,715. Somerton School District houses 5 elementary schools: Desert Sonora Elementary built in 1999, Orange Grove Elementary built in 1986, Somerton Middle School built in 1991, Tierra Del Sol built in 1999, and Valle Del Encanto Early Learning Center built in 2006.

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

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

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

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

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

## **FACTORS AFFECTING FINANCIAL CONDITION**

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

**Local Economy.** Yuma's largest industry is agriculture, while secondary are retail, wholesale, finance, and insurance. In addition, the Marine Corps Air Station and the Army base located at the Yuma Proving Grounds are the major governmental entities. Yuma Proving Ground economic impact is figured at \$400.0 million while the impact of MCAS is placed at \$583.0 million. That's an impact that likely is increasing as the conflicts in Iran, Iraq, Afghanistan, and Syria carry on and the need for testing of equipment and training of people continues.

The District continues to be based in a primary agricultural community, centered in the City of Somerton. The 2020 population for City of Somerton is 14,197, down from the 2010 base of 14,287. The District; however, continues to lag behind the City of Yuma and Yuma County for income and employment comparisons. The District's average household income slowly increased during this decade. The average median household income is at \$44,686. On a most recent study, Yuma County poverty rate decreased from 26.9 percent in 2013 to 20.1 percent in 2018. About 19.5 percent of the population is below the poverty line.

Annual unemployment rates remain comparatively high despite wage increases. In June 2020 the average unemployment rate was at 22.0 percent compared to 20.4 percent through July 2019.

**Long-term Financial Planning.** Despite the recessionary conditions, housing developments within the District are still committed. There is a dramatic influence from the City of San Luis east developments set near the new port of entrance zoned for 2,249 dwellings in coincidence with the City of Somerton. This dramatic increase coincides with Housing America's efforts to provide low-income housing in an excess of 150 dwellings. This major factor will impact the District in the next decade into which new housing developments will be the major factor-affecting enrollment. The new port of entry will drive more taxable dollars to the District.

The economic downturn and recession pressures and excess dwelling inventory caused by foreclosures have almost dissipated. Income-to-home price ratios have started to stabilize and infrastructure expansion are in the future growth at an average of 7.27 percent given the market factors, which is lower than the Arizona average at 8 percent.

On another note, the presence of migratory workers provides a stabilization factor for the District. As migratory workers pass through for seasonal employment, a portion of substantial students entering and exiting the District remains through the course of instruction.

**Major Initiatives.** The District's Capital Override to combat enrollment growth ended on June 30, 2021. The override assisted in adding square feet to Encanto Learning Center, Tierra Del Sol Elementary, and a Media Center to Orange Grove Elementary. On average the District buildings are older than 21 years.

The Arizona State Facility Board has approved but did not fully fund for the District to build two (K-6) elementary schools in their fiscal year 2020 budget. Each school has been allocated \$3,307,500 for construction costs. The District plans to build a school in Somerton and one in San Luis for the 2022-23 school year to open in August 2022. The Arizona State Facility Board has approved the construction costs in their fiscal year 2020 budget for the two additional (K-6) elementary schools.

## **AWARDS AND ACKNOWLEDGMENT**

**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the twenty-third year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2021 certificates.

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

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

Respectfully submitted,



Laura Noel, Ed.D.  
Superintendent



Melissa Porchas  
Director of Financial Services



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Somerton Elementary School District No. 11

for its Comprehensive Annual Financial Report  
for the Fiscal Year Ended June 30, 2020.

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



A handwritten signature in black ink, reading 'W. Edward Chabal'.

W. Edward Chabal  
President

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

David J. Lewis  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Somerton Elementary School District No. 11  
Arizona**

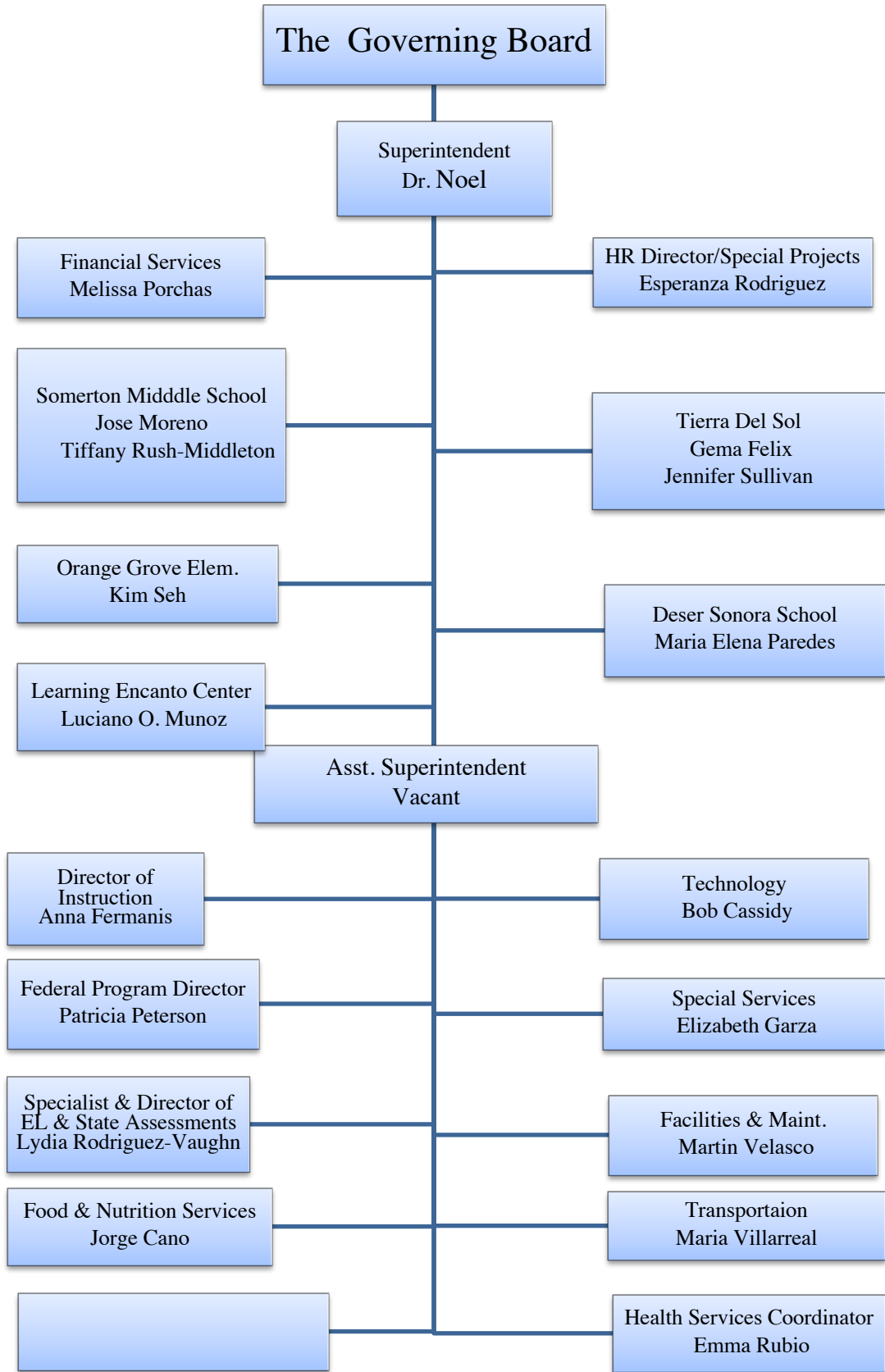
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

SOMERTON SCHOOL DISTRICT ORGANIZATIONAL CHART FY 20-21



Adopted

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Juan Castillo, President

Lorena Zendejas, Clerk

Lizandro “Louie” Galaviz, Member

Daniel Paz., Member

Cristina Clark, Member

**ADMINISTRATIVE STAFF**

Laura Noel, Ed.D., Superintendent

Esperanza Rodriguez, Director of Human Resources and Special Projects

Melissa Porchas, Director of Financial Services

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## **FINANCIAL SECTION**

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## Independent Auditor's Report

Governing Board  
Somerton Elementary School District No. 11

### **Report on Audit of Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Somerton Elementary School District No. 11 (District), as of and for the year ended June 30, 2021, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Somerton Elementary School District No. 11, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Somerton Elementary School District No. 11 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.

#### ***Responsibilities of Management for the Financial Statements***

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 one year 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 generally accepted auditing standards 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 generally accepted auditing standards 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.

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, and net pension liability information, as listed in 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 Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

### *Other Information*

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other 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 17, 2021, on our consideration of Somerton Elementary School District No. 11's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Somerton Elementary School District No. 11's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Somerton Elementary School District No. 11's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.  
Tucson, Arizona  
December 17, 2021

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

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**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

As management of the Somerton Elementary School District No. 11 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

### **FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities increased \$2.2 million which represents a 15 percent increase from the prior fiscal year as a result of unexpended state aid.
- General revenues accounted for \$21.5 million in revenue, or 73 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$7.9 million or 27 percent of total current fiscal year revenues.
- The District had approximately \$27.2 million in expenses related to governmental activities, an increase of one percent from the prior fiscal year.
- Among major funds, the General Fund had \$17.1 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$16.5 million in expenditures. The General Fund's fund balance increase from \$2.5 million at the prior fiscal year end to \$3.1 million at the end of the current fiscal year was primarily due to a decrease in overall expenditures due to remote learning provided most of the year as a result of the COVID-19 pandemic.

### **OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The accrual basis of accounting is used for the government-wide financial statements.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and a major Special Revenue Fund as required supplementary information. Schedules for the pension plan have been provided as required supplementary information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities by \$17.0 million at the current fiscal year end.

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	As of June 30, 2021	As of June 30, 2020
Current and other assets	\$ 6,542,691	\$ 5,150,275
Capital assets, net	31,227,227	31,708,576
Total assets	<u>37,769,918</u>	<u>36,858,851</u>
Deferred outflows	<u>4,279,224</u>	<u>2,191,942</u>
Current liabilities	845,459	1,606,692
Long-term liabilities	24,154,145	21,422,098
Total liabilities	<u>24,999,604</u>	<u>23,028,790</u>
Deferred inflows	<u>                    </u>	<u>1,182,609</u>
Net position:		
Net investment in capital assets	29,684,090	29,916,674
Restricted	2,480,003	1,084,236
Unrestricted	(15,114,555)	(16,161,516)
Total net position	<u>\$ 17,049,538</u>	<u>\$ 14,839,394</u>

At the end of the current fiscal year the District reported a negative unrestricted net position of \$15.1 million as a result of an unfunded pension liability. Positive net position was reported in the other two categories. The same situation held true for the prior year.

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

- The addition of \$1.1 million in capital assets primarily due to school building improvements and new land.
- The addition of \$1.5 million in accumulated depreciation.
- The principal retirement of \$1.0 million of capital lease obligations.
- The net pension liability increased \$3.8 million.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

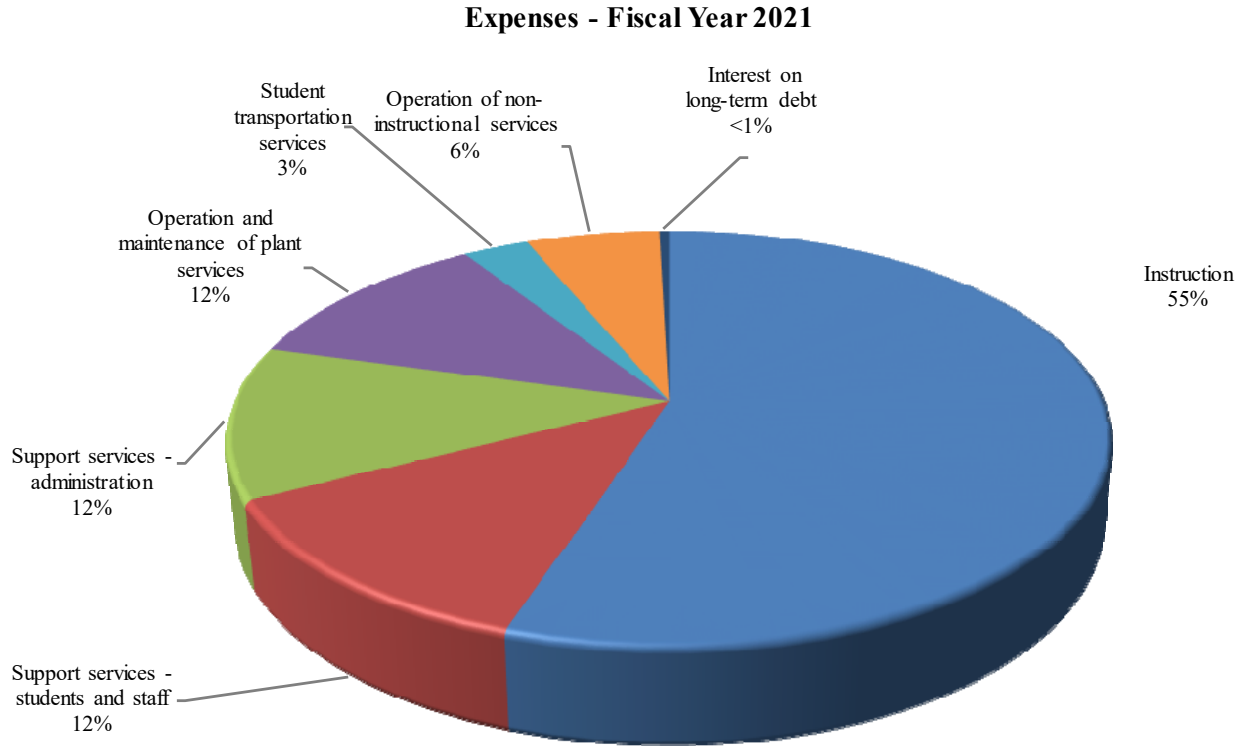
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$29.4 million. The total cost of all programs and services was \$27.2 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 121,448	\$ 396,623
Operating grants and contributions	6,995,205	5,668,060
Capital grants and contributions	796,893	515,631
General revenues:		
Property taxes	3,263,006	2,542,576
Investment income	10,418	17,922
Unrestricted county aid	524,375	506,399
Unrestricted state aid	17,517,988	17,626,797
Unrestricted federal aid	193,136	226,516
<b>Total revenues</b>	29,422,469	27,500,524
<b>Expenses:</b>		
Instruction	14,985,208	14,515,164
Support services – students and staff	3,392,823	3,034,831
Support services – administration	3,217,071	3,200,035
Operation and maintenance of plant services	3,142,930	3,207,213
Student transportation services	778,917	825,628
Operation of non-instructional services	1,581,349	2,031,204
Interest on long-term debt	114,027	165,384
<b>Total expenses</b>	27,212,325	26,979,459
<b>Changes in net position</b>	2,210,144	521,065
<b>Net position, beginning</b>	14,839,394	14,318,329
<b>Net position, ending</b>	\$ 17,049,538	\$ 14,839,394

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- Operating grants and contributions increased \$1.3 million due to COVID related grants received by school districts.
- The decrease of \$449,855 in operation of non-instructional services expenses was due to fewer costs in the Food Service program, resulting from the COVID-19 pandemic.
- The increase in property tax revenues of \$720,430 was due to additional taxes levied for adjacent ways.

The following table presents the cost of the District's major functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 14,985,208	\$ (11,633,641)	\$ 14,515,164	\$ (12,070,903)
Support services - students and staff	3,392,823	(1,567,124)	3,034,831	(1,521,193)
Support services - administration	3,217,071	(2,877,483)	3,200,035	(2,821,898)
Operation and maintenance of plant services	3,142,930	(2,541,102)	3,207,213	(2,968,868)
Student transportation services	778,917	(758,761)	825,628	(816,716)
Operation of non-instructional services	1,581,349	100,053	2,031,204	(175,479)
Interest on long-term debt	114,027	(20,721)	165,384	(24,088)
<b>Total</b>	<b>\$ 27,212,325</b>	<b>\$ (19,298,779)</b>	<b>\$ 26,979,459</b>	<b>\$ (20,399,145)</b>

- The cost of all governmental activities this year was \$27.2 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$7.9 million.
- Net cost of governmental activities of \$19.3 million was financed by general revenues, which are made up of primarily property taxes of \$3.3 million and state and county aid of \$18.0 million.

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

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$5.0 million, an increase of \$1.8 million primarily due to unexpended state aid which will be used for the new school sites in the subsequent fiscal year.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

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

The General Fund comprises 62 percent of the total fund balance. The entire \$3.1 million of the General Fund's fund balance is unassigned. The General Fund is the principal operating fund of the District. The fund balance increased \$625,193 in the General Fund to \$3.1 million as of fiscal year end. General Fund revenues decreased \$118,892 and General Fund expenditures increased \$32,038.

The Other Federal Projects Fund's fund balance decreased \$78,262 to a deficit of \$245,420.

The Unrestricted Capital Outlay Fund's fund balance increased \$666,631 to \$766,776 at fiscal year-end as a result of a decrease in expenditures related to capital outlay.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in average daily membership. The difference between the original budget and the final amended budget was a \$703,664 decrease, or four percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant favorable variances of \$705,615 in instruction and \$399,924 in operation and maintenance of plant services were a result of remote learning provided most of the school year due to the COVID-19 pandemic.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$53.3 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$1.0 million from the prior fiscal year, primarily due to building improvements and new land. Total depreciation expense for the current fiscal year was \$1.5 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2021 and June 30, 2020.

	As of June 30, 2021	As of June 30, 2020
Capital assets - non-depreciable	\$ 2,437,410	\$ 2,073,488
Capital assets - depreciable, net	28,789,817	29,635,088
Total	\$ 31,227,227	\$ 31,708,576

The estimated cost to complete current construction projects is \$11.8 million.

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

**Debt Administration.** At year end, the District had \$1.5 million in long-term debt outstanding, \$251,134 due within one year. Long-term debt decreased by \$1.0 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$13.7 million and the Class B debt limit is \$9.1 million. At fiscal year end, the District had no outstanding general obligation debt.

Additional information on the District's long-term debt can be found in Notes 7 and 8.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

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

Many factors were considered by the District's administration during the process of developing the fiscal year 2021-22 budget. Among them:

- Fiscal year 2020-21 budget balance carry forward (estimated \$1.3 million).
- District unweighted student counts of 2,716.

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

Budgeted expenditures in the General Fund increased five percent to \$18.5 million in fiscal year 2021-22. Increases to teacher base salary amounts is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2021-22 budget.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Somerton Elementary School District No. 11, 343 North Carlisle Avenue, Somerton, Arizona 85350.

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 971,316
Property taxes receivable	299,804
Accounts receivable	16,070
Due from governmental entities	5,255,501
Total current assets	6,542,691
Noncurrent assets:	
Capital assets not being depreciated	2,437,410
Capital assets, net of accumulated depreciation	28,789,817
Total noncurrent assets	31,227,227
<b>Total assets</b>	37,769,918
 <b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Pension plan items	4,279,224
 <b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	149,917
Accrued payroll and employee benefits	634,077
Compensated absences payable	100,000
Unearned revenues	61,465
Obligations under capital leases	251,134
Total current liabilities	1,196,593
Noncurrent liabilities:	
Non-current portion of long-term obligations	23,803,011
Total noncurrent liabilities	23,803,011
<b>Total liabilities</b>	24,999,604
 <b><u>NET POSITION</u></b>	
Net investment in capital assets	29,684,090
Restricted for:	
Instruction	642,709
Food service	329,803
Non-instructional purposes	85,368
Capital outlay	1,422,123
Unrestricted	(15,114,555)
<b>Total net position</b>	\$ 17,049,538

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

<b>Functions/Programs</b>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 14,985,208	\$ 23,648	\$ 2,728,292	\$ 599,627	\$ (11,633,641)
Support services - students and staff	3,392,823	8,743	1,816,956		(1,567,124)
Support services - administration	3,217,071		339,588		(2,877,483)
Operation and maintenance of plant services	3,142,930	62,397	342,165	197,266	(2,541,102)
Student transportation services	778,917		20,156		(758,761)
Operation of non-instructional services	1,581,349	26,660	1,654,742		100,053
Interest on long-term debt	114,027		93,306		(20,721)
<b>Total governmental activities</b>	<u>\$ 27,212,325</u>	<u>\$ 121,448</u>	<u>\$ 6,995,205</u>	<u>\$ 796,893</u>	<u>\$ (19,298,779)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	1,309,979
Property taxes, levied for capital outlay	1,953,027
Investment income	10,418
Unrestricted county aid	524,375
Unrestricted state aid	17,517,988
Unrestricted federal aid	193,136
<b>Total general revenues</b>	<u>21,508,923</u>

**Changes in net position**

2,210,144

**Net position, beginning of year**

14,839,394

**Net position, end of year**

\$ 17,049,538

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

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**FUND FINANCIAL STATEMENTS**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2021**

	General	Other Federal Projects	Unrestricted Capital Outlay
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$	\$ 153,738
Property taxes receivable	117,826		146,077
Accounts receivable			
Due from governmental entities	3,981,106	245,420	238,454
Due from other funds			365,370
<b>Total assets</b>	<b>\$ 4,098,932</b>	<b>\$ 245,420</b>	<b>\$ 903,639</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 112,033	\$ 9,475	\$ 10,326
Due to other funds	301,390	216,188	
Accrued payroll and employee benefits	468,280	19,757	
Unearned revenues			
<b>Total liabilities</b>	<b>881,703</b>	<b>245,420</b>	<b>10,326</b>
Deferred inflows of resources:			
Unavailable revenues - property taxes	98,241		126,537
Unavailable revenues - intergovernmental		245,420	
<b>Total deferred inflows of resources</b>	<b>98,241</b>	<b>245,420</b>	<b>126,537</b>
Fund balances (deficits):			
Restricted			766,776
Unassigned	3,118,988	(245,420)	
<b>Total fund balances</b>	<b>3,118,988</b>	<b>(245,420)</b>	<b>766,776</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 4,098,932</b>	 <b>\$ 245,420</b>	 <b>\$ 903,639</b>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 817,578	\$ 971,316
35,901	299,804
16,070	16,070
790,521	5,255,501
641,776	1,007,146
<u>\$ 2,301,846</u>	<u>\$ 7,549,837</u>

\$ 18,083	\$ 149,917
489,568	1,007,146
146,040	634,077
61,465	61,465
<u>715,156</u>	<u>1,852,605</u>

29,152	253,930
<u>155,148</u>	<u>400,568</u>
<u>184,300</u>	<u>654,498</u>

1,557,538	2,324,314
(155,148)	2,718,420
<u>1,402,390</u>	<u>5,042,734</u>

<u>\$ 2,301,846</u>	<u>\$ 7,549,837</u>
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**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2021**

**Total governmental fund balances** **\$ 5,042,734**

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

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

Governmental capital assets	\$ 53,257,519	
Less accumulated depreciation	<u>(22,030,292)</u>	31,227,227

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

Property taxes	253,930	
Intergovernmental	<u>400,568</u>	654,498

Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. 4,279,224

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

Compensated absences payable	(245,936)	
Obligations under capital leases	(1,543,137)	
Net pension liability	<u>(22,365,072)</u>	<u>(24,154,145)</u>

**Net position of governmental activities** **\$ 17,049,538**

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	<u>General</u>	<u>Other Federal Projects</u>	<u>Unrestricted Capital Outlay</u>
<b>Revenues:</b>			
Other local	\$ 522,971	\$	\$ 31,863
Property taxes	1,315,823		1,417,672
State aid and grants	15,099,503		902,134
Federal aid, grants and reimbursements	193,136	1,346,799	18,885
<b>Total revenues</b>	<u>17,131,433</u>	<u>1,346,799</u>	<u>2,370,554</u>
<b>Expenditures:</b>			
Current -			
Instruction	9,481,985	706,341	
Support services - students and staff	1,520,148	328,127	
Support services - administration	2,675,384	92,432	
Operation and maintenance of plant services	2,318,914	99,527	
Student transportation services	479,212	10,821	
Operation of non-instructional services	41,280		
Capital outlay		137,828	884,818
Debt service -			
Principal retirement			800,220
Interest and fiscal charges			18,885
<b>Total expenditures</b>	<u>16,516,923</u>	<u>1,375,076</u>	<u>1,703,923</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>614,510</u>	<u>(28,277)</u>	<u>666,631</u>
<b>Other financing sources (uses):</b>			
Transfer in	280,169		
Transfer out	(269,486)	(49,985)	
<b>Total other financing sources (uses)</b>	<u>10,683</u>	<u>(49,985)</u>	
<b>Changes in fund balances</b>	<u>625,193</u>	<u>(78,262)</u>	<u>666,631</u>
<b>Fund balances (deficits), beginning of year</b>	2,493,795	(167,158)	100,145
<b>Fund balances (deficits), end of year</b>	<u>\$ 3,118,988</u>	<u>\$ (245,420)</u>	<u>\$ 766,776</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 191,348	\$ 746,182
493,367	3,226,862
2,609,284	18,610,921
4,490,175	6,048,995
<u>7,784,174</u>	<u>28,632,960</u>
3,179,174	13,367,500
1,455,102	3,303,377
227,750	2,995,566
200,914	2,619,355
8,042	498,075
1,478,997	1,520,277
387,512	1,410,158
248,765	1,048,985
95,142	114,027
<u>7,281,398</u>	<u>26,877,320</u>
<u>502,776</u>	<u>1,755,640</u>
269,486	549,655
<u>(230,184)</u>	<u>(549,655)</u>
<u>39,302</u>	
<u>542,078</u>	<u>1,755,640</u>
860,312	3,287,094
<u>\$ 1,402,390</u>	<u>\$ 5,042,734</u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

**Changes in fund balances - total governmental funds** **\$ 1,755,640**

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

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

Expenditures for capitalized assets	\$ 685,928	
Less current year depreciation	<u>(1,546,980)</u>	(861,052)

Donated assets are not reported in the governmental funds. However, in the Statement of Activities the cost of those assets are reported as capital grants and contributions. 391,500

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

Property taxes	36,144	
Intergovernmental	<u>361,865</u>	398,009

Repayments of capital lease principal retirement are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. 1,048,985

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

Current year pension contributions	1,705,278	
Pension expense	<u>(2,246,270)</u>	(540,992)

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

Loss on disposal of assets	(11,797)	
Compensated absences	<u>29,851</u>	<u>18,054</u>

**Changes in net position in governmental activities** **\$ 2,210,144**

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

The financial statements of the Somerton Elementary School District No. 11 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**A. Reporting Entity**

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

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

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

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

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) present financial information about the District as a whole. The reported information includes all of the nonfiduciary activities of the District. For the most part, the effect of internal activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities or fiduciary activities.

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

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

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

Property taxes, federal, state and county aid, tuition and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Food services and miscellaneous revenues are not susceptible to accrual because generally they are not measurable until received in cash. Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Unearned revenues arise when resources are received by the District before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

Delinquent property taxes and other receivables that will not be collected within the available period have been reported as unavailable revenues on the governmental fund financial statements.

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

The District reports the following major governmental funds:

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

Other Federal Projects Fund – The Other Federal Projects Fund accounts for financial assistance received for other supplemental federal projects.

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

**D. Cash and Investments**

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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

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

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

**E. Investment Income**

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

**F. Receivables and Payables**

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

**G. Property Tax Calendar**

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

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

**H. Prepaid Items**

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

**I. Capital Assets**

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

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

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

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

Land improvements	15-25 years
Buildings and improvements	10-50 years
Vehicles, furniture and equipment	5-20 years

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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

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

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

**K. Pensions**

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

**L. Compensated Absences**

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

**M. Long-term Obligations**

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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

**N. Interfund Activity**

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

**O. Net Position Flow Assumption**

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

**P. Estimates**

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

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

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	General Fund	Other Federal Projects Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Fund Balances:				
Restricted:				
Capital projects	\$	\$	\$ 766,776	\$ 499,658
Voter approved initiatives				366,831
Federal and state projects				98,788
Food service				329,803
Civic center				42,214
Extracurricular activities				53,093
Donor restricted gifts and donations				25,046
Insurance refund				34,528
Student activities				93,534
Other purposes				14,043
Unassigned	3,118,988	(245,420)		(155,148)
Total fund balances	\$ 3,118,988	\$ (245,420)	\$ 766,776	\$ 1,402,390

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

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

	Deficit
Major Fund:	
Other Federal Projects	\$ 245,420
Non-Major Governmental Funds:	
Title I Grants	42,368
Professional Development and Technology Grants	8,600
Title IV Grants	4,600
Limited English & Immigrant Students	41,043
Special Education Grants	29,912
Adult Education	28,625

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2021-22 are expected to eliminate the deficits.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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

**NOTE 4 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$93,534 and the bank balance was \$651,738. At year end, \$303,204 was covered by collateral held by the pledging institution's trust department or agent but not in the District's name.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	1.36 years	<u>\$ 877,782</u>

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

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 5 – RECEIVABLES**

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

	<u>General Fund</u>	<u>Other Federal Projects</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:				
Due from federal government	\$ 25,196	\$ 245,420	\$	\$ 544,627
Due from state government	3,950,025		238,454	245,894
Due from county government	5,885			
Net due from governmental entities	<u>\$ 3,981,106</u>	<u>\$ 245,420</u>	<u>\$ 238,454</u>	<u>\$ 790,521</u>

**NOTE 6 – CAPITAL ASSETS**

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 1,643,357	\$ 391,500	\$	\$ 2,034,857
Construction in progress	430,131	42,661	70,239	402,553
Total capital assets, not being depreciated	<u>2,073,488</u>	<u>434,161</u>	<u>70,239</u>	<u>2,437,410</u>
Capital assets, being depreciated:				
Land improvements	2,331,430	123,780		2,455,210
Buildings and improvements	42,601,854	482,116		43,083,970
Vehicles, furniture and equipment	5,201,818	107,610	28,499	5,280,929
Total capital assets being depreciated	<u>50,135,102</u>	<u>713,506</u>	<u>28,499</u>	<u>50,820,109</u>
Less accumulated depreciation for:				
Land improvements	(1,116,189)	(102,743)		(1,218,932)
Buildings and improvements	(15,936,301)	(995,709)		(16,932,010)
Vehicles, furniture and equipment	(3,447,524)	(448,528)	(16,702)	(3,879,350)
Total accumulated depreciation	<u>(20,500,014)</u>	<u>(1,546,980)</u>	<u>(16,702)</u>	<u>(22,030,292)</u>
Total capital assets, being depreciated, net	<u>29,635,088</u>	<u>(833,474)</u>	<u>11,797</u>	<u>28,789,817</u>
Governmental activities capital assets, net	<u>\$ 31,708,576</u>	<u>\$ (399,313)</u>	<u>\$ 82,036</u>	<u>\$ 31,227,227</u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 6 – CAPITAL ASSETS**

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 894,673
Support services – students and staff	2,749
Support services – administration	36,341
Operation and maintenance of plant services	441,625
Student transportation services	145,707
Operation of non-instructional services	25,885
Total depreciation expense – governmental activities	<u>\$1,546,980</u>

**Construction Commitments** – At year end, the District had contractual commitments related to the two new school sites to be located in San Luis and Somerton. At year end, the District had spent \$402,553 on the projects and had estimated remaining contractual commitments of \$11,758,247. The projects are being funded with School Facilities Board monies.

**NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired computers, textbooks, energy efficiency upgrades, and computer hardware under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund, a major governmental fund, and revenues from the General Fund are transferred to the Energy and Water Savings Fund to pay the capital lease obligations when due. The District receives a federal interest subsidy to fund the interest payments for the District-wide energy project and the Qualified Zone Academy Bond program. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	<u>Governmental Activities</u>
Asset:	
Building improvements	\$ 3,858,209
Vehicles, furniture and equipment	1,305,638
Less: Accumulated depreciation	<u>(2,795,854)</u>
Total	<u>\$ 2,367,993</u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 7 – OBLIGATIONS UNDER CAPITAL LEASES**

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

Year Ending June 30:	Governmental Activities
2022	\$ 332,561
2023	321,107
2024	309,545
2025	297,872
2026	286,088
2027	274,193
Total minimum lease payments	1,821,366
Less: amount representing interest	278,229
Present value of minimum lease payments	\$ 1,543,137
Due within one year	\$ 251,134

**NOTE 8 – CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Obligations under capital leases	\$ 2,592,122	\$	\$ 1,048,985	\$ 1,543,137	\$ 251,134
Net pension liability	18,554,189	3,810,883		22,365,072	
Compensated absences payable	275,787	105,199	135,050	245,936	100,000
Governmental activity long-term liabilities	\$ 21,422,098	\$ 3,916,082	\$ 1,184,035	\$24,154,145	\$ 351,134

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end, interfund balances were as follows:

**Due to/from other funds:**

	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds	Total Due to Other Funds
General Fund	\$ 301,390	\$	\$ 301,390
Other Federal Projects Fund		216,188	216,188
Non-Major Governmental Funds	63,980	425,588	489,568
Total Due from Other Funds	<u>\$ 365,370</u>	<u>\$ 641,776</u>	<u>\$ 1,007,146</u>

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

	Transfers in		Total
	General Fund	Non-Major Governmental Funds	
<u>Transfers out</u>			
General Fund	\$	\$ 269,486	\$ 269,486
Other Federal Projects Fund	49,985		49,985
Non-Major Governmental Funds	230,184		230,184
Total	<u>\$ 280,169</u>	<u>\$ 269,486</u>	<u>\$ 549,655</u>

**Interfund transfers** – Transfers between funds were used to (1) move federal grant funds restricted for indirect costs to the appropriate fund where the expenditures are made and (2) to transfer funds from the General Fund to the Energy and Water Savings Fund for the debt service on an energy efficiency project lease.

**NOTE 10 – CONTINGENT LIABILITIES**

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 11 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined the Arizona School Risk Retention Trust, Inc. (ASRRT) ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for school districts and community colleges in the State. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District's employees have health and accident insurance coverage with the Arizona School Board Association Insurance Trust (ASBAIT). ASBAIT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium to ASBAIT for employees' health and accident insurance coverage. The agreement provides that ASBAIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

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

The District continues to carry commercial insurance for all other risks of loss, including dental, vision, and life insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 12 – PENSIONS**

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

The ASRS OPEB plans are not further disclosed because of their relative insignificance to the District’s financial statements.

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

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

\*With actuarially reduced benefits

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 12 – PENSIONS**

**Contributions.** In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2021 were \$1,705,278.

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.21 percent (10.14 for retirement and 0.07 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

**Pension Liability.** The net pension liability was measured as of June 30, 2020. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2019, to the measurement date of June 30, 2020. The District’s proportion of the net liability was based on the District’s actual contributions to the applicable plan relative to the total of all participating employers’ contributions to the plan for the year ended June 30, 2020.

At June 30, 2021, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2020, the District’s percentage proportion for each plan and the related change from its proportion measured as of June 30, 2019 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 22,365,072	0.129	0.002

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 12 – PENSIONS**

**Pension Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District’s pension expense for the year ended June 30, 2021 was \$2,246,270.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 202,331	\$
Net difference between projected and actual earnings on pension investments	2,157,137	
Changes in proportion and differences between contributions and proportionate share of contributions	214,478	
Contributions subsequent to the measurement date	1,705,278	
Total	\$ 4,279,224	\$

The District did not have deferred inflows of resources related to pensions during the year.

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2022	\$	392,547
2023		733,948
2024		780,260
2025		667,191

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 12 – PENSIONS**

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

Actuarial valuation date	June 30, 2019
Actuarial roll forward date	June 30, 2020
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Inflation	2.3%
Projected salary increases	2.7-7.2%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
Equity	50%	6.39%
Credit	20	5.44
Interest rate sensitive bonds	10	0.22
Real estate	20	5.85
Total	<u>100%</u>	

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 12 – PENSIONS**

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

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

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 30,583,933	\$ 22,365,072	\$ 15,494,527

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

**REQUIRED SUPPLEMENTARY INFORMATION**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 507,258	\$ 507,258
Property taxes			1,315,823	1,315,823
State aid and grants			15,099,502	15,099,502
<b>Total revenues</b>			<u>16,922,583</u>	<u>16,922,583</u>
<b>Expenditures:</b>				
Current -				
Instruction	10,719,612	10,175,114	9,469,499	705,615
Support services - students and staff	1,468,970	1,477,148	1,368,952	108,196
Support services - administration	2,595,302	2,594,606	2,504,745	89,861
Operation and maintenance of plant services	2,891,194	2,718,191	2,318,267	399,924
Student transportation services	593,768	593,768	479,212	114,556
Operation of non-instructional services	34,784	41,139	41,280	(141)
<b>Total expenditures</b>	<u>18,303,630</u>	<u>17,599,966</u>	<u>16,181,955</u>	<u>1,418,011</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(18,303,630)</u>	<u>(17,599,966)</u>	<u>740,628</u>	<u>18,340,594</u>
<b>Other financing sources (uses):</b>				
Transfer out			(269,486)	(269,486)
<b>Total other financing sources (uses)</b>			<u>(269,486)</u>	<u>(269,486)</u>
<b>Changes in fund balances</b>	<u>(18,303,630)</u>	<u>(17,599,966)</u>	<u>471,142</u>	<u>18,071,108</u>
<b>Fund balances, beginning of year</b>			1,354,835	1,354,835
<b>Fund balances (deficits), end of year</b>	<u>\$ (18,303,630)</u>	<u>\$ (17,599,966)</u>	<u>\$ 1,825,977</u>	<u>\$ 19,425,943</u>

See accompanying notes to this schedule.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
OTHER FEDERAL PROJECTS  
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Federal aid, grants and reimbursements	\$	\$	\$ 1,346,799	\$ 1,346,799
<b>Total revenues</b>			<u>1,346,799</u>	<u>1,346,799</u>
<b>Expenditures:</b>				
Current -				
Instruction	939,684	5,277,040	706,341	4,570,699
Support services - students and staff			328,127	(328,127)
Support services - administration			92,432	(92,432)
Operation and maintenance of plant services			99,527	(99,527)
Student transportation services			10,821	(10,821)
Capital outlay			137,828	(137,828)
<b>Total expenditures</b>	<u>939,684</u>	<u>5,277,040</u>	<u>1,375,076</u>	<u>3,901,964</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(939,684)</u>	<u>(5,277,040)</u>	<u>(28,277)</u>	<u>5,248,763</u>
<b>Other financing sources (uses):</b>				
Transfer out			(49,985)	(49,985)
<b>Total other financing sources (uses)</b>			<u>(49,985)</u>	<u>(49,985)</u>
<b>Changes in fund balances</b>	<u>(939,684)</u>	<u>(5,277,040)</u>	<u>(78,262)</u>	<u>5,198,778</u>
<b>Fund balances (deficits), beginning of year</b>			(167,158)	(167,158)
<b>Fund balances (deficits), end of year</b>	<u>\$ (939,684)</u>	<u>\$ (5,277,040)</u>	<u>\$ (245,420)</u>	<u>\$ 5,031,620</u>

See accompanying notes to this schedule.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ARIZONA STATE RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
District's proportion of the net pension (assets) liability	0.13%	0.13%	0.13%	0.13%
District's proportionate share of the net pension (assets) liability	\$ 22,365,072	\$ 18,554,189	\$ 17,594,880	\$ 19,720,254
District's covered payroll	\$ 14,025,782	\$ 13,412,996	\$ 12,542,055	\$ 12,426,447
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	159.46%	138.33%	140.29%	158.70%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,705,278	\$ 1,605,952	\$ 1,499,573	\$ 1,367,084
Contributions in relation to the actuarially determined contribution	<u>1,705,278</u>	<u>1,605,952</u>	<u>1,499,573</u>	<u>1,367,084</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 14,637,579	\$ 14,025,782	\$ 13,412,996	\$ 12,542,055
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%

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

See accompanying notes to this schedule.

<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2016	June 30, 2015	June 30, 2014
0.12%	0.12%	0.12%
\$ 19,753,361	\$ 19,022,767	\$ 18,137,029
\$ 11,456,894	\$ 11,275,390	\$ 11,475,607
172.41%	168.71%	158.05%
67.06%	68.35%	69.49%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,339,571	\$ 1,243,073	\$ 1,227,890
<u>1,339,571</u>	<u>1,243,073</u>	<u>1,227,890</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 12,426,447	\$ 11,456,894	\$ 11,275,390
10.78%	10.85%	10.89%

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2021**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

The District budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except for the following items.

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Employee insurance expenditures are budgeted in the year the employee insurance account is funded.

The following schedule reconciles expenditures and fund balances at the end of year:

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 16,516,923	\$ 3,118,988
Activity budgeted as special revenue funds	(302,969)	(988,966)
Activity budgeted as capital projects funds		(9,997)
Employee insurance account	(31,999)	(294,048)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 16,181,955	\$ 1,825,977

**NOTE 2 – PENSION PLAN SCHEDULES**

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

**Factors that Affect Trends.** The actuarial assumptions used in the June 30, 2019, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

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

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**GOVERNMENTAL FUNDS**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2021**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 324,669	\$ 492,909	\$ 817,578
Property taxes receivable		35,901	35,901
Accounts receivable	16,070		16,070
Due from governmental entities	790,521		790,521
Due from other funds	641,776		641,776
<b>Total assets</b>	<u>\$ 1,773,036</u>	<u>\$ 528,810</u>	<u>\$ 2,301,846</u>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 18,083	\$	\$ 18,083
Due to other funds	489,568		489,568
Accrued payroll and employee benefits	146,040		146,040
Unearned revenues	61,465		61,465
<b>Total liabilities</b>	<u>715,156</u>		<u>715,156</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		29,152	29,152
Unavailable revenues - intergovernmental	155,148		155,148
<b>Total deferred inflows of resources</b>	<u>155,148</u>	<u>29,152</u>	<u>184,300</u>
Fund balances (deficits):			
Restricted	1,057,880	499,658	1,557,538
Unassigned	(155,148)		(155,148)
<b>Total fund balances</b>	<u>902,732</u>	<u>499,658</u>	<u>1,402,390</u>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <u>\$ 1,773,036</u>	 <u>\$ 528,810</u>	 <u>\$ 2,301,846</u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2021**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 190,117	\$ 1,231	\$ 191,348
Property taxes		493,367	493,367
State aid and grants	2,376,138	233,146	2,609,284
Federal aid, grants and reimbursements	4,415,754	74,421	4,490,175
<b>Total revenues</b>	<u>6,982,009</u>	<u>802,165</u>	<u>7,784,174</u>
<b>Expenditures:</b>			
Current -			
Instruction	3,179,174		3,179,174
Support services - students and staff	1,455,102		1,455,102
Support services - administration	227,750		227,750
Operation and maintenance of plant services	200,914		200,914
Student transportation services	8,042		8,042
Operation of non-instructional services	1,478,997		1,478,997
Capital outlay	147,585	239,927	387,512
Debt service -			
Principal retirement		248,765	248,765
Interest and fiscal charges		95,142	95,142
<b>Total expenditures</b>	<u>6,697,564</u>	<u>583,834</u>	<u>7,281,398</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>284,445</u>	<u>218,331</u>	<u>502,776</u>
<b>Other financing sources (uses):</b>			
Transfer in		269,486	269,486
Transfer out	(230,184)		(230,184)
<b>Total other financing sources (uses)</b>	<u>(230,184)</u>	<u>269,486</u>	<u>39,302</u>
<b>Changes in fund balances</b>	<u>54,261</u>	<u>487,817</u>	<u>542,078</u>
<b>Fund balances, beginning of year</b>	848,471	11,841	860,312
<b>Fund balances, end of year</b>	<u>\$ 902,732</u>	<u>\$ 499,658</u>	<u>\$ 1,402,390</u>

## SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

**Adult Education** - to account for financial assistance for adult education programs.

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

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

**Impact Aid** - to account for financial assistance to local educational agencies that are financially burdened by federal activities.

**Adult Basic Education** - to account for State financial assistance for continuous adult education.

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

**Rural Assistance** - to account for state assistance received to assist homeless of special needs pupils.

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

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

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

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

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

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

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

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

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

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

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

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

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

**Student Activities** - to account for monies raised by students to finance student clubs and organizations.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021**

	Classroom Site	Instructional Improvement	Title I Grants
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$	\$
Accounts receivable			
Due from governmental entities			194,064
Due from other funds	162,248	216,954	
<b>Total assets</b>	\$ 162,248	\$ 216,954	\$ 194,064
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 12,371	\$
Due to other funds			118,873
Accrued payroll and employee benefits			75,191
Unearned revenues			
<b>Total liabilities</b>		12,371	194,064
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			42,368
Fund balances (deficits):			
Restricted	162,248	204,583	
Unassigned			(42,368)
<b>Total fund balances</b>	162,248	204,583	(42,368)
<b>Total liabilities, deferred inflows of resources and fund balances</b>	\$ 162,248	\$ 216,954	\$ 194,064

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$
12,539	50,976	41,043	47,697	28,625	96,742
<u>\$ 12,539</u>	<u>\$ 50,976</u>	<u>\$ 41,043</u>	<u>\$ 47,697</u>	<u>\$ 28,625</u>	<u>\$ 96,742</u>
\$	\$	\$	\$	\$	\$
12,539	28,509 22,467	19,535 21,508	37,639 10,058	28,625	96,742
<u>12,539</u>	<u>50,976</u>	<u>41,043</u>	<u>47,697</u>	<u>28,625</u>	<u>96,742</u>
<u>8,600</u>	<u>4,600</u>	<u>41,043</u>	<u>29,912</u>	<u>28,625</u>	
<u>(8,600)</u>	<u>(4,600)</u>	<u>(41,043)</u>	<u>(29,912)</u>	<u>(28,625)</u>	
<u>(8,600)</u>	<u>(4,600)</u>	<u>(41,043)</u>	<u>(29,912)</u>	<u>(28,625)</u>	
<u>\$ 12,539</u>	<u>\$ 50,976</u>	<u>\$ 41,043</u>	<u>\$ 47,697</u>	<u>\$ 28,625</u>	<u>\$ 96,742</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021**

	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 71,751	\$ 6,530
Accounts receivable			
Due from governmental entities	245,894		72,941
Due from other funds			262,574
<b>Total assets</b>	<u>\$ 245,894</u>	<u>\$ 71,751</u>	<u>\$ 342,045</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 5,712
Due to other funds	147,106		
Accrued payroll and employee benefits		10,286	6,530
Unearned revenues		61,465	
<b>Total liabilities</b>	<u>147,106</u>	<u>71,751</u>	<u>12,242</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	_____	_____	_____
Fund balances (deficits):			
Restricted	98,788		329,803
Unassigned			
<b>Total fund balances</b>	<u>98,788</u>	_____	<u>329,803</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 245,894</u>	<u>\$ 71,751</u>	<u>\$ 342,045</u>

<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Textbooks</u>	<u>Insurance Refund</u>
\$ 26,144 16,070	\$ 8,626	\$ 53,093	\$ 25,046	\$ 5,070	\$ 34,528
<u>\$ 42,214</u>	<u>\$ 8,626</u>	<u>\$ 53,093</u>	<u>\$ 25,046</u>	<u>\$ 5,070</u>	<u>\$ 34,528</u>
\$	\$	\$	\$	\$	\$
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
42,214	8,626	53,093	25,046	5,070	34,528
<u>42,214</u>	<u>8,626</u>	<u>53,093</u>	<u>25,046</u>	<u>5,070</u>	<u>34,528</u>
<u>\$ 42,214</u>	<u>\$ 8,626</u>	<u>\$ 53,093</u>	<u>\$ 25,046</u>	<u>\$ 5,070</u>	<u>\$ 34,528</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2021**

	Grants and Gifts to Teachers	Student Activities	Totals
<b><u>ASSETS</u></b>			
Cash and investments	\$ 347	\$ 93,534	\$ 324,669
Accounts receivable			16,070
Due from governmental entities			790,521
Due from other funds			641,776
<b>Total assets</b>	<b>\$ 347</b>	<b>\$ 93,534</b>	<b>\$ 1,773,036</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$ 18,083
Due to other funds			489,568
Accrued payroll and employee benefits			146,040
Unearned revenues			61,465
<b>Total liabilities</b>			<b>715,156</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			155,148
Fund balances (deficits):			
Restricted	347	93,534	1,057,880
Unassigned			(155,148)
<b>Total fund balances</b>	<b>347</b>	<b>93,534</b>	<b>902,732</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 347</b>	 <b>\$ 93,534</b>	 <b>\$ 1,773,036</b>

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**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Classroom Site	Instructional Improvement	Title I Grants
<b>Revenues:</b>			
Other local	\$ 3,708	\$ 533	\$
State aid and grants	1,394,805	121,546	
Federal aid, grants and reimbursements			1,511,130
<b>Total revenues</b>	<b>1,398,513</b>	<b>122,079</b>	<b>1,511,130</b>
<b>Expenditures:</b>			
Current -			
Instruction	1,340,673	14,788	829,055
Support services - students and staff	30,938	11,194	469,684
Support services - administration			199,415
Operation and maintenance of plant services			3,842
Student transportation services			4,329
Operation of non-instructional services			
Capital outlay			6,045
<b>Total expenditures</b>	<b>1,371,611</b>	<b>25,982</b>	<b>1,512,370</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>26,902</b>	<b>96,097</b>	<b>(1,240)</b>
<b>Other financing sources (uses):</b>			
Transfer out			(41,128)
<b>Total other financing sources (uses)</b>	<b></b>	<b></b>	<b>(41,128)</b>
<b>Changes in fund balances</b>	<b>26,902</b>	<b>96,097</b>	<b>(42,368)</b>
<b>Fund balances (deficits), beginning of year</b>	<b>135,346</b>	<b>108,486</b>	
<b>Fund balances (deficits), end of year</b>	<b>\$ 162,248</b>	<b>\$ 204,583</b>	<b>\$ (42,368)</b>

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English &amp; Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$
124,378	89,621	112,779	583,874	107,654	231,576
<u>124,378</u>	<u>89,621</u>	<u>112,779</u>	<u>583,874</u>	<u>107,654</u>	<u>231,576</u>
12,460	43,062	54,076	168,406	18,724	
109,001	44,974	96,646	408,075	86,415	
1,424		642	1,622	445	
	3,713		124		134,835
1,493			5,668	18,982	96,741
<u>124,378</u>	<u>91,749</u>	<u>151,364</u>	<u>583,895</u>	<u>124,566</u>	<u>231,576</u>
	<u>(2,128)</u>	<u>(38,585)</u>	<u>(21)</u>	<u>(16,912)</u>	
<u>(8,600)</u>	<u>(2,472)</u>	<u>(2,458)</u>	<u>(29,891)</u>	<u>(1,635)</u>	
<u>(8,600)</u>	<u>(2,472)</u>	<u>(2,458)</u>	<u>(29,891)</u>	<u>(1,635)</u>	
<u>(8,600)</u>	<u>(4,600)</u>	<u>(41,043)</u>	<u>(29,912)</u>	<u>(18,547)</u>	
				(10,078)	
<u>\$ (8,600)</u>	<u>\$ (4,600)</u>	<u>\$ (41,043)</u>	<u>\$ (29,912)</u>	<u>\$ (28,625)</u>	<u>\$</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Adult Basic Education	Results-based Funding	Other State Projects
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants	68,802	615,000	175,985
Federal aid, grants and reimbursements			
<b>Total revenues</b>	68,802	615,000	175,985
<b>Expenditures:</b>			
Current -			
Instruction	22,340	516,019	98,581
Support services - students and staff	46,462	35,816	75,173
Support services - administration		21,819	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			2,231
<b>Total expenditures</b>	68,802	573,654	175,985
<b>Excess (deficiency) of revenues over expenditures</b>		41,346	
<b>Other financing sources (uses):</b>			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		41,346	
<b>Fund balances (deficits), beginning of year</b>		57,442	
<b>Fund balances, end of year</b>	\$	\$ 98,788	\$

Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Textbooks
\$ 18,266	\$ 62,527	\$ 2,171	\$ 5,027	\$ 85,283	\$ 78
1,654,742					
<u>1,673,008</u>	<u>62,527</u>	<u>2,171</u>	<u>5,027</u>	<u>85,283</u>	<u>78</u>
	5,493		534	54,467	
		3,532		10,849	
503	1,374	506			
13,167	48,946				
1,478,997					
425				16,000	
<u>1,493,092</u>	<u>55,813</u>	<u>4,038</u>	<u>534</u>	<u>81,316</u>	
<u>179,916</u>	<u>6,714</u>	<u>(1,867)</u>	<u>4,493</u>	<u>3,967</u>	<u>78</u>
(144,000)					
<u>(144,000)</u>					
<u>35,916</u>	<u>6,714</u>	<u>(1,867)</u>	<u>4,493</u>	<u>3,967</u>	<u>78</u>
293,887	35,500	10,493	48,600	21,079	4,992
<u>\$ 329,803</u>	<u>\$ 42,214</u>	<u>\$ 8,626</u>	<u>\$ 53,093</u>	<u>\$ 25,046</u>	<u>\$ 5,070</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Insurance Refund	Grants and Gifts to Teachers	Student Activities
<b>Revenues:</b>			
Other local	\$ 5,404	\$ 502	\$ 6,618
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	5,404	502	6,618
<b>Expenditures:</b>			
Current -			
Instruction		496	
Support services - students and staff			26,343
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>		496	26,343
<b>Excess (deficiency) of revenues over expenditures</b>	5,404	6	(19,725)
<b>Other financing sources (uses):</b>			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	5,404	6	(19,725)
<b>Fund balances (deficits), beginning of year</b>	29,124	341	113,259
<b>Fund balances, end of year</b>	\$ 34,528	\$ 347	\$ 93,534

Totals

\$ 190,117  
2,376,138  
4,415,754  
6,982,009

3,179,174  
1,455,102  
227,750  
200,914  
8,042  
1,478,997  
147,585  
6,697,564

284,445

(230,184)  
(230,184)

54,261

848,471

\$ 902,732

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 BUDGET AND ACTUAL  
 NON-MAJOR SPECIAL REVENUE FUNDS  
 YEAR ENDED JUNE 30, 2021**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 3,708	\$ 3,708
State aid and grants		1,394,805	1,394,805
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>1,398,513</u>	<u>1,398,513</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,485,285	1,340,673	144,612
Support services - students and staff	40,872	30,938	9,934
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>1,526,157</u>	<u>1,371,611</u>	<u>154,546</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,526,157)</u>	<u>26,902</u>	<u>1,553,059</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,526,157)</u>	<u>26,902</u>	<u>1,553,059</u>
<b>Fund balances (deficits), beginning of year</b>		135,346	135,346
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,526,157)</u>	<u>\$ 162,248</u>	<u>\$ 1,688,405</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 533 121,546	\$ 533 121,546	\$	\$	\$
	<u>122,079</u>	<u>122,079</u>		<u>1,511,130</u> <u>1,511,130</u>	<u>1,511,130</u> <u>1,511,130</u>
173,716	14,788 11,194	158,928 (11,194)	1,710,571	829,055 469,684 199,415 3,842 4,329	881,516 (469,684) (199,415) (3,842) (4,329)
<u>173,716</u>	<u>25,982</u>	<u>147,734</u>	<u>1,710,571</u>	<u>6,045</u> <u>1,512,370</u>	<u>(6,045)</u> <u>198,201</u>
<u>(173,716)</u>	<u>96,097</u>	<u>269,813</u>	<u>(1,710,571)</u>	<u>(1,240)</u>	<u>1,709,331</u>
				<u>(41,128)</u> <u>(41,128)</u>	<u>(41,128)</u> <u>(41,128)</u>
<u>(173,716)</u>	<u>96,097</u>	<u>269,813</u>	<u>(1,710,571)</u>	<u>(42,368)</u>	<u>1,668,203</u>
	108,486	108,486			
<u>\$ (173,716)</u>	<u>\$ 204,583</u>	<u>\$ 378,299</u>	<u>\$ (1,710,571)</u>	<u>\$ (42,368)</u>	<u>\$ 1,668,203</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		124,378	124,378
<b>Total revenues</b>		124,378	124,378
<b>Expenditures:</b>			
Current -			
Instruction		12,460	(12,460)
Support services - students and staff	180,160	109,001	71,159
Support services - administration		1,424	(1,424)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		1,493	(1,493)
<b>Total expenditures</b>	180,160	124,378	55,782
<b>Excess (deficiency) of revenues over expenditures</b>	(180,160)		180,160
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out		(8,600)	(8,600)
<b>Total other financing sources (uses)</b>		(8,600)	(8,600)
<b>Changes in fund balances</b>	(180,160)	(8,600)	171,560
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	\$ (180,160)	\$ (8,600)	\$ 171,560

Title IV Grants			Limited English & Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	89,621	89,621		112,779	112,779
	89,621	89,621		112,779	112,779
130,524	43,062	(43,062)	192,171	54,076	(54,076)
	44,974	85,550		96,646	95,525
	3,713	(3,713)		642	(642)
130,524	91,749	38,775	192,171	151,364	40,807
(130,524)	(2,128)	128,396	(192,171)	(38,585)	153,586
	(2,472)	(2,472)		(2,458)	(2,458)
	(2,472)	(2,472)		(2,458)	(2,458)
(130,524)	(4,600)	125,924	(192,171)	(41,043)	151,128
\$ (130,524)	\$ (4,600)	\$ 125,924	\$ (192,171)	\$ (41,043)	\$ 151,128

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		583,874	583,874
<b>Total revenues</b>		583,874	583,874
<b>Expenditures:</b>			
Current -			
Instruction		168,406	(168,406)
Support services - students and staff	675,904	408,075	267,829
Support services - administration		1,622	(1,622)
Operation and maintenance of plant services		124	(124)
Student transportation services			
Operation of non-instructional services			
Capital outlay		5,668	(5,668)
<b>Total expenditures</b>	675,904	583,895	92,009
<b>Excess (deficiency) of revenues over expenditures</b>	(675,904)	(21)	675,883
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out		(29,891)	(29,891)
<b>Total other financing sources (uses)</b>		(29,891)	(29,891)
<b>Changes in fund balances</b>	(675,904)	(29,912)	645,992
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	\$ (675,904)	\$ (29,912)	\$ 645,992

Adult Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 3,146	\$ 3,146
	107,654	107,654		138,244	138,244
	107,654	107,654		141,390	141,390
163,076	18,724	(18,724)	191,274	8,094	(8,094)
	86,415	76,661		107,789	83,485
	445	(445)		2,600	(2,600)
				647	(647)
	18,982	(18,982)			
163,076	124,566	38,510	191,274	119,130	72,144
(163,076)	(16,912)	146,164	(191,274)	22,260	213,534
	(1,635)	(1,635)			
	(1,635)	(1,635)			
(163,076)	(18,547)	144,529	(191,274)	22,260	213,534
	(10,078)	(10,078)		236,406	236,406
\$ (163,076)	\$ (28,625)	\$ 134,451	\$ (191,274)	\$ 258,666	\$ 449,940

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		231,576	231,576
<b>Total revenues</b>		<u>231,576</u>	<u>231,576</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	106,140	134,835	(28,695)
Student transportation services			
Operation of non-instructional services			
Capital outlay		96,741	(96,741)
<b>Total expenditures</b>	<u>106,140</u>	<u>231,576</u>	<u>(125,436)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(106,140)</u>		<u>106,140</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(106,140)</u>		<u>106,140</u>
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	<u>\$ (106,140)</u>	<u>\$</u>	<u>\$ 106,140</u>

Impact Aid			Adult Basic Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	54,892	54,892		68,802	68,802
	54,892	54,892		68,802	68,802
80,682	43,208 2,495	37,474 (2,495)	68,800	22,340 46,462	(22,340) 22,338
80,682	45,703	34,979	68,800	68,802	(2)
(80,682)	9,189	89,871	(68,800)		68,800
(80,682)	9,189	89,871	(68,800)		68,800
	40,547	40,547			
\$ (80,682)	\$ 49,736	\$ 130,418	\$ (68,800)	\$	\$ 68,800

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Results-based Funding		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		615,000	615,000
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>615,000</u>	<u>615,000</u>
<b>Expenditures:</b>			
Current -			
Instruction	671,827	516,019	155,808
Support services - students and staff		35,816	(35,816)
Support services - administration		21,819	(21,819)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>671,827</u>	<u>573,654</u>	<u>98,173</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(671,827)</u>	<u>41,346</u>	<u>713,173</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(671,827)</u>	<u>41,346</u>	<u>713,173</u>
<b>Fund balances (deficits), beginning of year</b>		57,442	57,442
<b>Fund balances (deficits), end of year</b>	<u>\$ (671,827)</u>	<u>\$ 98,788</u>	<u>\$ 770,615</u>

Rural Assistance			Other State Projects		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1	1		175,985	175,985
	<u>1</u>	<u>1</u>		<u>175,985</u>	<u>175,985</u>
			284,768	98,581	186,187
				75,173	(75,173)
				2,231	(2,231)
			<u>284,768</u>	<u>175,985</u>	<u>108,783</u>
	1	1	<u>(284,768)</u>		<u>284,768</u>
	1	1	<u>(284,768)</u>		<u>284,768</u>
	94	94			
<u>\$</u>	<u>\$ 95</u>	<u>\$ 95</u>	<u>\$ (284,768)</u>	<u>\$</u>	<u>\$ 284,768</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 363	\$ 363
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>363</u>	<u>363</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	9,200		9,200
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>9,200</u>		<u>9,200</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(9,200)</u>	<u>363</u>	<u>9,563</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(9,200)</u>	<u>363</u>	<u>9,563</u>
<b>Fund balances (deficits), beginning of year</b>		9,285	9,285
<b>Fund balances (deficits), end of year</b>	<u>\$ (9,200)</u>	<u>\$ 9,648</u>	<u>\$ 18,848</u>

Food Service			Civic Center		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 18,266	\$ 18,266	\$	\$ 62,527	\$ 62,527
	1,654,742	1,654,742			
	<u>1,673,008</u>	<u>1,673,008</u>		<u>62,527</u>	<u>62,527</u>
				5,493	(5,493)
	503	(503)		1,374	(1,374)
	13,167	(13,167)	93,086	48,946	44,140
2,020,568	1,478,997	541,571			
	425	(425)			
<u>2,020,568</u>	<u>1,493,092</u>	<u>527,476</u>	<u>93,086</u>	<u>55,813</u>	<u>37,273</u>
<u>(2,020,568)</u>	<u>179,916</u>	<u>2,200,484</u>	<u>(93,086)</u>	<u>6,714</u>	<u>99,800</u>
	(144,000)	(144,000)			
	<u>(144,000)</u>	<u>(144,000)</u>			
<u>(2,020,568)</u>	<u>35,916</u>	<u>2,056,484</u>	<u>(93,086)</u>	<u>6,714</u>	<u>99,800</u>
	293,887	293,887		35,500	35,500
<u>\$ (2,020,568)</u>	<u>\$ 329,803</u>	<u>\$ 2,350,371</u>	<u>\$ (93,086)</u>	<u>\$ 42,214</u>	<u>\$ 135,300</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Community School		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 2,171	\$ 2,171
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>2,171</u>	<u>2,171</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff	94,551	3,532	91,019
Support services - administration		506	(506)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>94,551</u>	<u>4,038</u>	<u>90,513</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(94,551)</u>	<u>(1,867)</u>	<u>92,684</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(94,551)</u>	<u>(1,867)</u>	<u>92,684</u>
<b>Fund balances (deficits), beginning of year</b>		10,493	10,493
<b>Fund balances (deficits), end of year</b>	<u>\$ (94,551)</u>	<u>\$ 8,626</u>	<u>\$ 103,177</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 10,132	\$ 10,132	\$	\$ 5,027	\$ 5,027
	<u>10,132</u>	<u>10,132</u>		<u>5,027</u>	<u>5,027</u>
46,722	4,392	42,330	52,495	534	51,961
	199	(199)			
	272	(272)			
<u>46,722</u>	<u>4,863</u>	<u>41,859</u>	<u>52,495</u>	<u>534</u>	<u>51,961</u>
<u>(46,722)</u>	<u>5,269</u>	<u>51,991</u>	<u>(52,495)</u>	<u>4,493</u>	<u>56,988</u>
<u>(46,722)</u>	<u>5,269</u>	<u>51,991</u>	<u>(52,495)</u>	<u>4,493</u>	<u>56,988</u>
	40,692	40,692		48,600	48,600
<u>\$ (46,722)</u>	<u>\$ 45,961</u>	<u>\$ 92,683</u>	<u>\$ (52,495)</u>	<u>\$ 53,093</u>	<u>\$ 105,588</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Gifts and Donations		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 85,283	\$ 85,283
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>85,283</u>	<u>85,283</u>
<b>Expenditures:</b>			
Current -			
Instruction	101,738	54,467	47,271
Support services - students and staff		10,849	(10,849)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		16,000	(16,000)
<b>Total expenditures</b>	<u>101,738</u>	<u>81,316</u>	<u>20,422</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(101,738)</u>	<u>3,967</u>	<u>105,705</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(101,738)</u>	<u>3,967</u>	<u>105,705</u>
<b>Fund balances (deficits), beginning of year</b>		21,079	21,079
<b>Fund balances (deficits), end of year</b>	<u>\$ (101,738)</u>	<u>\$ 25,046</u>	<u>\$ 126,784</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 78	\$ 78	\$	\$ 1	\$ 1
	<u>78</u>	<u>78</u>		<u>1</u>	<u>1</u>
5,024		5,024	3,625		3,625
<u>5,024</u>		<u>5,024</u>	<u>3,625</u>		<u>3,625</u>
<u>(5,024)</u>	<u>78</u>	<u>5,102</u>	<u>(3,625)</u>	<u>1</u>	<u>3,626</u>
<u>(5,024)</u>	<u>78</u>	<u>5,102</u>	<u>(3,625)</u>	<u>1</u>	<u>3,626</u>
	4,992	4,992		231	231
<u>\$ (5,024)</u>	<u>\$ 5,070</u>	<u>\$ 10,094</u>	<u>\$ (3,625)</u>	<u>\$ 232</u>	<u>\$ 3,857</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 2,026	\$ 2,026
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>2,026</u>	<u>2,026</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	198,576	133,273	65,303
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>198,576</u>	<u>133,273</u>	<u>65,303</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(198,576)</u>	<u>(131,247)</u>	<u>67,329</u>
<b>Other financing sources (uses):</b>			
Transfer in		280,169	280,169
Transfer out			
<b>Total other financing sources (uses)</b>		<u>280,169</u>	<u>280,169</u>
<b>Changes in fund balances</b>	<u>(198,576)</u>	<u>148,922</u>	<u>347,498</u>
<b>Fund balances (deficits), beginning of year</b>		475,706	475,706
<b>Fund balances (deficits), end of year</b>	<u>\$ (198,576)</u>	<u>\$ 624,628</u>	<u>\$ 823,204</u>

Insurance Refund			Grants and Gifts to Teachers		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 5,404	\$ 5,404	\$	\$ 502	\$ 502
	<u>5,404</u>	<u>5,404</u>		<u>502</u>	<u>502</u>
23,800		23,800	841	496	345
<u>23,800</u>		<u>23,800</u>	<u>841</u>	<u>496</u>	<u>345</u>
<u>(23,800)</u>	<u>5,404</u>	<u>29,204</u>	<u>(841)</u>	<u>6</u>	<u>847</u>
<u>(23,800)</u>	<u>5,404</u>	<u>29,204</u>	<u>(841)</u>	<u>6</u>	<u>847</u>
	29,124	29,124		341	341
<u>\$ (23,800)</u>	<u>\$ 34,528</u>	<u>\$ 58,328</u>	<u>\$ (841)</u>	<u>\$ 347</u>	<u>\$ 1,188</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Student Activities		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 6,618	\$ 6,618
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>6,618</u>	<u>6,618</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff	109,000	26,343	82,657
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>109,000</u>	<u>26,343</u>	<u>82,657</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(109,000)</u>	<u>(19,725)</u>	<u>89,275</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(109,000)</u>	<u>(19,725)</u>	<u>89,275</u>
<b>Fund balances (deficits), beginning of year</b>		113,259	113,259
<b>Fund balances (deficits), end of year</b>	<u>\$ (109,000)</u>	<u>\$ 93,534</u>	<u>\$ 202,534</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 205,785	\$ 205,785
	2,376,139	2,376,139
	4,608,890	4,608,890
	<u>7,190,814</u>	<u>7,190,814</u>
4,560,412	3,191,660	1,368,752
1,927,014	1,606,298	320,716
198,576	366,390	(167,814)
208,426	201,561	6,865
	8,042	(8,042)
2,020,568	1,478,997	541,571
	147,585	(147,585)
<u>8,914,996</u>	<u>7,000,533</u>	<u>1,914,463</u>
<u>(8,914,996)</u>	<u>190,281</u>	<u>9,105,277</u>
	280,169	280,169
	(230,184)	(230,184)
	<u>49,985</u>	<u>49,985</u>
<u>(8,914,996)</u>	<u>240,266</u>	<u>9,155,262</u>
	1,651,432	1,651,432
<u>\$ (8,914,996)</u>	<u>\$ 1,891,698</u>	<u>\$ 10,806,694</u>

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## CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

**New School Facilities** - to account for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
 COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS  
 JUNE 30, 2021**

	<u>Adjacent Ways</u>	<u>Gifts and Donations - Capital</u>	<u>New School Facilities</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 487,827	\$ 4,936	\$ 146
Property taxes receivable	35,901		
<b>Total assets</b>	<u>\$ 523,728</u>	<u>\$ 4,936</u>	<u>\$ 146</u>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Deferred inflows of resources:			
Unavailable revenues - property taxes	<u>\$ 29,152</u>	<u>\$</u>	<u>\$</u>
Fund balances:			
Restricted	<u>494,576</u>	<u>4,936</u>	<u>146</u>
<b>Total fund balances</b>	<u>494,576</u>	<u>4,936</u>	<u>146</u>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <u>\$ 523,728</u>	 <u>\$ 4,936</u>	 <u>\$ 146</u>

Totals

\$	492,909
	<u>35,901</u>
\$	<u><u>528,810</u></u>

\$ 29,152

	<u>499,658</u>
	<u>499,658</u>

\$ 528,810

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Adjacent Ways	Gifts and Donations - Capital	Energy and Water Savings
<b>Revenues:</b>			
Other local	\$ 1,209	\$ 22	\$
Property taxes	493,367		
State aid and grants			
Federal aid, grants and reimbursements			74,421
<b>Total revenues</b>	494,576	22	74,421
<b>Expenditures:</b>			
Capital outlay			
Debt service -			
Principal retirement			248,765
Interest and fiscal charges			95,142
<b>Total expenditures</b>			343,907
<b>Excess (deficiency) of revenues over expenditures</b>	494,576	22	(269,486)
<b>Other financing sources (uses):</b>			
Transfer in			269,486
<b>Total other financing sources (uses)</b>			269,486
<b>Changes in fund balances</b>	494,576	22	
<b>Fund balances, beginning of year</b>		4,914	
<b>Fund balances, end of year</b>	\$ 494,576	\$ 4,936	\$

<u>Building Renewal Grant</u>	<u>New School Facilities</u>	<u>Totals</u>
\$	\$	\$
		1,231
197,266	35,880	493,367
		233,146
		74,421
<u>197,266</u>	<u>35,880</u>	<u>802,165</u>
197,266	42,661	239,927
		248,765
		95,142
<u>197,266</u>	<u>42,661</u>	<u>583,834</u>
	<u>(6,781)</u>	<u>218,331</u>
		269,486
		<u>269,486</u>
	<u>(6,781)</u>	<u>487,817</u>
	6,927	11,841
<u>\$</u>	<u>\$ 146</u>	<u>\$ 499,658</u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 45	\$ 45
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>45</u>	<u>45</u>
<b>Expenditures:</b>			
Capital outlay	27,000		27,000
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>27,000</u>		<u>27,000</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(27,000)</u>	<u>45</u>	<u>27,045</u>
<b>Other financing sources (uses):</b>			
Transfer in			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(27,000)</u>	<u>45</u>	<u>27,045</u>
<b>Fund balances, beginning of year</b>		9,952	9,952
<b>Fund balances (deficits), end of year</b>	<u>\$ (27,000)</u>	<u>\$ 9,997</u>	<u>\$ 36,997</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 31,863	\$ 31,863	\$	\$ 1,209	\$ 1,209
	1,417,672	1,417,672		493,367	493,367
	902,134	902,134			
	<u>2,351,669</u>	<u>2,351,669</u>		<u>494,576</u>	<u>494,576</u>
1,850,313	884,818	965,495	500,000		500,000
800,220	800,220				
<u>2,650,533</u>	<u>1,685,038</u>	<u>965,495</u>	<u>500,000</u>		<u>500,000</u>
<u>(2,650,533)</u>	<u>666,631</u>	<u>3,317,164</u>	<u>(500,000)</u>	<u>494,576</u>	<u>994,576</u>
<u>(2,650,533)</u>	<u>666,631</u>	<u>3,317,164</u>	<u>(500,000)</u>	<u>494,576</u>	<u>994,576</u>
	100,145	100,145			
<u>\$ (2,650,533)</u>	<u>\$ 766,776</u>	<u>\$ 3,417,309</u>	<u>\$ (500,000)</u>	<u>\$ 494,576</u>	<u>\$ 994,576</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 22	\$ 22
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		22	22
<b>Expenditures:</b>			
Capital outlay	4,914		4,914
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	4,914		4,914
<b>Excess (deficiency) of revenues over expenditures</b>	(4,914)	22	4,936
<b>Other financing sources (uses):</b>			
Transfer in			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(4,914)	22	4,936
<b>Fund balances, beginning of year</b>		4,914	4,914
<b>Fund balances (deficits), end of year</b>	\$ (4,914)	\$ 4,936	\$ 9,850

Energy and Water Savings			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				197,266	197,266
	74,421	74,421		197,266	197,266
	74,421	74,421		197,266	197,266
			197,266	197,266	
248,765	248,765				
95,142	95,142				
343,907	343,907		197,266	197,266	
(343,907)	(269,486)	74,421	(197,266)		197,266
	269,486	269,486			
	269,486	269,486			
(343,907)		343,907	(197,266)		197,266
\$ (343,907)	\$	\$ 343,907	\$ (197,266)	\$	\$ 197,266

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	New School Facilities		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
State aid and grants		35,880	35,880
Federal aid, grants and reimbursements			
<b>Total revenues</b>		35,880	35,880
<b>Expenditures:</b>			
Capital outlay	6,255,108	42,661	6,212,447
Debt service - Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	6,255,108	42,661	6,212,447
<b>Excess (deficiency) of revenues over expenditures</b>	(6,255,108)	(6,781)	6,248,327
<b>Other financing sources (uses):</b>			
Transfer in			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(6,255,108)	(6,781)	6,248,327
<b>Fund balances, beginning of year</b>		6,927	6,927
<b>Fund balances (deficits), end of year</b>	\$ (6,255,108)	\$ 146	\$ 6,255,254

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 33,139	\$ 33,139
	1,911,039	1,911,039
	1,135,280	1,135,280
	74,421	74,421
	<u>3,153,879</u>	<u>3,153,879</u>
8,834,601	1,124,745	7,709,856
1,048,985	1,048,985	
95,142	95,142	
<u>9,978,728</u>	<u>2,268,872</u>	<u>7,709,856</u>
<u>(9,978,728)</u>	<u>885,007</u>	<u>10,863,735</u>
	269,486	269,486
	<u>269,486</u>	<u>269,486</u>
<u>(9,978,728)</u>	<u>1,154,493</u>	<u>11,133,221</u>
	121,938	121,938
<u>\$ (9,978,728)</u>	<u>\$ 1,276,431</u>	<u>\$ 11,255,159</u>

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

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

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**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 29,684,090	\$ 29,916,674	\$ 28,801,052	\$ 28,289,039	\$ 27,331,950
Restricted	2,480,003	1,084,236	760,084	799,662	1,411,932
Unrestricted	<u>(15,114,555)</u>	<u>(16,161,516)</u>	<u>(15,636,528)</u>	<u>(16,813,518)</u>	<u>(17,535,853)</u>
Total net position	<u><u>\$ 17,049,538</u></u>	<u><u>\$ 14,839,394</u></u>	<u><u>\$ 13,924,608</u></u>	<u><u>\$ 12,275,183</u></u>	<u><u>\$ 11,208,029</u></u>
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 25,829,583	\$ 26,309,187	\$ 25,585,686	\$ 25,629,201	\$ 25,146,293
Restricted	1,878,046	1,497,474	1,871,833	1,822,656	2,232,078
Unrestricted	<u>(17,579,403)</u>	<u>(17,209,286)</u>	<u>3,899,500</u>	<u>3,945,743</u>	<u>4,006,023</u>
Total net position	<u><u>\$ 10,128,226</u></u>	<u><u>\$ 10,597,375</u></u>	<u><u>\$ 31,357,019</u></u>	<u><u>\$ 31,397,600</u></u>	<u><u>\$ 31,384,394</u></u>

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

**Note:** The decrease in unrestricted net position during fiscal year 2015 is due to the implementation of the pension reporting standards.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>Expenses</b>					
Instruction	\$ 14,985,208	\$ 14,515,164	\$ 12,494,588	\$ 11,191,005	\$ 10,405,754
Support services - students and staff	3,392,823	3,034,831	2,751,566	2,766,600	2,800,356
Support services - administration	3,217,071	3,200,035	2,987,777	3,035,116	2,925,715
Operation and maintenance of plant services	3,142,930	3,207,213	3,093,333	3,204,051	2,837,308
Student transportation services	778,917	825,628	717,713	668,428	600,158
Operation of non-instructional services	1,581,349	2,031,204	1,923,719	1,854,697	1,987,900
Interest on long-term debt	114,027	165,384	200,911	220,614	198,590
Total expenses	<u>27,212,325</u>	<u>26,979,459</u>	<u>24,169,607</u>	<u>22,940,511</u>	<u>21,755,781</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	23,648	220,903	86,126	164,118	66,420
Operation of non-instructional services	26,660	45,601	55,196	56,115	123,541
Other activities	71,140	130,119	69,294	55,386	92,897
Operating grants and contributions	6,995,205	5,668,060	5,621,444	5,682,417	5,580,612
Capital grants and contributions	796,893	515,631	556,938	178,658	112,647
Total program revenues	<u>7,913,546</u>	<u>6,580,314</u>	<u>6,388,998</u>	<u>6,136,694</u>	<u>5,976,117</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (19,298,779)</u>	<u>\$ (20,399,145)</u>	<u>\$ (17,780,609)</u>	<u>\$ (16,803,817)</u>	<u>\$ (15,779,664)</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Expenses</b>					
Instruction	\$ 10,671,007	\$ 10,540,636	\$ 9,464,038	\$ 9,295,422	\$ 9,854,917
Support services - students and staff	2,812,949	2,551,475	2,761,046	2,649,586	2,828,253
Support services - administration	2,766,137	2,708,177	2,554,025	2,458,963	2,535,624
Operation and maintenance of plant services	2,817,801	2,829,629	2,654,146	2,799,563	2,841,260
Student transportation services	663,345	773,000	736,912	714,715	798,190
Operation of non-instructional services	1,854,706	1,792,877	1,735,030	1,625,157	1,560,992
Interest on long-term debt	182,638	216,398	248,202	390,232	92,562
Total expenses	<u>21,768,583</u>	<u>21,412,192</u>	<u>20,153,399</u>	<u>19,933,638</u>	<u>20,511,798</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	181,919	61,433	64,815	84,599	302,718
Operation of non-instructional services	119,708	77,593	82,496	76,695	52,930
Other activities	77,491	95,229	187,911	192,072	169,053
Operating grants and contributions	5,300,142	5,175,783	5,298,959	5,652,340	5,143,812
Capital grants and contributions	233,494	45,278	29,919	100,412	159,644
Total program revenues	<u>5,912,754</u>	<u>5,455,316</u>	<u>5,664,100</u>	<u>6,106,118</u>	<u>5,828,157</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (15,855,829)</u>	<u>\$ (15,956,876)</u>	<u>\$ (14,489,299)</u>	<u>\$ (13,827,520)</u>	<u>\$ (14,683,641)</u>

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

**(Concluded)**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
<b>Net (Expense)/Revenue</b>	\$ (19,298,779)	\$ (20,399,145)	\$ (17,780,609)	\$ (16,803,817)	\$ (15,779,664)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	1,309,979	1,201,178	1,216,618	1,176,216	722,320
Property taxes, levied for debt service					
Property taxes, levied for capital outlay	1,953,027	1,341,398	1,364,742	1,335,644	1,184,079
Investment income	10,418	17,922	18,826	12,250	6,916
Unrestricted county aid	524,375	506,399	517,428	531,172	535,916
Unrestricted state aid	17,517,988	17,626,797	16,126,854	14,681,613	14,279,936
Unrestricted federal aid	193,136	226,516	185,566	130,901	130,300
<b>Total general revenues</b>	<b>21,508,923</b>	<b>20,920,210</b>	<b>19,430,034</b>	<b>17,867,796</b>	<b>16,859,467</b>
<b>Changes in Net Position</b>	<b>\$ 2,210,144</b>	<b>\$ 521,065</b>	<b>\$ 1,649,425</b>	<b>\$ 1,063,979</b>	<b>\$ 1,079,803</b>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Net (Expense)/Revenue</b>	\$ (15,855,829)	\$ (15,956,876)	\$ (14,489,299)	\$ (13,827,520)	\$ (14,683,641)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	2,449		905,968	1,084,931	1,176,053
Property taxes, levied for debt service	283,428	358,505	502,294	540,072	421,367
Property taxes, levied for capital outlay	1,238,233	1,181,489	26,111	13,697	19,866
Investment income	8,402	14,918	14,907	25,987	27,907
Unrestricted county aid	525,969	548,762	530,088	500,522	461,786
Unrestricted state aid	13,191,188	12,395,305	12,354,886	11,552,231	11,475,957
Unrestricted federal aid	137,011	174,149	114,464	123,286	131,314
<b>Total general revenues</b>	<u>15,386,680</u>	<u>14,673,128</u>	<u>14,448,718</u>	<u>13,840,726</u>	<u>13,714,250</u>
<b>Changes in Net Position</b>	<u>\$ (469,149)</u>	<u>\$ (1,283,748)</u>	<u>\$ (40,581)</u>	<u>\$ 13,206</u>	<u>\$ (969,391)</u>

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

**(Concluded)**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
General Fund:					
Unassigned	\$ 3,118,988	\$ 2,493,795	\$ 1,539,337	\$ 1,438,758	\$ 1,205,073
Total General Fund	\$ 3,118,988	\$ 2,493,795	\$ 1,539,337	\$ 1,438,758	\$ 1,205,073
All Other Governmental Funds:					
Restricted	\$ 2,324,314	\$ 970,535	\$ 760,084	\$ 816,440	\$ 1,454,859
Unassigned	(400,568)	(177,236)	(767,096)	(296,201)	
Total all other governmental funds	\$ 1,923,746	\$ 793,299	\$ (7,012)	\$ 520,239	\$ 1,454,859

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Unassigned	\$ 1,149,593	\$ 2,558,173	\$ 3,596,976	\$ 3,478,296	\$ 3,496,677
Total General Fund	<u>\$ 1,149,593</u>	<u>\$ 2,558,173</u>	<u>\$ 3,596,976</u>	<u>\$ 3,478,296</u>	<u>\$ 3,496,677</u>
All Other Governmental Funds:					
Restricted	\$ 1,778,173	\$ 1,462,069	\$ 1,830,204	\$ 1,858,042	\$ 2,274,406
Unassigned	(39,490)	(21,562)	(47,753)	(72,209)	(70,773)
Total all other governmental funds	<u>\$ 1,738,683</u>	<u>\$ 1,440,507</u>	<u>\$ 1,782,451</u>	<u>\$ 1,785,833</u>	<u>\$ 2,203,633</u>

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

**(Concluded)**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>
<b>Federal sources:</b>					
Federal grants	\$ 4,339,361	\$ 3,488,693	\$ 3,407,182	\$ 3,479,974	\$ 3,468,825
Impact Aid	54,892	52,502	63,178	56,634	58,532
National School Lunch Program	1,654,742	1,810,124	2,092,535	1,946,845	2,015,281
Total federal sources	<u>6,048,995</u>	<u>5,351,319</u>	<u>5,562,895</u>	<u>5,483,453</u>	<u>5,542,638</u>
<b>State sources:</b>					
State equalization assistance	15,822,458	15,938,347	14,501,161	13,282,338	13,034,396
State grants	859,787	1,231,520	250,316	281,536	203,823
School Facilities Board	233,146	396,142			87,700
Other revenues	1,695,530	1,658,982	1,628,600	1,376,496	1,157,840
Total state sources	<u>18,610,921</u>	<u>19,224,991</u>	<u>16,380,077</u>	<u>14,940,370</u>	<u>14,483,759</u>
<b>Local sources:</b>					
Property taxes	3,226,862	2,540,008	2,544,984	2,450,942	1,888,348
County aid	524,375	506,399	517,428	531,172	535,916
Food service sales	16,749	45,601	55,196	56,115	63,765
Investment income	10,418	20,722	18,826	12,250	6,916
Other revenues	194,640	367,128	262,460	291,693	302,106
Total local sources	<u>3,973,044</u>	<u>3,479,858</u>	<u>3,398,894</u>	<u>3,342,172</u>	<u>2,797,051</u>
<b>Total revenues</b>	<u><u>\$ 28,632,960</u></u>	<u><u>\$ 28,056,168</u></u>	<u><u>\$ 25,341,866</u></u>	<u><u>\$ 23,765,995</u></u>	<u><u>\$ 22,823,448</u></u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Federal sources:</b>					
Federal grants	\$ 3,497,057	\$ 3,308,731	\$ 3,395,455	\$ 3,766,792	\$ 3,653,847
Impact Aid	65,190	87,850	82,798	81,384	91,537
Education Jobs					7,144
National School Lunch Program	1,879,326	1,767,111	1,791,049	1,638,301	1,555,055
Total federal sources	<u>5,441,573</u>	<u>5,163,692</u>	<u>5,269,302</u>	<u>5,486,477</u>	<u>5,307,583</u>
<b>State sources:</b>					
State equalization assistance	12,060,541	11,340,689	11,330,161	10,471,560	10,640,100
State grants	170,073	214,523	301,141	314,253	201,818
School Facilities Board	28,957				
Other revenues	1,130,647	1,054,622	921,477	1,026,840	752,857
Total state sources	<u>13,390,218</u>	<u>12,609,834</u>	<u>12,552,779</u>	<u>11,812,653</u>	<u>11,594,775</u>
<b>Local sources:</b>					
Property taxes	1,459,642	1,632,181	1,415,296	1,621,562	1,677,457
County aid	525,969	548,762	530,088	500,522	461,786
Food service sales	57,017	51,174	58,442	46,335	52,930
Investment income	8,402	14,918	14,907	25,987	27,907
Other revenues	346,230	200,070	329,914	359,184	480,140
Total local sources	<u>2,397,260</u>	<u>2,447,105</u>	<u>2,348,647</u>	<u>2,553,590</u>	<u>2,700,220</u>
<b>Total revenues</b>	<u>\$ 21,229,051</u>	<u>\$ 20,220,631</u>	<u>\$ 20,170,728</u>	<u>\$ 19,852,720</u>	<u>\$ 19,602,578</u>

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

**(Concluded)**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 13,367,500	\$ 12,731,624	\$ 11,958,037	\$ 10,451,243	\$ 10,107,260
Support services - students and staff	3,303,377	2,919,021	2,882,675	2,836,684	2,897,989
Support services - administration	2,995,566	2,933,215	3,063,754	3,022,407	2,979,252
Operation and maintenance of plant services	2,619,355	2,701,419	2,725,414	2,823,072	2,479,279
Student transportation services	498,075	517,358	566,959	508,805	503,024
Operation of non-instructional services	1,520,277	1,957,436	1,919,992	1,830,139	1,993,450
Capital outlay	1,410,158	1,723,025	2,072,719	2,417,610	2,656,871
Debt service -					
Interest and fiscal charges	114,027	165,384	200,911	220,614	198,590
Principal retirement	1,048,985	1,046,638	379,094	376,791	1,106,517
<b>Total expenditures</b>	<u>\$ 26,877,320</u>	<u>\$ 26,695,120</u>	<u>\$ 25,769,555</u>	<u>\$ 24,487,365</u>	<u>\$ 24,922,232</u>
Expenditures for capitalized assets	\$ 685,928	\$ 911,166	\$ 1,777,277	\$ 2,222,569	\$ 1,987,114
Debt service as a percentage of noncapital expenditures	4%	5%	2%	3%	6%

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO  
LAST TEN FISCAL YEARS  
(Modified accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 9,490,058	\$ 9,170,133	\$ 8,629,810	\$ 8,684,392	\$ 8,521,358
Support services - students and staff	2,732,377	2,412,512	2,718,797	2,647,245	2,732,902
Support services - administration	2,681,654	2,578,428	2,503,128	2,439,103	2,452,570
Operation and maintenance of plant services	2,392,334	2,385,050	2,250,101	2,483,557	2,423,410
Student transportation services	454,968	539,660	575,872	587,192	574,298
Operation of non-instructional services	1,827,573	1,759,406	1,699,050	1,605,848	1,521,011
Capital outlay	2,043,577	2,418,775	638,616	700,652	4,628,038
Debt service -					
Interest and fiscal charges	182,638	216,398	248,202	390,232	92,562
Principal retirement	1,259,962	1,050,047	791,854	750,680	582,681
<b>Total expenditures</b>	<u>\$ 23,065,141</u>	<u>\$ 22,530,409</u>	<u>\$ 20,055,430</u>	<u>\$ 20,288,901</u>	<u>\$ 23,528,830</u>
Expenditures for capitalized assets	\$ 911,139	\$ 1,148,635	\$ 364,814	\$ 749,891	\$ 3,709,036
Debt service as a percentage of noncapital expenditures	7%	6%	5%	6%	3%

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

**(Concluded)**

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ 1,755,640	\$ 1,361,048	\$ (427,689)	\$ (721,370)	\$ (2,098,784)
<b>Other financing sources (uses):</b>					
Capital lease agreements					1,870,440
Transfers in	549,655	395,097	463,629	481,539	484,780
Transfers out	(549,655)	(395,097)	(463,629)	(481,539)	(484,780)
Insurance recoveries			1,017	20,435	
Total other financing sources (uses)	1,017	20,435	1,017	20,435	1,870,440
<b>Changes in fund balances</b>	\$ 1,755,640	\$ 1,361,048	\$ (426,672)	\$ (700,935)	\$ (228,344)
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (1,836,090)	\$ (2,309,778)	\$ 115,298	\$ (436,181)	\$ (3,926,252)
<b>Other financing sources (uses):</b>					
Capital lease agreements	725,686	929,031			4,128,310
Transfers in	474,504	449,937	506,803	182,222	136,780
Transfers out	(474,504)	(449,937)	(506,803)	(182,222)	(136,780)
Total other financing sources (uses)	725,686	929,031			4,128,310
<b>Changes in fund balances</b>	\$ (1,110,404)	\$ (1,380,747)	\$ 115,298	\$ (436,181)	\$ 202,058

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 11,917,581	\$ 12,327,013	\$ 11,024,102	\$ 9,296,642	\$ 9,372,600
Agricultural and Vacant	8,335,944	9,071,227	8,306,696	8,208,256	8,448,964
Residential (Owner Occupied)	39,128,788	37,460,263	34,734,629	31,937,140	29,367,242
Residential (Rental)	18,198,368	14,335,433	12,174,090	10,176,855	8,882,120
Railroad, Private Cars and Airlines	223,427	244,665	265,274	259,896	218,622
Certain Government Property Improvements	3,389	244			
<b>Total</b>	<b>\$ 77,807,497</b>	<b>\$ 73,438,845</b>	<b>\$ 66,504,791</b>	<b>\$ 59,878,789</b>	<b>\$ 56,289,548</b>
Gross Full Cash Value	\$ 974,853,897	\$ 857,113,312	\$ 797,084,254	\$ 721,973,982	\$ 644,676,351
Ratio of Net Limited Value to Gross Full Cash Value	8%	9%	8%	8%	9%
Total Direct Rate	4.55	4.02	4.28	4.67	3.75

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 9,564,117	\$ 9,502,432	\$ 10,283,237	\$ 10,293,591	\$ 10,670,351
Agricultural and Vacant	9,820,135	9,827,665	10,185,325	9,164,229	7,114,367
Residential (Owner Occupied)	27,812,505	28,705,708	30,882,679	36,260,476	39,948,787
Residential (Rental)	8,069,762	5,876,558	5,749,744	5,574,702	3,168,781
Railroad, Private Cars and Airlines	217,435	223,300	173,708	159,950	126,776
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 55,483,954</b>	<b>\$ 54,135,663</b>	<b>\$ 57,274,693</b>	<b>\$ 61,452,948</b>	<b>\$ 61,029,062</b>
Gross Full Cash Value	\$ 515,010,137	\$ 594,489,129	\$ 620,349,276	\$ 678,940,015	\$ 764,348,055
Ratio of Net Limited Value to Gross Full Cash Value	11%	9%	9%	9%	8%
Total Direct Rate	2.66	2.81	2.93	3.08	3.22

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 12,503,406	\$ 12,848,811	\$ 11,407,522	\$ 9,560,077	\$ 9,654,879
Agricultural and Vacant	9,244,390	9,833,121	8,883,842	8,853,833	9,183,276
Residential (Owner Occupied)	47,190,547	41,888,148	40,070,690	36,810,814	31,764,895
Residential (Rental)	21,860,569	16,258,957	14,387,300	12,030,373	10,050,175
Railroad, Private Cars and Airlines	277,214	297,288	315,072	298,581	232,093
Certain Government Property Improvements	3,464	257			
<b>Total</b>	<b>\$ 91,079,590</b>	<b>\$ 81,126,582</b>	<b>\$ 75,064,426</b>	<b>\$ 67,553,678</b>	<b>\$ 60,885,318</b>
Gross Full Cash Value	\$ 974,853,897	\$ 857,113,312	\$ 797,084,254	\$ 721,973,982	\$ 644,676,351
Ratio of Net Full Cash Value to Gross Full Cash Value	9%	9%	9%	9%	9%
Estimated Net Full Cash Value	780,410,917	683,105,759	634,796,382	569,443,544	506,082,026
Total Direct Rate	4.55	4.02	4.28	4.67	3.75

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 9,627,308	\$ 9,558,378	\$ 10,434,635	\$ 10,699,218	\$ 11,316,174
Agricultural and Vacant	10,513,691	10,549,132	11,316,858	9,921,377	7,874,421
Residential (Owner Occupied)	28,305,751	29,276,080	31,436,484	37,770,649	43,108,717
Residential (Rental)	8,359,240	5,956,836	5,787,485	5,750,660	3,587,877
Railroad, Private Cars and Airlines	220,974	224,999	175,020	162,278	137,979
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 57,026,964</b>	<b>\$ 55,565,425</b>	<b>\$ 59,150,482</b>	<b>\$ 64,304,182</b>	<b>\$ 66,025,168</b>
Gross Full Cash Value	\$ 515,010,137	\$ 594,489,129	\$ 620,349,276	\$ 678,940,015	\$ 764,348,055
Ratio of Net Full Cash Value to Gross Full Cash Value	11%	9%	10%	9%	9%
Estimated Net Full Cash Value	460,546,458	437,711,464	464,729,390	515,933,762	522,243,677
Total Direct Rate	2.66	2.81	2.93	3.08	3.22

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
PROPERTY TAX ASSESSMENT RATIOS  
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	14	15	14

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	19 %	19 %	20 %	20 %	20 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	16	15	15	15

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

**Note:** Additional classes of property exist, but do not amount to a significant portion of the District's total valuation, therefore they are not included on this schedule.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	<b>Overlapping Rates</b>									
	State Equalization	County	County Free Library	Flood Control District	Community College District	Yuma Union High School District	City of Somerton	District Direct Rates		
								Primary	Secondary	Total
2021	0.44	2.51	0.91	0.24	2.53	2.39	1.63	2.88	1.67	4.55
2020	0.46	2.53	0.91	0.24	2.57	2.62	1.66	2.25	1.77	4.02
2019	0.47	2.53	0.90	0.25	2.57	2.55	1.72	2.34	1.95	4.28
2018	0.49	2.50	0.90	0.28	2.49	2.70	1.69	2.49	2.17	4.67
2017	0.50	2.47	0.90	0.28	2.63	3.19	1.77	1.61	2.13	3.75
2016	0.00	2.41	0.90	0.28	2.55	2.77	0.00		2.66	2.66
2015	0.00	2.16	0.84	0.28	2.38	2.71	0.00		2.81	2.81
2014	0.00	2.06	0.84	0.28	2.22	2.78	0.00	2.08	0.85	2.93
2013	0.00	1.88	0.82	0.28	2.05	2.78	0.00	2.27	0.81	3.08
2012	0.00	1.88	0.80	0.28	1.95	3.00	0.00	2.55	0.67	3.22

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2021</u>		<u>2012</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Assessed Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Valuation</u>
Arizona Public Service Company	\$ 5,014,670	6.44 %	\$ 4,037,078	6.11 %
Southwest Gas Corporation	1,858,540	2.39	411,193	0.62
RL Jones Property LLC	948,380	1.22		
Farm Credit Leasing	652,543	0.84		
Concord Holdings LLC	523,213	0.67		
Cocopah Indian Tribe	307,998	0.40		
Comite De Dient Estar Inc AZ Corp	280,827	0.36		
Union Pacific Rairaad Co	277,173	0.36		
Corp Qwest Corporation	175,546	0.23	565,957	0.86
Linton Scott A & Kumlin Richard L	90,457	0.12	148,758	0.23
Verizon Wireless			513,335	0.78
Las Estrellas Development AZ LLC			433,938	0.66
Somerton Affordable Housing AZ, LP			420,978	0.64
Pen Holdings Real Estate Fl LLC			257,130	0.39
Kumlin Revocable Trust			192,550	0.29
Gemini Property Holdings Inc. AZ			172,218	0.26
<b>Total</b>	<u><u>\$ 10,129,347</u></u>	<u><u>13.03 %</u></u>	<u><u>\$ 7,153,135</u></u>	<u><u>10.84 %</u></u>

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2021	\$ 3,257,470	\$ 3,156,082	96.89 %	\$	\$ 3,156,082	96.89 %
2020	2,618,267	2,519,129	96.21	86,168	2,605,297	99.50
2019	2,574,683	2,464,589	95.72	94,078	2,558,667	99.38
2018	2,510,596	2,406,246	95.84	90,118	2,496,364	99.43
2017	1,909,895	1,833,116	95.98	58,609	1,891,725	99.05
2016	1,480,086	1,410,760	95.32	46,381	1,457,141	98.45
2015	1,573,335	1,501,864	95.46	51,887	1,553,751	98.76
2014	1,443,202	1,345,943	93.26	78,001	1,423,944	98.67
2013	1,645,503	1,534,270	93.24	92,849	1,627,119	98.88
2012	1,694,408	1,585,339	93.56	106,811	1,692,150	99.87

**Source:** The source of this information is the 2021 Yuma County Treasurer's records.

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2021	\$	\$		%	\$	\$ 1,543,137	\$ 1,543,137	0.16 %	\$ 65	N/A %
2020						2,592,122	2,592,122	0.30	140	0.03
2019						3,638,760	3,638,760	0.46	199	0.05
2018						4,017,854	4,017,854	0.56	219	0.06
2017						4,394,645	4,394,645	0.68	244	0.06
2016	485,000	485,000				3,630,722	4,115,722	0.80	230	0.06
2015	945,000	460,000	485,000	0.08	27	3,679,998	4,624,998	0.78	260	0.08
2014	1,390,000	445,000	945,000	0.15	53	3,341,014	4,731,014	0.76	266	0.09
2013	1,815,000	425,000	1,390,000	0.20	79	3,687,868	5,502,868	0.81	314	0.10
2012	2,235,000	401,267	1,833,733	0.24	107	4,013,518	6,248,518	0.82	363	0.11

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Arizona Western Community College	\$ 42,755,000	4.87 %	\$ 2,082,169
Yuma Union High School District No. 70	47,765,000	5.16	<u>2,464,674</u>
Subtotal, Overlapping Debt			<u>4,546,843</u>
Direct:			
Somerton Elementary School District No. 11			<u>1,543,137</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 6,089,980</u></u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		0 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 193	
As a Percentage of Net Limited Assessed Valuation		5.84 %
As a Percentage of Gross Full Cash Value		0.47 %

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

- Notes:** 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.
- 2) Outstanding debt as of June 30, 2020 is presented for the overlapping governments as this is the most recent available information.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2021:**

Net full cash assessed valuation	\$ 91,079,590
Debt limit (10% of assessed value)	9,107,959
Debt applicable to limit	
Legal debt margin	<u><u>\$ 9,107,959</u></u>

**Total Legal Debt Margin Calculation for Fiscal Year 2021:**

Net full cash assessed valuation	\$ 91,079,590
Debt limit (15% of assessed value)	13,661,939
Debt applicable to limit	
Legal debt margin	<u><u>\$ 13,661,939</u></u>

**Fiscal Year Ended June 30**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 13,661,939	\$ 12,168,987	\$ 11,259,664	\$ 10,133,052	\$ 9,132,798
Total net debt applicable to limit					
Legal debt margin	<u><u>\$ 13,661,939</u></u>	<u><u>\$ 12,168,987</u></u>	<u><u>\$ 11,259,664</u></u>	<u><u>\$ 10,133,052</u></u>	<u><u>\$ 9,132,798</u></u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 8,554,045	\$ 8,334,814	\$ 8,872,572	\$ 9,645,627	\$ 9,903,775
Total net debt applicable to limit	<u>485,000</u>	<u>945,000</u>	<u>1,390,000</u>	<u>1,815,000</u>	<u>2,235,000</u>
Legal debt margin	<u><u>\$ 8,069,045</u></u>	<u><u>\$ 7,389,814</u></u>	<u><u>\$ 7,482,572</u></u>	<u><u>\$ 7,830,627</u></u>	<u><u>\$ 7,668,775</u></u>
Total net debt applicable to the limit as a percentage of debt limit	6%	11%	16%	19%	23%

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2020	235,321	\$ 8,887,228	\$ 40,800	20.4 %	23,567
2019	229,957	7,818,246	36,570	14.3	18,500
2018	225,212	7,569,100	35,682	17.0	18,320
2017	221,648	7,212,166	34,752	17.0	18,320
2016	217,730	6,860,818	33,365	18.6	18,025
2015	214,991	6,449,702	31,574	21.8	17,900
2014	212,012	5,841,652	28,742	23.3	17,775
2013	209,323	5,529,669	27,483	27.7	17,775
2012	200,022	5,399,670	26,995	34.5	17,500
2011	200,870	5,442,000	27,091	28.4	17,200

**Sources:** The source of the "Personal Income" and "Per Capita" information is the Bureau of Economic Analysis. The source of the "Population" and "Unemployment Rate" information is the Arizona Office of Employment and Population Statistics.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Yuma County	2,040	3.01 %	1,400	2.86 %
Hd Supply	2,000	2.95		
Yuma Union High School District No. 70	1,680	2.48	920	1.88
Yuma Regional Medical Center	1,560	2.30	2,037	4.17
Walmart Stores	1,560	2.30	1,345	2.75
State of Arizona	1,520	2.25		
Yuma Elementary School District No. 1	1,290	1.91	1,300	2.66
Crane Elementary School District No. 13	1,250	1.85		
City of Yuma	1,110	1.64	1,200	2.45
Advanced Call Center	920	1.36		
U.S. Army Yuma Proving Ground			2,320	4.74
U.S. Marine Corps Air Station			1,350	2.76
Bose Corporation			1,300	2.66
Union Pacific Railroad Company			950	1.94
<b>Total</b>	<u>14,930</u>	<u>22.05 %</u>	<u>14,122</u>	<u>28.87 %</u>
 Total employment	 <u>67,700</u>		 <u>48,900</u>	

**Source:** The source of this information is the Yuma County Chamber of Commerce and Greater Yuma Economic Development Corporation and Bureau of Labor Statistics.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Supervisory</b>					
Superintendent/Principals	6	6	6	6	6
Assistant principals	2	2	2	3	3
Total supervisory	<u>8</u>	<u>8</u>	<u>8</u>	<u>9</u>	<u>9</u>
<b>Instruction</b>					
Teachers	154	154	154	146	144
Other teachers (adult)	2	2	2	2	2
Other professionals (instructional)	7	7	9	7	7
Aides	66	61	62	61	62
Total instruction	<u>229</u>	<u>224</u>	<u>227</u>	<u>216</u>	<u>215</u>
<b>Student Services</b>					
Counselors/Advisors	2	1	1	2	2
Librarians					
Nurses/Technicians	1	1	1	1	1
Total student services	<u>3</u>	<u>2</u>	<u>2</u>	<u>3</u>	<u>3</u>
<b>Support and Administration</b>					
Other classified	142	139	136	130	138
Total support and administration	<u>142</u>	<u>139</u>	<u>136</u>	<u>130</u>	<u>138</u>
<b>Total</b>	<u><u>382</u></u>	<u><u>373</u></u>	<u><u>373</u></u>	<u><u>358</u></u>	<u><u>365</u></u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Supervisory</b>					
Superintendent/Principals	6	6	6	6	6
Assistant principals	3	3	2	2	2
Total supervisory	<u>9</u>	<u>9</u>	<u>8</u>	<u>8</u>	<u>8</u>
<b>Instruction</b>					
Teachers	142	141	137	137	130
Other teachers (adult)	2	2	2	3	4
Other professionals (instructional)	7	4	4	6	2
Aides	61	62	66	65	61
Total instruction	<u>212</u>	<u>209</u>	<u>209</u>	<u>211</u>	<u>197</u>
<b>Student Services</b>					
Counselors/Advisors	2	2	2	3	
Librarians					3
Nurses/Technicians	1	1	1	1	1
Total student services	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>
<b>Support and Administration</b>					
Other classified	138	135	133	126	126
Total support and administration	<u>138</u>	<u>135</u>	<u>133</u>	<u>126</u>	<u>126</u>
<b>Total</b>	<u><u>362</u></u>	<u><u>356</u></u>	<u><u>353</u></u>	<u><u>349</u></u>	<u><u>335</u></u>

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

(Concluded)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2021	2,716	\$ 24,304,150	\$ 8,950	6.56 %	\$ 27,212,325	\$ 10,021	5.08 %	229	11.9	87.2 %
2020	2,829	23,760,073	8,399	2.64	26,979,459	9,537	11.47	224	12.6	87.2
2019	2,825	23,116,831	8,183	7.24	24,169,607	8,556	4.95	227	12.4	87.0
2018	2,814	21,472,350	7,631	1.74	22,940,511	8,152	4.72	216	13.0	84.0
2017	2,795	20,960,254	7,500	(1.84)	21,755,781	7,785	(8.36)	215	13.0	87.0
2016	2,562	19,578,964	7,641	8.59	21,768,583	8,495	6.26	212	12.1	86.4
2015	2,678	18,845,189	7,036	2.44	21,412,192	7,995	6.14	209	12.8	86.4
2014	2,676	18,376,758	6,868	(2.79)	20,153,399	7,533	(1.34)	209	12.8	86.4
2013	2,611	18,447,337	7,065	(0.29)	19,933,638	7,634	(4.27)	211	12.4	86.5
2012	2,572	18,225,549	7,086	0.51	20,511,798	7,975	(1.50)	197	13.1	80.4

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

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11  
CAPITAL ASSETS INFORMATION  
LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b><u>Schools</u></b>										
<b>Elementary</b>										
Buildings	23	23	23	23	22	22	22	22	22	22
Square feet	213,443	213,443	213,443	213,443	198,315	198,315	186,821	186,821	186,821	186,821
Capacity	2,500	2,500	2,500	2,500	2,333	2,333	2,168	2,168	2,168	2,168
Enrollment	2,072	2,072	2,335	2,072	2,072	2,072	1,867	1,867	1,867	1,867
<b>Middle</b>										
Buildings	13	13	13	13	13	13	12	12	12	12
Square feet	100,291	100,291	100,291	100,291	100,291	100,291	100,039	100,039	100,039	100,039
Capacity	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Enrollment	1,018	1,018	682	1,018	1,018	1,018	837	837	837	837
<b>Other</b>										
Buildings	7	7	7	7	6	6	6	6	6	6
Square feet	22,737	22,737	22,737	22,737	16,465	16,465	16,465	16,465	16,465	16,465
<b><u>Administrative</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	6,798	6,798	6,798	6,798	6,798	6,798	6,798	6,798	6,798	6,798
<b><u>Transportation</u></b>										
Garages	2	2	2	2	2	2	2	2	2	2
Buses	20	20	21	20	20	20	20	20	20	20
<b><u>Athletics</u></b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	5	5	5	5	5	5	5	5	5	5
Baseball/softball	2	2	2	2	2	2	2	2	2	2
Playgrounds	4	4	4	4	4	4	4	4	4	4

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

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