
SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

SOMERTON, ARIZONA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

December 22, 2022

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, 2022.

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, 2022, 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, 2022, 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*

Kim Seh, Asst. Superintendent

Governing Board: *Juan Castillo, President • Lorena Zendejas, Clerk • Cristina Clark • Lizandro Galaviz*

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 Report.

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 2,650 as of June 30, 2022. The projected enrollment for fiscal year 2022-23 is 2,650. 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 \$700.0 million.

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 14,311, an increase 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 \$48,558. On a most recent study, Yuma County poverty rate decreased from 20.1 percent in 2018 to 15.9 percent in 2021. About 19.6 percent of the population is below the poverty line.

Annual unemployment rates remain comparatively high despite wage increases; although there has been a slight decrease. In June 2022 the average unemployment rate was at 16.8 percent compared to 22.0 percent in June 2020.

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 4.2 percent given the market factors, which is lower than the Arizona average at 8.5 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 additional funding for the District to build two (K-6) elementary schools in their fiscal year 2021-22 budget. Each school has been allocated an additional \$2,772,900 for construction costs for a total of \$6,080,400 for each site. The District plans to build a school in Somerton and one in San Luis for the 2022-23 school year.

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, 2021. This was the twenty-fourth 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, 2021. 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, 2022 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 Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

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



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
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**

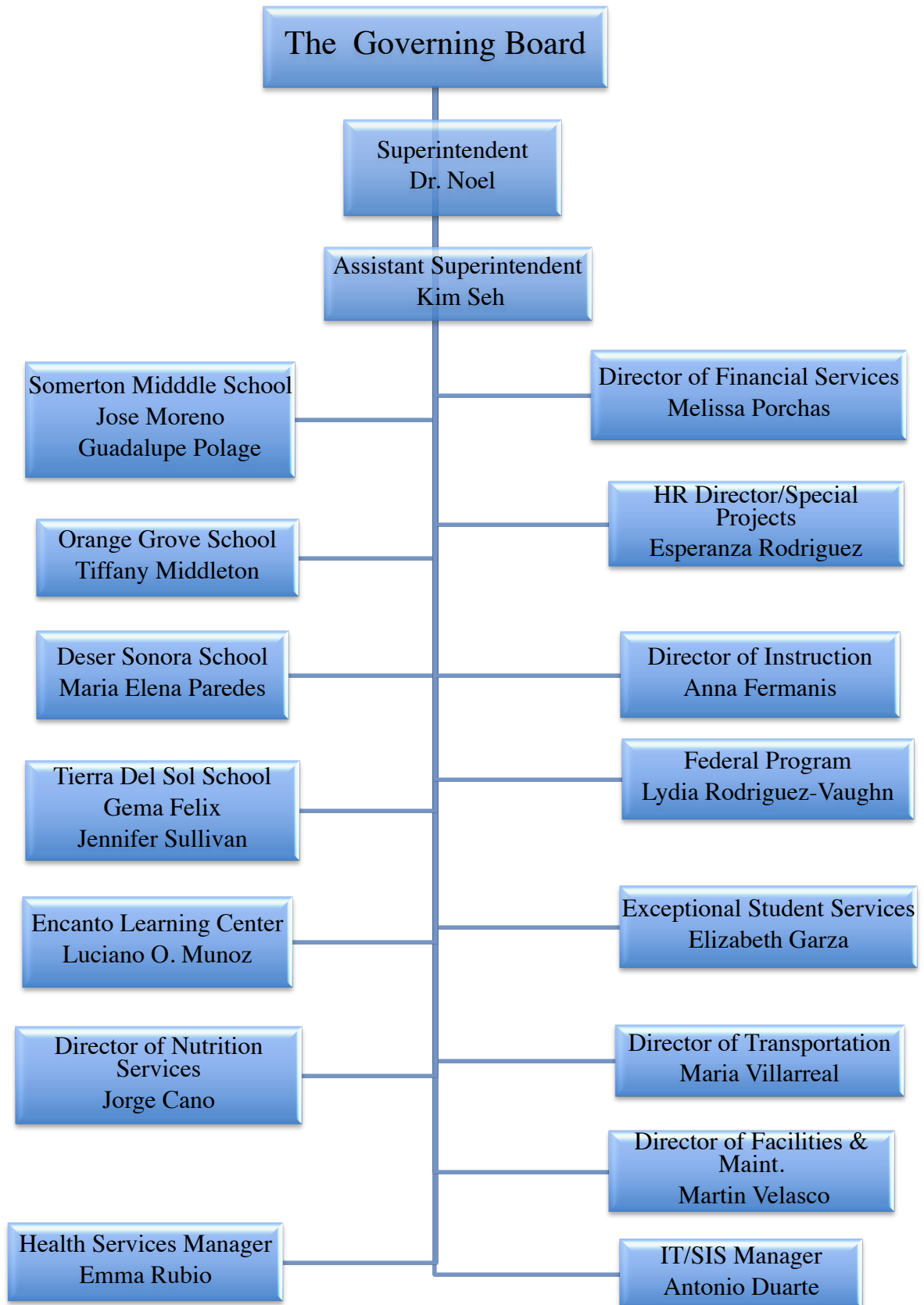
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

SOMERTON SCHOOL DISTRICT ORGANIZATIONAL CHART FY 21-22



SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Juan Castillo, President

Lorena Zendejas, Clerk

Lizandro “Louie” Galaviz, Member

Laura Torres, Member

Cristina Clark, Member

ADMINISTRATIVE STAFF

Laura Noel, Ed.D., Superintendent

Kim Seh, Assistant 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, 2022, 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, 2022, 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.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

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 22, 2022, 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 22, 2022

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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, 2022**

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, 2022. 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 \$6.4 million which represents a 37 percent increase from the prior fiscal year primarily due to new school construction at two sites, funded by the Arizona School Facilities Board..
- General revenues accounted for \$21.3 million in revenue, or 53 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$18.9 million or 47 percent of total current fiscal year revenues.
- The District had approximately \$33.8 million in expenses related to governmental activities, an increase of 24 percent from the prior fiscal year due to current year increases in salaries and benefits.
- Among major funds, the General Fund had \$17.8 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$18.1 million in expenditures. The General Fund's fund balance decreased from \$3.1 million at the prior fiscal year end, to \$2.9 million at the end of the current fiscal year.
- The Other Federal Projects' fund balance decreased from a deficit of \$245,420 in the prior year to a deficit of \$638,770 at the end of the current fiscal year primarily due to the utilization of COVID-19 monies awarded during the fiscal year.
- The Food Service Fund's fund balance increased from \$329,803 in the prior year to \$1,263,918 at the end of the current fiscal year due to increased federal monies through the Arizona Department of Education.
- The Unrestricted Capital Outlay Fund's fund balance increased from \$766,776 in the prior year to \$1.5 million at the end of the current fiscal year.
- The New School Facilities Fund's fund balance decreased from \$146 in the prior year to a deficit of \$385,031 due to increased expenditures for the construction of the new school sites.

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.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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, 2022**

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, Food Service, Unrestricted Capital Outlay, and New School Facilities 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 major Special Revenue Funds 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 and deferred inflows by \$23.4 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, 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, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	As of June 30, 2022	As of June 30, 2021
Current and other assets	\$ 10,066,135	\$ 6,542,691
Capital assets, net	35,485,936	31,227,227
Total assets	<u>45,552,071</u>	<u>37,769,918</u>
Deferred outflows	<u>4,917,619</u>	<u>4,279,224</u>
Current liabilities	2,882,563	845,459
Long-term liabilities	18,724,440	24,154,145
Total liabilities	<u>21,607,003</u>	<u>24,999,604</u>
Deferred inflows	<u>5,435,725</u>	
Net position:		
Net investment in capital assets	34,193,933	29,684,090
Restricted	4,524,671	2,480,003
Unrestricted	(15,291,642)	(15,114,555)
Total net position	<u>\$ 23,426,962</u>	<u>\$ 17,049,538</u>

At the end of the current fiscal year the District reported a negative unrestricted net position of \$15.3 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 \$5.8 million in capital assets primarily due to new school construction and the purchase of buses.
- The addition of \$1.6 million in accumulated depreciation.
- The principal retirement of \$251,134 of financed purchase obligations.
- The net pension liability decreased \$5.2 million.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

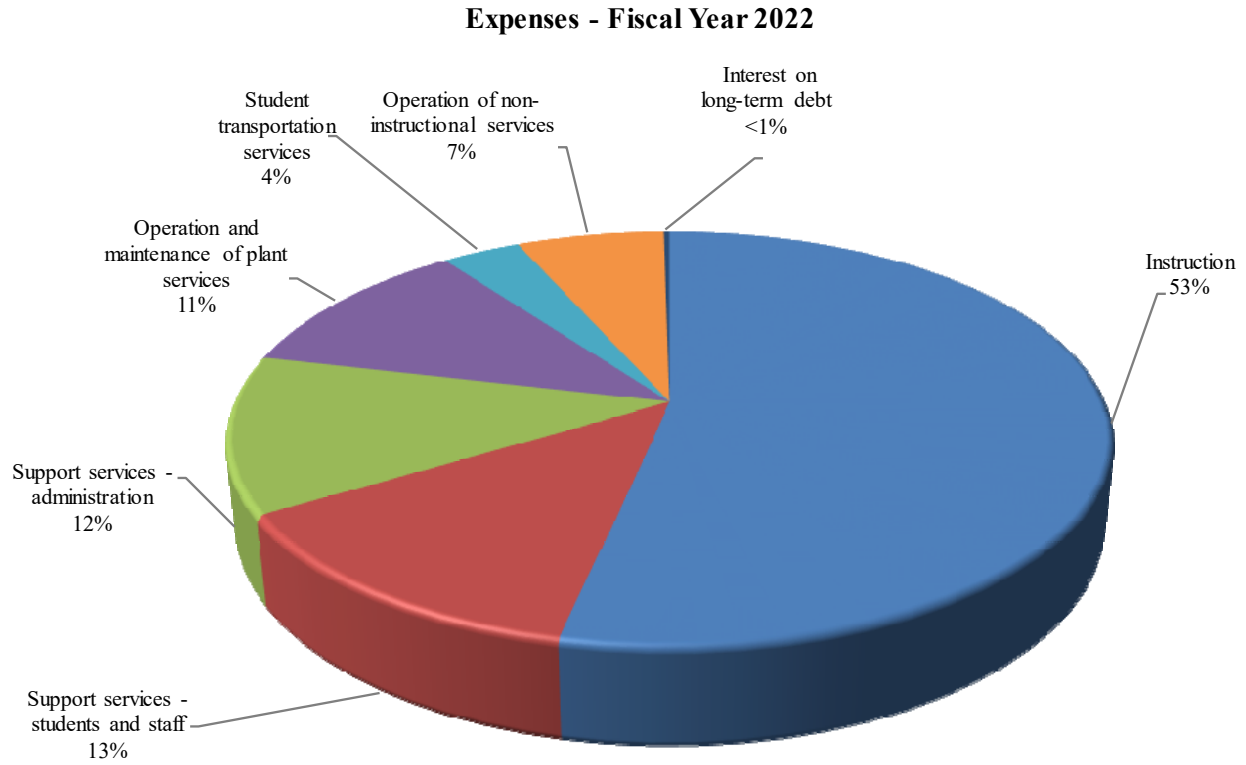
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$40.2 million. The total cost of all programs and services was \$33.8 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	<u>Fiscal Year Ended June 30, 2022</u>	<u>Fiscal Year Ended June 30, 2021</u>
Revenues:		
Program revenues:		
Charges for services	\$ 332,893	\$ 121,448
Operating grants and contributions	12,133,706	6,995,205
Capital grants and contributions	6,399,935	796,893
General revenues:		
Property taxes	1,557,486	3,263,006
Investment income	10,710	10,418
Unrestricted county aid	551,662	524,375
Unrestricted state aid	18,917,966	17,517,988
Unrestricted federal aid	291,074	193,136
Total revenues	<u>40,195,432</u>	<u>29,422,469</u>
Expenses:		
Instruction	18,054,629	14,985,208
Support services – students and staff	4,417,511	3,392,823
Support services – administration	4,131,992	3,217,071
Operation and maintenance of plant services	3,799,978	3,142,930
Student transportation services	1,156,249	778,917
Operation of non-instructional services	2,176,222	1,581,349
Interest on long-term debt	81,427	114,027
Total expenses	<u>33,818,008</u>	<u>27,212,325</u>
Changes in net position	6,377,424	2,210,144
Net position, beginning	<u>17,049,538</u>	<u>14,839,394</u>
Net position, ending	<u><u>\$ 23,426,962</u></u>	<u><u>\$ 17,049,538</u></u>

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

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 \$5.1 million and Capital Grants and contributions increased \$5.6 million primarily related to COVID-19 grants and School Facilities Board funding.
- The decrease in property taxes revenues of \$1.7 million was primarily due to the District not receiving a secondary levy in the fiscal year.
- The increase of \$3.1 million in instruction was primarily due to additional salaries and benefits paid to retain highly qualified and experienced staff to help meet the needs of the District's students.

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

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2022		Year Ended June 30, 2021	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 18,054,629	\$ (5,480,197)	\$ 14,985,208	\$ (11,633,641)
Support services - students and staff	4,417,511	(2,397,033)	3,392,823	(1,567,124)
Support services - administration	4,131,992	(3,690,214)	3,217,071	(2,877,483)
Operation and maintenance of plant services	3,799,978	(3,102,214)	3,142,930	(2,541,102)
Student transportation services	1,156,249	(1,129,958)	778,917	(758,761)
Operation of non-instructional services	2,176,222	866,046	1,581,349	100,053
Interest on long-term debt	81,427	(17,904)	114,027	(20,721)
Total	\$ 33,818,008	\$ (14,951,474)	\$ 27,212,325	\$ (19,298,779)

- The cost of all governmental activities this year was \$33.8 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$18.9 million.
- Net cost of governmental activities of \$15.0 million was financed by general revenues, which are made up of primarily property taxes of \$1.6 million and state and county aid of \$19.5 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 \$6.2 million, an increase of \$1.2 million primarily due to unexpended state and federal aid.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 47 percent of the total fund balance. The entire \$2.9 million of the General Fund's fund balance is unassigned. The General Fund is the principal operating fund of the District. The fund balance decreased \$196,023 in the General Fund to \$2.9 million as of fiscal year end. General Fund revenues increased \$673,523. General Fund expenditures increased \$1.6 million as a result of salary and benefit increases.

The Other Federal Projects Fund's fund balance decreased from a deficit of \$245,420 to a deficit of \$638,770 due to the utilization of COVID-19 grant funding.

The Food Service Fund's fund balance increased from \$329,803 in the prior year to \$1,263,918 due to increased federal funding through the Arizona Department of Education.

The Unrestricted Capital Outlay Fund's fund balance increased \$736,347 to \$1.5 million due to increased state equalization assistance.

The New School Facilities Fund's fund balance decreased from \$146 in the prior year to a deficit of \$385,031 primarily due to the construction of the new school sites in San Luis and Somerton.

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 \$205,759 increase, or one 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 variance of \$842,792 in instruction was a result of an unexpected budget balance carryforward.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$59.0 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 \$5.8 million from the prior fiscal year, primarily due to new school construction and the purchase of buses. 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, 2022 and June 30, 2021.

	As of June 30, 2022	As of June 30, 2021
Capital assets - non-depreciable	\$ 6,802,620	\$ 2,437,410
Capital assets - depreciable, net	28,683,316	28,789,817
Total	\$ 35,485,936	\$ 31,227,227

The estimated cost to complete current construction projects is \$9.2 million.

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

Debt Administration. At year end, the District had \$1.3 million in long-term debt outstanding, \$253,525 due within one year. Long-term debt decreased by \$251,134.

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 \$15.7 million and the Class B debt limit is \$10.5 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, 2022**

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 2022-23 budget. Among them:

- Fiscal year 2021-22 budget balance carry forward (estimated \$1,035,224).
- District unweighted student counts of 2,651.

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

Budgeted expenditures in the General Fund decreased four percent to \$18.0 million in fiscal year 2022-23. The use of fiscal year 2022 average daily membership prior to the approval of the new base weight is the primary reason for the decrease; a revised budget followed once approved. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2022-23 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, 2022

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 2,087,872
Property taxes receivable	150,908
Accounts receivable	20,958
Due from governmental entities	7,806,397
Total current assets	10,066,135
Noncurrent assets:	
Capital assets not being depreciated	6,802,620
Capital assets, net of accumulated depreciation	28,683,316
Total noncurrent assets	35,485,936
Total assets	45,552,071
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension plan items	4,917,619
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	2,175,471
Accrued payroll and employee benefits	646,971
Compensated absences payable	100,000
Unearned revenues	60,121
Financed purchases payable	253,525
Total current liabilities	3,236,088
Noncurrent liabilities:	
Non-current portion of long-term obligations	18,370,915
Total noncurrent liabilities	18,370,915
Total liabilities	21,607,003
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	5,435,725
 <u>NET POSITION</u>	
Net investment in capital assets	34,193,933
Restricted for:	
Instruction	1,331,607
Food service	1,263,918
Non-instructional purposes	90,107
Capital outlay	1,839,039
Unrestricted	(15,291,642)
Total net position	\$ 23,426,962

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, 2022**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 18,054,629	\$ 70,642	\$ 6,576,956	\$ 5,926,834	\$ (5,480,197)
Support services - students and staff	4,417,511	153,267	1,867,211		(2,397,033)
Support services - administration	4,131,992		441,778		(3,690,214)
Operation and maintenance of plant services	3,799,978	54,385	170,278	473,101	(3,102,214)
Student transportation services	1,156,249		26,291		(1,129,958)
Operation of non-instructional services	2,176,222	54,599	2,987,669		866,046
Interest on long-term debt	81,427		63,523		(17,904)
Total governmental activities	<u>\$ 33,818,008</u>	<u>\$ 332,893</u>	<u>\$ 12,133,706</u>	<u>\$ 6,399,935</u>	<u>(14,951,474)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	1,535,450
Property taxes, levied for capital outlay	22,036
Investment income	10,710
Unrestricted county aid	551,662
Unrestricted state aid	18,917,966
Unrestricted federal aid	291,074
Total general revenues	<u>21,328,898</u>

Changes in net position

6,377,424

Net position, beginning of year

17,049,538

Net position, end of year

\$ 23,426,962

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, 2022**

	General	Other Federal Projects	Food Service
<u>ASSETS</u>			
Cash and investments	\$	\$	\$ 45,400
Property taxes receivable	141,164		
Accounts receivable			
Due from governmental entities	4,153,933	1,399,093	112,741
Due from other funds			1,110,607
Total assets	\$ 4,295,097	\$ 1,399,093	\$ 1,268,748
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 94,313	\$ 399,588	\$
Due to other funds	769,580	954,857	
Accrued payroll and employee benefits	387,272	44,648	4,830
Unearned revenues			
Total liabilities	1,251,165	1,399,093	4,830
Deferred inflows of resources:			
Unavailable revenues - property taxes	120,967		
Unavailable revenues - intergovernmental		638,770	
Total deferred inflows of resources	120,967	638,770	
Fund balances (deficits):			
Restricted			1,263,918
Unassigned	2,922,965	(638,770)	
Total fund balances	2,922,965	(638,770)	1,263,918
 Total liabilities, deferred inflows of resources and fund balances	 \$ 4,295,097	 \$ 1,399,093	 \$ 1,268,748

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

<u>Unrestricted Capital Outlay</u>	<u>New School Facilities</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 1,281,614 9,744	\$	\$ 760,858	\$ 2,087,872
284,033	1,049,022	20,958	150,908
		807,575	20,958
		1,111,997	7,806,397
<u>\$ 1,575,391</u>	<u>\$ 1,049,022</u>	<u>\$ 2,701,388</u>	<u>\$ 12,288,739</u>
\$ 64,191	\$ 1,398,623 35,430	\$ 218,756	\$ 2,175,471
		462,737	2,222,604
		210,221	646,971
		60,121	60,121
<u>64,191</u>	<u>1,434,053</u>	<u>951,835</u>	<u>5,105,167</u>
8,077			129,044
		180,313	819,083
<u>8,077</u>		<u>180,313</u>	<u>948,127</u>
1,503,123		1,749,553	4,516,594
	(385,031)	(180,313)	1,718,851
<u>1,503,123</u>	<u>(385,031)</u>	<u>1,569,240</u>	<u>6,235,445</u>
<u>\$ 1,575,391</u>	<u>\$ 1,049,022</u>	<u>\$ 2,701,388</u>	<u>\$ 12,288,739</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, 2022**

Total governmental fund balances		\$ 6,235,445
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 59,008,678	
Less accumulated depreciation	<u>(23,522,742)</u>	35,485,936
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	129,044	
Intergovernmental	<u>819,083</u>	948,127
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions	4,917,619	
Deferred inflows of resources related to pensions	<u>(5,435,725)</u>	(518,106)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(276,119)	
Financed purchases payable	(1,292,003)	
Net pension liability	<u>(17,156,318)</u>	<u>(18,724,440)</u>
Net position of governmental activities		\$ <u>23,426,962</u>

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, 2022

	General	Other Federal Projects	Food Service
Revenues:			
Other local	\$ 599,241	\$	\$ 55,905
Property taxes	1,512,724		
State aid and grants	15,401,917		
Federal aid, grants and reimbursements	291,074	6,334,368	2,987,669
Total revenues	17,804,956	6,334,368	3,043,574
Expenditures:			
Current -			
Instruction	9,981,811	2,792,015	
Support services - students and staff	1,706,655	808,600	
Support services - administration	3,003,204	472,427	2,533
Operation and maintenance of plant services	2,824,577	186,451	15,991
Student transportation services	576,332	93,405	
Operation of non-instructional services	45,564	138,673	1,915,451
Capital outlay		2,046,327	25,484
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	18,138,143	6,537,898	1,959,459
Excess (deficiency) of revenues over expenditures	(333,187)	(203,530)	1,084,115
Other financing sources (uses):			
Transfer in	406,202		
Transfer out	(269,038)	(189,820)	(150,000)
Total other financing sources (uses)	137,164	(189,820)	(150,000)
Changes in fund balances	(196,023)	(393,350)	934,115
Fund balances (deficits), beginning of year	3,118,988	(245,420)	329,803
Fund balances (deficits), end of year	\$ 2,922,965	\$ (638,770)	\$ 1,263,918

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

<u>Unrestricted Capital Outlay</u>	<u>New School Facilities</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 40,050	\$ 33	\$ 209,122	\$ 904,351
158,643		11,005	1,682,372
1,050,560	3,801,667	3,498,218	23,752,362
		3,949,607	13,562,718
<u>1,249,253</u>	<u>3,801,700</u>	<u>7,667,952</u>	<u>39,901,803</u>
		3,766,239	16,540,065
		1,881,427	4,396,682
		365,519	3,843,683
		216,657	3,243,676
		25,225	694,962
512,906	4,186,877	786,181	2,099,688
			7,557,775
		251,134	251,134
		81,427	81,427
<u>512,906</u>	<u>4,186,877</u>	<u>7,373,809</u>	<u>38,709,092</u>
<u>736,347</u>	<u>(385,177)</u>	<u>294,143</u>	<u>1,192,711</u>
		269,038	675,240
		(66,382)	(675,240)
		202,656	
<u>736,347</u>	<u>(385,177)</u>	<u>496,799</u>	<u>1,192,711</u>
766,776	146	1,072,441	5,042,734
<u>\$ 1,503,123</u>	<u>\$ (385,031)</u>	<u>\$ 1,569,240</u>	<u>\$ 6,235,445</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, 2022**

Changes in fund balances - total governmental funds	\$	1,192,711
<p>Amounts reported for <i>governmental activities</i> in the Statement of Activities are different because:</p>		
<p>Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.</p>		
Expenditures for capitalized assets	\$ 5,838,491	
Less current year depreciation	<u>(1,553,532)</u>	4,284,959
<p>Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes	(124,886)	
Intergovernmental	<u>418,515</u>	293,629
<p>Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p>		
Financed purchase principal retirement		251,134
<p>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.</p>		
Current year pension contributions	2,200,704	
Pension expense	<u>(1,789,280)</u>	411,424
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Loss on disposal of assets	(26,250)	
Compensated absences	<u>(30,183)</u>	<u>(56,433)</u>
Changes in net position in governmental activities	\$	<u>6,377,424</u>

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, 2022

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.

During the year ended June 30, 2022, the District implemented the provisions of GASB Statement No. 87, *Leases*. This Statement increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District's analysis of contracts and agreements in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period.

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

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Food Service Fund – The Food Service Fund accounts for the financial activity of school activities that have as their purpose the preparation and serving of regular and incidental meals and snacks in connection with school functions.

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

New School Facilities Fund – The New School Facilities Fund accounts for monies received from the School Facilities Board to be used for constructing new school facilities and purchasing land for new school sites.

D. Cash and Investments

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

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

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

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Arizona statute requires a pooled collateral program for public deposits and a Statewide Collateral Pool Administrator (Administrator) in the State Treasurer’s Office. The purpose of the pooled collateral program is to ensure that governmental entities’ public deposits placed in participating depositories are secured with collateral of 102 percent of the public deposits, less any applicable 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.

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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; construction in progress; and intangible right-to-use assets, 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

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

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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.

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	Food Service Fund	Unrestricted Capital Outlay Fund	New School Facilities Fund	Non-Major Governmental Funds
Fund Balances:						
Restricted:						
Capital projects	\$	\$	\$	\$ 1,503,123	\$	\$ 327,839
Voter approved initiatives						1,007,829
Federal and state projects						154,394
Food service			1,263,918			
Civic center						33,298
Community school						2,019
Extracurricular activities						53,118
Gifts and donations						18,894
Insurance refund						54,790
Student activities						90,647
Other purposes						6,725
Unassigned	<u>2,922,965</u>	<u>(638,770)</u>			<u>(385,031)</u>	<u>(180,313)</u>
Total fund balances	<u>\$ 2,922,965</u>	<u>\$ (638,770)</u>	<u>\$1,263,918</u>	<u>\$ 1,503,123</u>	<u>\$(385,031)</u>	<u>\$ 1,569,240</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Major Fund:	
Other Federal Projects	\$ 638,770
New School Facilities	385,031
Non-Major Governmental Funds:	
Title I Grants	87,181
Professional Development and Technology Grants	33,241
Title IV Grants	23,390
Limited English & Immigrant Students	4,098
Special Education Grants	16,137
Adult Education	9,917
Other State Projects	6,349

The deficits arose because of pending grant reimbursements. Additional revenues received in fiscal year 2022-23 are expected to eliminate the deficits.

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

Compliance – The District was selected by the Arizona Department of Education (ADE) to have an average daily membership (ADM) audit for the fiscal years ended June 30, 2019, 2020, and 2021. The ADM audit was issued in June 2022 and indicates that the District was over funded for the fiscal years audited. Pursuant to an agreement with ADE, the District will repay \$40,976 through monthly withholdings of state aid through fiscal year 2023.

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 \$90,647 and the bank balance was \$571,994. At year end, \$226,347 was covered by collateral held by the pledging institution's trust department or agent but not in the District's name.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 – CASH AND INVESTMENTS

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

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

The County Treasurer’s pool 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	0.12 years	<u>\$ 1,997,225</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, 2022

NOTE 5 – RECEIVABLES

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

	General Fund	Other Federal Projects Fund	Food Service Fund	Unrestricted Capital Outlay Fund	New School Facilities Fund	Non-Major Governmental Funds
Due from other governmental entities:						
Due from federal government	\$ 30,541	\$ 1,399,093	\$ 112,741	\$	\$	\$ 648,579
Due from state government	4,115,278			284,033	1,049,022	158,996
Due from county government	8,114					
Net due from governmental entities	<u>\$ 4,153,933</u>	<u>\$ 1,399,093</u>	<u>\$ 112,741</u>	<u>\$ 284,033</u>	<u>\$ 1,049,022</u>	<u>\$ 807,575</u>

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 2,034,857	\$ 716,581	\$ 737,308	\$ 2,014,130
Construction in progress	402,553	4,385,937		4,788,490
Total capital assets, not being depreciated	<u>2,437,410</u>	<u>5,102,518</u>	<u>737,308</u>	<u>6,802,620</u>
Capital assets, being depreciated:				
Land improvements	2,455,210	302,635	8,132	2,749,713
Buildings and improvements	43,083,970	515,876		43,599,846
Vehicles, furniture and equipment	5,280,929	634,043	58,473	5,856,499
Total capital assets being depreciated	<u>50,820,109</u>	<u>1,452,554</u>	<u>66,605</u>	<u>52,206,058</u>
Less accumulated depreciation for:				
Land improvements	(1,218,932)	(101,719)	(2,609)	(1,318,042)
Buildings and improvements	(16,932,010)	(1,116,378)		(18,048,388)
Vehicles, furniture and equipment	(3,879,350)	(335,435)	(58,473)	(4,156,312)
Total accumulated depreciation	<u>(22,030,292)</u>	<u>(1,553,532)</u>	<u>(61,082)</u>	<u>(23,522,742)</u>
Total capital assets, being depreciated, net	<u>28,789,817</u>	<u>(100,978)</u>	<u>5,523</u>	<u>28,683,316</u>
Governmental activities capital assets, net	<u>\$31,227,227</u>	<u>\$ 5,001,540</u>	<u>\$ 742,831</u>	<u>\$ 35,485,936</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – CAPITAL ASSETS

Depreciation and amortization expense were charged to governmental functions as follows:

Instruction	\$ 891,212
Support services – students and staff	4,435
Support services – administration	36,341
Operation and maintenance of plant services	458,084
Student transportation services	138,704
Operation of non-instructional services	24,756
Total depreciation expense – governmental activities	<u>\$1,553,532</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 \$4,788,490 on the projects and had estimated remaining contractual commitments of \$9,162,262. The projects are being funded with School Facilities Board monies.

NOTE 7 – FINANCED PURCHASES PAYABLE

The District has acquired energy efficiency upgrades under the provisions of a contract classified as a financed purchase payable. In accordance with GASB Statement No. 87 *Leases*, contracts previously recorded as capital leases have been reclassified as financed purchases payable in the fiscal year. Revenues from the General Fund are transferred to the Energy and Water Savings Fund to pay the debt obligations when due. The District receives a federal interest subsidy to fund the interest payments for the District-wide energy project.

Annual debt service requirements to maturity on financed purchases payable at year end are summarized as follows:

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 253,525	\$ 67,582
2024	255,940	53,605
2025	258,377	39,495
2026	260,838	25,250
2027	263,323	10,870
Total	<u>\$ 1,292,003</u>	<u>\$ 196,802</u>

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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
Governmental activities:					
Financed purchases payable	\$ 1,543,137	\$	\$ 251,134	\$ 1,292,003	\$ 253,525
Net pension liability	22,365,072		5,208,754	17,156,318	
Compensated absences payable	245,936	185,437	155,254	276,119	100,000
Governmental activity long-term liabilities	<u>\$ 24,154,145</u>	<u>\$ 185,437</u>	<u>\$ 5,615,142</u>	<u>\$18,724,440</u>	<u>\$ 353,525</u>

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	Food Service Fund	Non-Major Governmental Funds	Total Due to Other Funds
General Fund	\$ 769,580	\$	\$ 769,580
Other Federal Projects Fund	341,027	613,830	954,857
New School Facilities Fund		35,430	35,430
Non-Major Governmental Funds		462,737	462,737
Total Due from Other Funds	<u>\$ 1,110,607</u>	<u>\$ 1,111,997</u>	<u>\$ 2,222,604</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		
	General Fund	Non-Major Governmental Funds	Total
<u>Transfers out</u>			
General Fund	\$	\$ 269,038	\$ 269,038
Other Federal Projects Fund	189,820		189,820
Food Service Fund	150,000		150,000
Non-Major Governmental Funds	66,382		66,382
Total	<u>\$ 406,202</u>	<u>\$ 269,038</u>	<u>\$ 675,240</u>

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.

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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.

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, 2022

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.

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, 2022

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 12.41 percent (12.22 percent for retirement and 0.19 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 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 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, 2022 were \$2,200,704.

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 10.22 percent (10.13 for retirement and 0.09 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, 2021. 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, 2020, to the measurement date of June 30, 2021. 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, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

At June 30, 2022, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2021, the District’s percentage proportion for each plan and the related change from its proportion measured as of June 30, 2020 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 17,156,318	0.131	0.001

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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, 2022 was \$1,789,280.

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	\$ 261,532	\$
Changes of assumptions or other inputs	2,233,032	
Net difference between projected and actual earnings on pension investments		5,435,725
Changes in proportion and differences between contributions and proportionate share of contributions	222,351	
Contributions subsequent to the measurement date	2,200,704	
Total	\$ 4,917,619	\$ 5,435,725

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, 2023. 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:		
2023	\$	220,085
2024		132,596
2025		(1,198,299)
2026		(1,873,192)

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 12 – PENSIONS

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

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

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

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 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.

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%	4.90%
Credit	20	5.20
Interest rate sensitive bonds	10	0.70
Real estate	20	5.70
Total	<u>100%</u>	

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 12 – PENSIONS

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The discount rate was lowered in the roll forward for the year June 30, 2021 from 7.5 percent, which was used for the actuarial assumptions at the valuation date. 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 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 26,985,452	\$ 17,156,318	\$ 8,961,541

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.

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, 2022

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 561,505	\$ 561,505
Property taxes			1,512,724	1,512,724
State aid and grants			15,401,917	15,401,917
Total revenues			<u>17,476,146</u>	<u>17,476,146</u>
Expenditures:				
Current -				
Instruction	10,792,083	10,799,869	9,957,077	842,792
Support services - students and staff	1,542,200	1,564,237	1,492,325	71,912
Support services - administration	2,721,196	2,857,479	2,752,091	105,388
Operation and maintenance of plant services	2,794,134	2,828,887	2,823,931	4,956
Student transportation services	593,768	598,668	575,567	23,101
Operation of non-instructional services	43,632	43,632	45,564	(1,932)
Total expenditures	<u>18,487,013</u>	<u>18,692,772</u>	<u>17,646,555</u>	<u>1,046,217</u>
Excess (deficiency) of revenues over expenditures	<u>(18,487,013)</u>	<u>(18,692,772)</u>	<u>(170,409)</u>	<u>18,522,363</u>
Other financing sources (uses):				
Transfer out			(269,038)	(269,038)
Total other financing sources (uses)			<u>(269,038)</u>	<u>(269,038)</u>
Changes in fund balances	<u>(18,487,013)</u>	<u>(18,692,772)</u>	<u>(439,447)</u>	<u>18,253,325</u>
Fund balances, beginning of year			1,825,977	1,825,977
Fund balances (deficits), end of year	<u>\$ (18,487,013)</u>	<u>\$ (18,692,772)</u>	<u>\$ 1,386,530</u>	<u>\$ 20,079,302</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, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 6,334,368	\$ 6,334,368
Total revenues			<u>6,334,368</u>	<u>6,334,368</u>
Expenditures:				
Current -				
Instruction	12,307,301	12,411,167	2,792,015	9,619,152
Support services - students and staff			808,600	(808,600)
Support services - administration			472,427	(472,427)
Operation and maintenance of plant services			186,451	(186,451)
Student transportation services			93,405	(93,405)
Operation of non-instructional services			138,673	(138,673)
Capital outlay			2,046,327	(2,046,327)
Total expenditures	<u>12,307,301</u>	<u>12,411,167</u>	<u>6,537,898</u>	<u>5,873,269</u>
Excess (deficiency) of revenues over expenditures	<u>(12,307,301)</u>	<u>(12,411,167)</u>	<u>(203,530)</u>	<u>12,207,637</u>
Other financing sources (uses):				
Transfer out			(189,820)	(189,820)
Total other financing sources (uses)			<u>(189,820)</u>	<u>(189,820)</u>
Changes in fund balances	<u>(12,307,301)</u>	<u>(12,411,167)</u>	<u>(393,350)</u>	<u>12,017,817</u>
Fund balances (deficits), beginning of year			(245,420)	(245,420)
Fund balances (deficits), end of year	<u>\$ (12,307,301)</u>	<u>\$ (12,411,167)</u>	<u>\$ (638,770)</u>	<u>\$ 11,772,397</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
FOOD SERVICE
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 55,905	\$ 55,905
Federal aid, grants and reimbursements			2,987,669	2,987,669
Total revenues			<u>3,043,574</u>	<u>3,043,574</u>
Expenditures:				
Current -				
Support services - administration			2,533	(2,533)
Operation and maintenance of plant services			15,991	(15,991)
Operation of non-instructional services	2,020,568	2,820,568	1,915,451	905,117
Capital outlay			25,484	(25,484)
Total expenditures	<u>2,020,568</u>	<u>2,820,568</u>	<u>1,959,459</u>	<u>861,109</u>
Excess (deficiency) of revenues over expenditures	<u>(2,020,568)</u>	<u>(2,820,568)</u>	<u>1,084,115</u>	<u>3,904,683</u>
Other financing sources (uses):				
Transfer out			(150,000)	(150,000)
Total other financing sources (uses)			<u>(150,000)</u>	<u>(150,000)</u>
Changes in fund balances	<u>(2,020,568)</u>	<u>(2,820,568)</u>	<u>934,115</u>	<u>3,754,683</u>
Fund balances, beginning of year			329,803	329,803
Fund balances (deficits), end of year	<u>\$ (2,020,568)</u>	<u>\$ (2,820,568)</u>	<u>\$ 1,263,918</u>	<u>\$ 4,084,486</u>

See accompanying notes to this schedule.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
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	\$ 17,156,318	\$ 22,365,072	\$ 18,554,189	\$ 17,594,880
District's covered payroll	\$ 14,637,579	\$ 14,025,782	\$ 13,412,996	\$ 12,542,055
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	117.21%	159.46%	138.33%	140.29%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 2,200,704	\$ 1,705,278	\$ 1,605,952	\$ 1,499,573
Contributions in relation to the actuarially determined contribution	<u>2,200,704</u>	<u>1,705,278</u>	<u>1,605,952</u>	<u>1,499,573</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 18,323,930	\$ 14,637,579	\$ 14,025,782	\$ 13,412,996
Contributions as a percentage of covered payroll	12.01%	11.65%	11.45%	11.18%

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.13%	0.12%	0.12%	0.12%
\$ 19,720,254	\$ 19,753,361	\$ 19,022,767	\$ 18,137,029
\$ 12,426,447	\$ 11,456,894	\$ 11,275,390	\$ 11,475,607
158.70%	172.41%	168.71%	158.05%
69.92%	67.06%	68.35%	69.49%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,367,084	\$ 1,339,571	\$ 1,243,073	\$ 1,227,890
<u>1,367,084</u>	<u>1,339,571</u>	<u>1,243,073</u>	<u>1,227,890</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 12,542,055	\$ 12,426,447	\$ 11,456,894	\$ 11,275,390
10.90%	10.78%	10.85%	10.89%

SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

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	\$ 18,138,143	\$ 2,922,965
Activity budgeted as special revenue funds	(392,416)	(1,331,539)
Activity budgeted as capital projects funds		(10,020)
Employee insurance account	(99,172)	(194,876)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 17,646,555	\$ 1,386,530

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, 2020, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

**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, 2022

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 321,111	\$ 439,747	\$ 760,858
Accounts receivable	20,958		20,958
Due from governmental entities	807,575		807,575
Due from other funds	1,111,997		1,111,997
Total assets	<u>\$ 2,261,641</u>	<u>\$ 439,747</u>	<u>\$ 2,701,388</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 106,848	\$ 111,908	\$ 218,756
Due to other funds	462,737		462,737
Accrued payroll and employee benefits	210,221		210,221
Unearned revenues	60,121		60,121
Total liabilities	<u>839,927</u>	<u>111,908</u>	<u>951,835</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>180,313</u>		<u>180,313</u>
Fund balances (deficits):			
Restricted	1,421,714	327,839	1,749,553
Unassigned	(180,313)		(180,313)
Total fund balances	<u>1,241,401</u>	<u>327,839</u>	<u>1,569,240</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,261,641</u>	<u>\$ 439,747</u>	<u>\$ 2,701,388</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, 2022

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 207,323	\$ 1,799	\$ 209,122
Property taxes		11,005	11,005
State aid and grants	3,498,218		3,498,218
Federal aid, grants and reimbursements	3,886,084	63,523	3,949,607
Total revenues	<u>7,591,625</u>	<u>76,327</u>	<u>7,667,952</u>
Expenditures:			
Current -			
Instruction	3,766,239		3,766,239
Support services - students and staff	1,881,427		1,881,427
Support services - administration	365,519		365,519
Operation and maintenance of plant services	216,657		216,657
Student transportation services	25,225		25,225
Capital outlay	601,704	184,477	786,181
Debt service -			
Principal retirement		251,134	251,134
Interest and fiscal charges		81,427	81,427
Total expenditures	<u>6,856,771</u>	<u>517,038</u>	<u>7,373,809</u>
Excess (deficiency) of revenues over expenditures	<u>734,854</u>	<u>(440,711)</u>	<u>294,143</u>
Other financing sources (uses):			
Transfer in		269,038	269,038
Transfer out	(66,382)		(66,382)
Total other financing sources (uses)	<u>(66,382)</u>	<u>269,038</u>	<u>202,656</u>
Changes in fund balances	<u>668,472</u>	<u>(171,673)</u>	<u>496,799</u>
Fund balances, beginning of year	572,929	499,512	1,072,441
Fund balances, end of year	<u>\$ 1,241,401</u>	<u>\$ 327,839</u>	<u>\$ 1,569,240</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.

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

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, 2022**

	Classroom Site	Instructional Improvement	Title I Grants
<u>ASSETS</u>			
Cash and investments	\$	\$	\$
Accounts receivable			
Due from governmental entities		50,226	432,936
Due from other funds	670,338	287,265	
Total assets	\$ 670,338	\$ 337,491	\$ 432,936
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 98,124
Due to other funds			258,196
Accrued payroll and employee benefits			76,616
Unearned revenues			
Total liabilities			432,936
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			87,181
Fund balances (deficits):			
Restricted	670,338	337,491	
Unassigned			(87,181)
Total fund balances	670,338	337,491	(87,181)
 Total liabilities, deferred inflows of resources and fund balances	\$ 670,338	\$ 337,491	\$ 432,936

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>	<u>Results-based Funding</u>
\$	\$	\$	\$	\$	\$
37,612	38,615	4,098	125,401	9,917	154,394
<u>\$ 37,612</u>	<u>\$ 38,615</u>	<u>\$ 4,098</u>	<u>\$ 125,401</u>	<u>\$ 9,917</u>	<u>\$ 154,394</u>
\$	\$	\$	\$	\$	\$
37,612	38,615	4,098	114,299 11,102	9,917	
<u>37,612</u>	<u>38,615</u>	<u>4,098</u>	<u>125,401</u>	<u>9,917</u>	
<u>33,241</u>	<u>23,390</u>	<u>4,098</u>	<u>16,137</u>	<u>9,917</u>	
<u>(33,241)</u>	<u>(23,390)</u>	<u>(4,098)</u>	<u>(16,137)</u>	<u>(9,917)</u>	154,394
<u>(33,241)</u>	<u>(23,390)</u>	<u>(4,098)</u>	<u>(16,137)</u>	<u>(9,917)</u>	<u>154,394</u>
<u>\$ 37,612</u>	<u>\$ 38,615</u>	<u>\$ 4,098</u>	<u>\$ 125,401</u>	<u>\$ 9,917</u>	<u>\$ 154,394</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022**

	<u>Other State Projects</u>	<u>Civic Center</u>	<u>Community School</u>
<u>ASSETS</u>			
Cash and investments	\$ 82,578	\$ 17,945	\$ 2,019
Accounts receivable		15,353	
Due from governmental entities	108,770		
Due from other funds			
Total assets	<u>\$ 191,348</u>	<u>\$ 33,298</u>	<u>\$ 2,019</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 8,724	\$	\$
Due to other funds			
Accrued payroll and employee benefits	122,503		
Unearned revenues	60,121		
Total liabilities	<u>191,348</u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>6,349</u>		
Fund balances (deficits):			
Restricted		33,298	2,019
Unassigned	(6,349)		
Total fund balances	<u>(6,349)</u>	<u>33,298</u>	<u>2,019</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 191,348</u>	<u>\$ 33,298</u>	<u>\$ 2,019</u>

<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Student Activities</u>
\$ 53,118	\$ 18,894	\$ 5,229	\$ 54,790	\$ 1,496	\$ 85,042 5,605
<u>\$ 53,118</u>	<u>\$ 18,894</u>	<u>\$ 5,229</u>	<u>\$ 54,790</u>	<u>\$ 1,496</u>	<u>\$ 90,647</u>
\$	\$	\$	\$	\$	\$
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
53,118	18,894	5,229	54,790	1,496	90,647
<u>53,118</u>	<u>18,894</u>	<u>5,229</u>	<u>54,790</u>	<u>1,496</u>	<u>90,647</u>
<u>\$ 53,118</u>	<u>\$ 18,894</u>	<u>\$ 5,229</u>	<u>\$ 54,790</u>	<u>\$ 1,496</u>	<u>\$ 90,647</u>

(Continued)

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022**

	Totals
<u>ASSETS</u>	
Cash and investments	\$ 321,111
Accounts receivable	20,958
Due from governmental entities	807,575
Due from other funds	1,111,997
Total assets	\$ 2,261,641
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 106,848
Due to other funds	462,737
Accrued payroll and employee benefits	210,221
Unearned revenues	60,121
Total liabilities	839,927
Deferred inflows of resources:	
Unavailable revenues - intergovernmental	180,313
Fund balances (deficits):	
Restricted	1,421,714
Unassigned	(180,313)
Total fund balances	1,241,401
 Total liabilities, deferred inflows of resources and fund balances	 \$ 2,261,641

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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, 2022**

	Classroom Site	Instructional Improvement	Title I Grants
Revenues:			
Other local	\$ 2,197	\$ 497	\$
State aid and grants	2,308,205	157,284	
Federal aid, grants and reimbursements			1,942,501
Total revenues	2,310,402	157,781	1,942,501
Expenditures:			
Current -			
Instruction	1,663,972		1,005,374
Support services - students and staff	138,340	24,873	545,231
Support services - administration			288,137
Operation and maintenance of plant services			7,155
Student transportation services			14,798
Capital outlay			94,602
Total expenditures	1,802,312	24,873	1,955,297
Excess (deficiency) of revenues over expenditures	508,090	132,908	(12,796)
Other financing sources (uses):			
Transfer out			(32,017)
Total other financing sources (uses)			(32,017)
Changes in fund balances	508,090	132,908	(44,813)
Fund balances (deficits), beginning of year	162,248	204,583	(42,368)
Fund balances (deficits), end of year	\$ 670,338	\$ 337,491	\$ (87,181)

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$
180,208	50,264	131,719	795,770	151,633	633,989
<u>180,208</u>	<u>50,264</u>	<u>131,719</u>	<u>795,770</u>	<u>151,633</u>	<u>633,989</u>
16	24,413	1,200	291,336	31,705	
171,701	37,008	88,575	438,150	84,903	
20,335		1,080	24,855	2,476	
	5,161		983		160,888
4,197			11,800	9,338	473,101
<u>196,249</u>	<u>66,582</u>	<u>90,855</u>	<u>767,124</u>	<u>128,422</u>	<u>633,989</u>
<u>(16,041)</u>	<u>(16,318)</u>	<u>40,864</u>	<u>28,646</u>	<u>23,211</u>	
<u>(8,600)</u>	<u>(2,472)</u>	<u>(3,919)</u>	<u>(14,871)</u>	<u>(4,503)</u>	
<u>(8,600)</u>	<u>(2,472)</u>	<u>(3,919)</u>	<u>(14,871)</u>	<u>(4,503)</u>	
<u>(24,641)</u>	<u>(18,790)</u>	<u>36,945</u>	<u>13,775</u>	<u>18,708</u>	
<u>(8,600)</u>	<u>(4,600)</u>	<u>(41,043)</u>	<u>(29,912)</u>	<u>(28,625)</u>	
<u>\$ (33,241)</u>	<u>\$ (23,390)</u>	<u>\$ (4,098)</u>	<u>\$ (16,137)</u>	<u>\$ (9,917)</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, 2022

	Adult Basic Education	Results-based Funding	Other State Projects
Revenues:			
Other local	\$	\$	\$
State aid and grants	66,341	585,317	381,071
Federal aid, grants and reimbursements			
Total revenues	66,341	585,317	381,071
Expenditures:			
Current -			
Instruction	10,943	474,314	249,420
Support services - students and staff	54,914	33,168	132,088
Support services - administration	484	22,229	2,156
Operation and maintenance of plant services			1,190
Student transportation services			2,566
Capital outlay			
Total expenditures	66,341	529,711	387,420
Excess (deficiency) of revenues over expenditures		55,606	(6,349)
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances		55,606	(6,349)
Fund balances (deficits), beginning of year		98,788	
Fund balances (deficits), end of year	\$	\$ 154,394	\$ (6,349)

<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>
\$ 51,475	\$ 18	\$ 5,822	\$ 3,435	\$ 159	\$ 20,262
<u>51,475</u>	<u>18</u>	<u>5,822</u>	<u>3,435</u>	<u>159</u>	<u>20,262</u>
6,269	717	3,392	1,647		
413	1,742	1,261	5,798		
1,785			1,982		
47,424		1,144	160		
<u>4,500</u>	<u>4,166</u>				
<u>60,391</u>	<u>6,625</u>	<u>5,797</u>	<u>9,587</u>		
<u>(8,916)</u>	<u>(6,607)</u>	<u>25</u>	<u>(6,152)</u>	<u>159</u>	<u>20,262</u>
<u>(8,916)</u>	<u>(6,607)</u>	<u>25</u>	<u>(6,152)</u>	<u>159</u>	<u>20,262</u>
42,214	8,626	53,093	25,046	5,070	34,528
<u>\$ 33,298</u>	<u>\$ 2,019</u>	<u>\$ 53,118</u>	<u>\$ 18,894</u>	<u>\$ 5,229</u>	<u>\$ 54,790</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, 2022

	Grants and Gifts to Teachers	Student Activities	Totals
Revenues:			
Other local	\$ 3,083	\$ 120,375	\$ 207,323
State aid and grants			3,498,218
Federal aid, grants and reimbursements			3,886,084
Total revenues	3,083	120,375	7,591,625
Expenditures:			
Current -			
Instruction	1,521		3,766,239
Support services - students and staff		123,262	1,881,427
Support services - administration			365,519
Operation and maintenance of plant services			216,657
Student transportation services	413		25,225
Capital outlay			601,704
Total expenditures	1,934	123,262	6,856,771
Excess (deficiency) of revenues over expenditures	1,149	(2,887)	734,854
Other financing sources (uses):			
Transfer out			(66,382)
Total other financing sources (uses)			(66,382)
Changes in fund balances	1,149	(2,887)	668,472
Fund balances (deficits), beginning of year	347	93,534	572,929
Fund balances, end of year	\$ 1,496	\$ 90,647	\$ 1,241,401

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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, 2022

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 2,197	\$ 2,197
State aid and grants		2,308,205	2,308,205
Federal aid, grants and reimbursements			
Total revenues		<u>2,310,402</u>	<u>2,310,402</u>
Expenditures:			
Current -			
Instruction	2,387,042	1,663,972	723,070
Support services - students and staff	78,118	138,340	(60,222)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay			
Total expenditures	<u>2,465,160</u>	<u>1,802,312</u>	<u>662,848</u>
Excess (deficiency) of revenues over expenditures	<u>(2,465,160)</u>	<u>508,090</u>	<u>2,973,250</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(2,465,160)</u>	<u>508,090</u>	<u>2,973,250</u>
Fund balances (deficits), beginning of year		162,248	162,248
Fund balances (deficits), end of year	<u>\$ (2,465,160)</u>	<u>\$ 670,338</u>	<u>\$ 3,135,498</u>

Instructional Improvement			Title I Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 497	\$ 497	\$	\$	\$
	157,284	157,284			
	<u>157,781</u>	<u>157,781</u>		<u>1,942,501</u>	<u>1,942,501</u>
				<u>1,942,501</u>	<u>1,942,501</u>
258,716	24,873	233,843	2,452,621	1,005,374	1,447,247
				545,231	(545,231)
				288,137	(288,137)
				7,155	(7,155)
				14,798	(14,798)
				94,602	(94,602)
<u>258,716</u>	<u>24,873</u>	<u>233,843</u>	<u>2,452,621</u>	<u>1,955,297</u>	<u>497,324</u>
<u>(258,716)</u>	<u>132,908</u>	<u>391,624</u>	<u>(2,452,621)</u>	<u>(12,796)</u>	<u>2,439,825</u>
				<u>(32,017)</u>	<u>(32,017)</u>
				<u>(32,017)</u>	<u>(32,017)</u>
<u>(258,716)</u>	<u>132,908</u>	<u>391,624</u>	<u>(2,452,621)</u>	<u>(44,813)</u>	<u>2,407,808</u>
	204,583	204,583		(42,368)	(42,368)
<u>\$ (258,716)</u>	<u>\$ 337,491</u>	<u>\$ 596,207</u>	<u>\$ (2,452,621)</u>	<u>\$ (87,181)</u>	<u>\$ 2,365,440</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, 2022

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		180,208	180,208
Total revenues		180,208	180,208
Expenditures:			
Current -			
Instruction		16	(16)
Support services - students and staff	244,003	171,701	72,302
Support services - administration		20,335	(20,335)
Operation and maintenance of plant services			
Student transportation services			
Capital outlay		4,197	(4,197)
Total expenditures	244,003	196,249	47,754
Excess (deficiency) of revenues over expenditures	(244,003)	(16,041)	227,962
Other financing sources (uses):			
Transfer in			
Transfer out		(8,600)	(8,600)
Total other financing sources (uses)		(8,600)	(8,600)
Changes in fund balances	(244,003)	(24,641)	219,362
Fund balances (deficits), beginning of year		(8,600)	(8,600)
Fund balances (deficits), end of year	\$ (244,003)	\$ (33,241)	\$ 210,762

Title IV Grants			Limited English & Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	50,264	50,264		131,719	131,719
	50,264	50,264		131,719	131,719
107,040	24,413	(24,413)	184,601	1,200	(1,200)
	37,008	70,032		88,575	96,026
	5,161	(5,161)		1,080	(1,080)
107,040	66,582	40,458	184,601	90,855	93,746
(107,040)	(16,318)	90,722	(184,601)	40,864	225,465
	(2,472)	(2,472)		(3,919)	(3,919)
	(2,472)	(2,472)		(3,919)	(3,919)
(107,040)	(18,790)	88,250	(184,601)	36,945	221,546
	(4,600)	(4,600)		(41,043)	(41,043)
\$ (107,040)	\$ (23,390)	\$ 83,650	\$ (184,601)	\$ (4,098)	\$ 180,503

(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, 2022

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		795,770	795,770
Total revenues		<u>795,770</u>	<u>795,770</u>
Expenditures:			
Current -			
Instruction		291,336	(291,336)
Support services - students and staff	830,179	438,150	392,029
Support services - administration		24,855	(24,855)
Operation and maintenance of plant services			
Student transportation services		983	(983)
Capital outlay		11,800	(11,800)
Total expenditures	<u>830,179</u>	<u>767,124</u>	<u>63,055</u>
Excess (deficiency) of revenues over expenditures	<u>(830,179)</u>	<u>28,646</u>	<u>858,825</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(14,871)	(14,871)
Total other financing sources (uses)		<u>(14,871)</u>	<u>(14,871)</u>
Changes in fund balances	<u>(830,179)</u>	<u>13,775</u>	<u>843,954</u>
Fund balances (deficits), beginning of year		(29,912)	(29,912)
Fund balances (deficits), end of year	<u>\$ (830,179)</u>	<u>\$ (16,137)</u>	<u>\$ 814,042</u>

Adult Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 349	\$ 349
	151,633	151,633		247,360	247,360
	151,633	151,633		247,709	247,709
144,914	31,705	(31,705)	241,274	13,315	(13,315)
	84,903	60,011		152,468	88,806
	2,476	(2,476)		7,750	(7,750)
				646	(646)
	9,338	(9,338)			
144,914	128,422	16,492	241,274	174,179	67,095
(144,914)	23,211	168,125	(241,274)	73,530	314,804
	(4,503)	(4,503)			
	(4,503)	(4,503)			
(144,914)	18,708	163,622	(241,274)	73,530	314,804
	(28,625)	(28,625)		258,666	258,666
\$ (144,914)	\$ (9,917)	\$ 134,997	\$ (241,274)	\$ 332,196	\$ 573,470

(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, 2022

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		633,989	633,989
Total revenues		<u>633,989</u>	<u>633,989</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	364,987	160,888	204,099
Student transportation services			
Capital outlay		473,101	(473,101)
Total expenditures	<u>364,987</u>	<u>633,989</u>	<u>(269,002)</u>
Excess (deficiency) of revenues over expenditures	<u>(364,987)</u>		<u>364,987</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(364,987)</u>		<u>364,987</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (364,987)</u>	<u>\$</u>	<u>\$ 364,987</u>

Impact Aid			Adult Basic Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	43,714	43,714		66,341	66,341
	43,714	43,714		66,341	66,341
96,736	43,752 1,730	52,984 (1,730)	68,800	10,943 54,914 484	(10,943) 13,886 (484)
96,736	45,482	51,254	68,800	66,341	2,459
(96,736)	(1,768)	94,968	(68,800)		68,800
(96,736)	(1,768)	94,968	(68,800)		68,800
	49,736	49,736			
\$ (96,736)	\$ 47,968	\$ 144,704	\$ (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, 2022

	Results-based Funding		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		585,317	585,317
Federal aid, grants and reimbursements			
Total revenues		<u>585,317</u>	<u>585,317</u>
Expenditures:			
Current -			
Instruction	683,728	474,314	209,414
Support services - students and staff		33,168	(33,168)
Support services - administration		22,229	(22,229)
Operation and maintenance of plant services			
Student transportation services			
Capital outlay			
Total expenditures	<u>683,728</u>	<u>529,711</u>	<u>154,017</u>
Excess (deficiency) of revenues over expenditures	<u>(683,728)</u>	<u>55,606</u>	<u>739,334</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(683,728)</u>	<u>55,606</u>	<u>739,334</u>
Fund balances (deficits), beginning of year		98,788	98,788
Fund balances (deficits), end of year	<u>\$ (683,728)</u>	<u>\$ 154,394</u>	<u>\$ 838,122</u>

Rural Assistance			Other State Projects		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				381,071	381,071
				381,071	381,071
			468,740	249,420	219,320
				132,088	(132,088)
				2,156	(2,156)
				1,190	(1,190)
				2,566	(2,566)
			468,740	387,420	81,320
			(468,740)	(6,349)	462,391
			(468,740)	(6,349)	462,391
	95	95			
\$	\$ 95	\$ 95	\$ (468,740)	\$ (6,349)	\$ 462,391

(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, 2022

	School Plant		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 2,990	\$ 2,990
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		2,990	2,990
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	12,638		12,638
Student transportation services			
Capital outlay			
Total expenditures	12,638		12,638
Excess (deficiency) of revenues over expenditures	(12,638)	2,990	15,628
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(12,638)	2,990	15,628
Fund balances (deficits), beginning of year		9,648	9,648
Fund balances (deficits), end of year	\$ (12,638)	\$ 12,638	\$ 25,276

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 51,475	\$ 51,475	\$	\$ 18	\$ 18
	<u>51,475</u>	<u>51,475</u>		<u>18</u>	<u>18</u>
	6,269	(6,269)		717	(717)
	413	(413)	11,523	1,742	9,781
	1,785	(1,785)			
93,086	47,424	45,662			
	4,500	(4,500)		4,166	(4,166)
<u>93,086</u>	<u>60,391</u>	<u>32,695</u>	<u>11,523</u>	<u>6,625</u>	<u>4,898</u>
<u>(93,086)</u>	<u>(8,916)</u>	<u>84,170</u>	<u>(11,523)</u>	<u>(6,607)</u>	<u>4,916</u>
<u>(93,086)</u>	<u>(8,916)</u>	<u>84,170</u>	<u>(11,523)</u>	<u>(6,607)</u>	<u>4,916</u>
	42,214	42,214		8,626	8,626
<u>\$ (93,086)</u>	<u>\$ 33,298</u>	<u>\$ 126,384</u>	<u>\$ (11,523)</u>	<u>\$ 2,019</u>	<u>\$ 13,542</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, 2022

	Auxiliary Operations		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 33,007	\$ 33,007
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>33,007</u>	<u>33,007</u>
Expenditures:			
Current -			
Instruction		11,419	(11,419)
Support services - students and staff	76,020	18,110	57,910
Support services - administration			
Operation and maintenance of plant services			
Student transportation services		765	(765)
Capital outlay			
Total expenditures	<u>76,020</u>	<u>30,294</u>	<u>45,726</u>
Excess (deficiency) of revenues over expenditures	<u>(76,020)</u>	<u>2,713</u>	<u>78,733</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(76,020)</u>	<u>2,713</u>	<u>78,733</u>
Fund balances (deficits), beginning of year		45,961	45,961
Fund balances (deficits), end of year	<u>\$ (76,020)</u>	<u>\$ 48,674</u>	<u>\$ 124,694</u>

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 5,822	\$ 5,822	\$	\$ 3,435	\$ 3,435
	<u>5,822</u>	<u>5,822</u>		<u>3,435</u>	<u>3,435</u>
58,686	3,392	55,294		1,647	(1,647)
	1,261	(1,261)	27,546	5,798	21,748
				1,982	(1,982)
	1,144	(1,144)		160	(160)
<u>58,686</u>	<u>5,797</u>	<u>52,889</u>	<u>27,546</u>	<u>9,587</u>	<u>17,959</u>
<u>(58,686)</u>	<u>25</u>	<u>58,711</u>	<u>(27,546)</u>	<u>(6,152)</u>	<u>21,394</u>
<u>(58,686)</u>	<u>25</u>	<u>58,711</u>	<u>(27,546)</u>	<u>(6,152)</u>	<u>21,394</u>
	53,093	53,093		25,046	25,046
<u>\$ (58,686)</u>	<u>\$ 53,118</u>	<u>\$ 111,804</u>	<u>\$ (27,546)</u>	<u>\$ 18,894</u>	<u>\$ 46,440</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, 2022

	Textbooks		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 159	\$ 159
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>159</u>	<u>159</u>
Expenditures:			
Current -			
Instruction	5,201		5,201
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay			
Total expenditures	<u>5,201</u>		<u>5,201</u>
Excess (deficiency) of revenues over expenditures	<u>(5,201)</u>	<u>159</u>	<u>5,360</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(5,201)</u>	<u>159</u>	<u>5,360</u>
Fund balances (deficits), beginning of year		5,070	5,070
Fund balances (deficits), end of year	<u>\$ (5,201)</u>	<u>\$ 5,229</u>	<u>\$ 10,430</u>

Litigation Recovery			Indirect Costs		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 233	\$ 233	\$	\$ 1,134	\$ 1,134
	<u>233</u>	<u>233</u>		<u>1,134</u>	<u>1,134</u>
465		465			
			198,576	142,461	56,115
<u>465</u>		<u>465</u>	<u>198,576</u>	<u>142,461</u>	<u>56,115</u>
<u>(465)</u>	<u>233</u>	<u>698</u>	<u>(198,576)</u>	<u>(141,327)</u>	<u>57,249</u>
				406,202	406,202
				<u>406,202</u>	<u>406,202</u>
<u>(465)</u>	<u>233</u>	<u>698</u>	<u>(198,576)</u>	<u>264,875</u>	<u>463,451</u>
	232	232		624,628	624,628
<u>\$ (465)</u>	<u>\$ 465</u>	<u>\$ 930</u>	<u>\$ (198,576)</u>	<u>\$ 889,503</u>	<u>\$ 1,088,079</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, 2022

	Insurance Refund		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 20,262	\$ 20,262
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		20,262	20,262
Expenditures:			
Current -			
Instruction	54,790		54,790
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay			
Total expenditures	54,790		54,790
Excess (deficiency) of revenues over expenditures	(54,790)	20,262	75,052
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(54,790)	20,262	75,052
Fund balances (deficits), beginning of year		34,528	34,528
Fund balances (deficits), end of year	\$ (54,790)	\$ 54,790	\$ 109,580

Grants and Gifts to Teachers			Student Activities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,083	\$ 3,083	\$	\$ 120,375	\$ 120,375
	<u>3,083</u>	<u>3,083</u>		<u>120,375</u>	<u>120,375</u>
3,008	1,521	1,487	164,000	123,262	40,738
	413	(413)			
<u>3,008</u>	<u>1,934</u>	<u>1,074</u>	<u>164,000</u>	<u>123,262</u>	<u>40,738</u>
<u>(3,008)</u>	<u>1,149</u>	<u>4,157</u>	<u>(164,000)</u>	<u>(2,887)</u>	<u>161,113</u>
<u>(3,008)</u>	<u>1,149</u>	<u>4,157</u>	<u>(164,000)</u>	<u>(2,887)</u>	<u>161,113</u>
	347	347		93,534	93,534
<u>\$ (3,008)</u>	<u>\$ 1,496</u>	<u>\$ 4,504</u>	<u>\$ (164,000)</u>	<u>\$ 90,647</u>	<u>\$ 254,647</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, 2022

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 245,036	\$ 245,036
State aid and grants		3,498,218	3,498,218
Federal aid, grants and reimbursements		4,177,158	4,177,158
Total revenues		<u>7,920,412</u>	<u>7,920,412</u>
Expenditures:			
Current -			
Instruction	6,114,281	3,790,973	2,323,308
Support services - students and staff	2,533,470	2,095,757	437,713
Support services - administration	198,576	517,460	(318,884)
Operation and maintenance of plant services	470,711	217,303	253,408
Student transportation services		25,990	(25,990)
Capital outlay		601,704	(601,704)
Total expenditures	<u>9,317,038</u>	<u>7,249,187</u>	<u>2,067,851</u>
Excess (deficiency) of revenues over expenditures	<u>(9,317,038)</u>	<u>671,225</u>	<u>9,988,263</u>
Other financing sources (uses):			
Transfer in		406,202	406,202
Transfer out		(66,382)	(66,382)
Total other financing sources (uses)		<u>339,820</u>	<u>339,820</u>
Changes in fund balances	<u>(9,317,038)</u>	<u>1,011,045</u>	<u>10,328,083</u>
Fund balances (deficits), beginning of year		1,561,895	1,561,895
Fund balances (deficits), end of year	<u>\$ (9,317,038)</u>	<u>\$ 2,572,940</u>	<u>\$ 11,889,978</u>

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.

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, 2022**

	Adjacent Ways	Gifts and Donations - Capital	Totals
<u>ASSETS</u>			
Cash and investments	\$ 437,412	\$ 2,335	\$ 439,747
Total assets	\$ 437,412	\$ 2,335	\$ 439,747
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 111,908	\$	\$ 111,908
Total liabilities	111,908		111,908
Fund balances:			
Restricted	325,504	2,335	327,839
Total fund balances	325,504	2,335	327,839
 Total liabilities and fund balances	 \$ 437,412	 \$ 2,335	 \$ 439,747

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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, 2022

	<u>Adjacent Ways</u>	<u>Gifts and Donations - Capital</u>	<u>Energy and Water Savings</u>
Revenues:			
Other local	\$ 1,791	\$ 8	\$
Property taxes	11,005		
Federal aid, grants and reimbursements			63,523
Total revenues	<u>12,796</u>	<u>8</u>	<u>63,523</u>
Expenditures:			
Capital outlay	181,868	2,609	
Debt service -			
Principal retirement			251,134
Interest and fiscal charges			81,427
Total expenditures	<u>181,868</u>	<u>2,609</u>	<u>332,561</u>
Excess (deficiency) of revenues over expenditures	<u>(169,072)</u>	<u>(2,601)</u>	<u>(269,038)</u>
Other financing sources (uses):			
Transfer in			269,038
Total other financing sources (uses)			<u>269,038</u>
Changes in fund balances	<u>(169,072)</u>	<u>(2,601)</u>	
Fund balances, beginning of year	494,576	4,936	
Fund balances, end of year	<u>\$ 325,504</u>	<u>\$ 2,335</u>	<u>\$</u>

Totals

\$ 1,799
11,005
63,523
76,327

184,477

251,134
81,427
517,038

(440,711)

269,038

269,038

(171,673)

499,512

\$ 327,839

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, 2022

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 23	\$ 23
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>23</u>	<u>23</u>
Expenditures:			
Current -			
Instruction	27,000		27,000
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>27,000</u>		<u>27,000</u>
Excess (deficiency) of revenues over expenditures	<u>(27,000)</u>	<u>23</u>	<u>27,023</u>
Other financing sources (uses):			
Transfer in			
Total other financing sources (uses)			
Changes in fund balances	<u>(27,000)</u>	<u>23</u>	<u>27,023</u>
Fund balances, beginning of year		9,997	9,997
Fund balances (deficits), end of year	<u>\$ (27,000)</u>	<u>\$ 10,020</u>	<u>\$ 37,020</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 40,050	\$ 40,050	\$	\$ 1,791	\$ 1,791
	158,643	158,643		11,005	11,005
	1,050,560	1,050,560			
	<u>1,249,253</u>	<u>1,249,253</u>		<u>12,796</u>	<u>12,796</u>
2,192,127	512,906	1,679,221	500,000	181,868	318,132
<u>2,192,127</u>	<u>512,906</u>	<u>1,679,221</u>	<u>500,000</u>	<u>181,868</u>	<u>318,132</u>
<u>(2,192,127)</u>	<u>736,347</u>	<u>2,928,474</u>	<u>(500,000)</u>	<u>(169,072)</u>	<u>330,928</u>
<u>(2,192,127)</u>	<u>736,347</u>	<u>2,928,474</u>	<u>(500,000)</u>	<u>(169,072)</u>	<u>330,928</u>
	766,776	766,776		494,576	494,576
<u>\$ (2,192,127)</u>	<u>\$ 1,503,123</u>	<u>\$ 3,695,250</u>	<u>\$ (500,000)</u>	<u>\$ 325,504</u>	<u>\$ 825,504</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, 2022

	Gifts and Donations - Capital		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
Property taxes		8	8
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		8	8
Expenditures:			
Current -			
Instruction			
Capital outlay	4,936	2,609	2,327
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	4,936	2,609	2,327
Excess (deficiency) of revenues over expenditures	(4,936)	(2,601)	2,335
Other financing sources (uses):			
Transfer in			
Total other financing sources (uses)			
Changes in fund balances	(4,936)	(2,601)	2,335
Fund balances, beginning of year		4,936	4,936
Fund balances (deficits), end of year	\$ (4,936)	\$ 2,335	\$ 7,271

Energy and Water Savings			New School Facilities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 33	\$ 33
	63,523	63,523		3,801,667	3,801,667
	<u>63,523</u>	<u>63,523</u>		<u>3,801,700</u>	<u>3,801,700</u>
1		1	11,758,247	4,186,877	7,571,370
251,134	251,134				
81,427	81,427				
<u>332,562</u>	<u>332,561</u>	<u>1</u>	<u>11,758,247</u>	<u>4,186,877</u>	<u>7,571,370</u>
<u>(332,562)</u>	<u>(269,038)</u>	<u>63,524</u>	<u>(11,758,247)</u>	<u>(385,177)</u>	<u>11,373,070</u>
	269,038	269,038			
	<u>269,038</u>	<u>269,038</u>			
<u>(332,562)</u>		<u>332,562</u>	<u>(11,758,247)</u>	<u>(385,177)</u>	<u>11,373,070</u>
				146	146
<u>\$ (332,562)</u>	<u>\$</u>	<u>\$ 332,562</u>	<u>\$ (11,758,247)</u>	<u>\$ (385,031)</u>	<u>\$ 11,373,216</u>

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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, 2022

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 41,905	\$ 41,905
Property taxes		169,648	169,648
State aid and grants		4,852,227	4,852,227
Federal aid, grants and reimbursements		63,523	63,523
Total revenues		<u>5,127,303</u>	<u>5,127,303</u>
Expenditures:			
Current -			
Instruction	27,000		27,000
Capital outlay	14,455,311	4,884,260	9,571,051
Debt service -			
Principal retirement	251,134	251,134	
Interest and fiscal charges	81,427	81,427	
Total expenditures	<u>14,814,872</u>	<u>5,216,821</u>	<u>9,598,051</u>
Excess (deficiency) of revenues over expenditures	<u>(14,814,872)</u>	<u>(89,518)</u>	<u>14,725,354</u>
Other financing sources (uses):			
Transfer in		269,038	269,038
Total other financing sources (uses)		<u>269,038</u>	<u>269,038</u>
Changes in fund balances	<u>(14,814,872)</u>	<u>179,520</u>	<u>14,994,392</u>
Fund balances, beginning of year		1,276,431	1,276,431
Fund balances (deficits), end of year	<u>\$ (14,814,872)</u>	<u>\$ 1,455,951</u>	<u>\$ 16,270,823</u>

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability 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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Position:					
Net investment in capital assets	\$ 34,193,933	\$ 29,684,090	\$ 29,916,674	\$ 28,801,052	\$ 28,289,039
Restricted	4,524,671	2,480,003	1,084,236	760,084	799,662
Unrestricted	<u>(15,291,642)</u>	<u>(15,114,555)</u>	<u>(16,161,516)</u>	<u>(15,636,528)</u>	<u>(16,813,518)</u>
Total net position	<u><u>\$ 23,426,962</u></u>	<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>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net Position:					
Net investment in capital assets	\$ 27,331,950	\$ 25,829,583	\$ 26,309,187	\$ 25,585,686	\$ 25,629,201
Restricted	1,411,932	1,878,046	1,497,474	1,871,833	1,822,656
Unrestricted	<u>(17,535,853)</u>	<u>(17,579,403)</u>	<u>(17,209,286)</u>	<u>3,899,500</u>	<u>3,945,743</u>
Total net position	<u><u>\$ 11,208,029</u></u>	<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>

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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses					
Instruction	\$ 18,054,629	\$ 14,985,208	\$ 14,515,164	\$ 12,494,588	\$ 11,191,005
Support services - students and staff	4,417,511	3,392,823	3,034,831	2,751,566	2,766,600
Support services - administration	4,131,992	3,217,071	3,200,035	2,987,777	3,035,116
Operation and maintenance of plant services	3,799,978	3,142,930	3,207,213	3,093,333	3,204,051
Student transportation services	1,156,249	778,917	825,628	717,713	668,428
Operation of non-instructional services	2,176,222	1,581,349	2,031,204	1,923,719	1,854,697
Interest on long-term debt	81,427	114,027	165,384	200,911	220,614
Total expenses	<u>33,818,008</u>	<u>27,212,325</u>	<u>26,979,459</u>	<u>24,169,607</u>	<u>22,940,511</u>
Program Revenues					
Charges for services:					
Instruction	70,642	23,648	220,903	86,126	164,118
Operation of non-instructional services	54,599	26,660	45,601	55,196	56,115
Other activities	207,652	71,140	130,119	69,294	55,386
Operating grants and contributions	12,133,706	6,995,205	5,668,060	5,621,444	5,682,417
Capital grants and contributions	6,399,935	796,893	515,631	556,938	178,658
Total program revenues	<u>18,866,534</u>	<u>7,913,546</u>	<u>6,580,314</u>	<u>6,388,998</u>	<u>6,136,694</u>
Net (Expense)/Revenue	<u>\$ (14,951,474)</u>	<u>\$ (19,298,779)</u>	<u>\$ (20,399,145)</u>	<u>\$ (17,780,609)</u>	<u>\$ (16,803,817)</u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenses					
Instruction	\$ 10,405,754	\$ 10,671,007	\$ 10,540,636	\$ 9,464,038	\$ 9,295,422
Support services - students and staff	2,800,356	2,812,949	2,551,475	2,761,046	2,649,586
Support services - administration	2,925,715	2,766,137	2,708,177	2,554,025	2,458,963
Operation and maintenance of plant services	2,837,308	2,817,801	2,829,629	2,654,146	2,799,563
Student transportation services	600,158	663,345	773,000	736,912	714,715
Operation of non-instructional services	1,987,900	1,854,706	1,792,877	1,735,030	1,625,157
Interest on long-term debt	198,590	182,638	216,398	248,202	390,232
Total expenses	<u>21,755,781</u>	<u>21,768,583</u>	<u>21,412,192</u>	<u>20,153,399</u>	<u>19,933,638</u>
Program Revenues					
Charges for services:					
Instruction	66,420	181,919	61,433	64,815	84,599
Operation of non-instructional services	123,541	119,708	77,593	82,496	76,695
Other activities	92,897	77,491	95,229	187,911	192,072
Operating grants and contributions	5,580,612	5,300,142	5,175,783	5,298,959	5,652,340
Capital grants and contributions	112,647	233,494	45,278	29,919	100,412
Total program revenues	<u>5,976,117</u>	<u>5,912,754</u>	<u>5,455,316</u>	<u>5,664,100</u>	<u>6,106,118</u>
Net (Expense)/Revenue	<u>\$ (15,779,664)</u>	<u>\$ (15,855,829)</u>	<u>\$ (15,956,876)</u>	<u>\$ (14,489,299)</u>	<u>\$ (13,827,520)</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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net (Expense)/Revenue	\$ (14,951,471)	\$ (19,298,779)	\$ (20,399,145)	\$ (17,780,609)	\$ (16,803,817)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	1,535,450	1,309,979	1,201,178	1,216,618	1,176,216
Property taxes, levied for debt service					
Property taxes, levied for capital outlay	22,036	1,953,027	1,341,398	1,364,742	1,335,644
Investment income	10,710	10,418	17,922	18,826	12,250
Unrestricted county aid	551,662	524,375	506,399	517,428	531,172
Unrestricted state aid	18,917,966	17,517,988	17,626,797	16,126,854	14,681,613
Unrestricted federal aid	291,074	193,136	226,516	185,566	130,901
Total general revenues	<u>21,328,898</u>	<u>21,508,923</u>	<u>20,920,210</u>	<u>19,430,034</u>	<u>17,867,796</u>
Changes in Net Position	<u>\$ 6,377,427</u>	<u>\$ 2,210,144</u>	<u>\$ 521,065</u>	<u>\$ 1,649,425</u>	<u>\$ 1,063,979</u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net (Expense)/Revenue	\$ (15,779,664)	\$ (15,855,829)	\$ (15,956,876)	\$ (14,489,299)	\$ (13,827,520)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	722,320	2,449		905,968	1,084,931
Property taxes, levied for debt service		283,428	358,505	502,294	540,072
Property taxes, levied for capital outlay	1,184,079	1,238,233	1,181,489	26,111	13,697
Investment income	6,916	8,402	14,918	14,907	25,987
Unrestricted county aid	535,916	525,969	548,762	530,088	500,522
Unrestricted state aid	14,279,936	13,191,188	12,395,305	12,354,886	11,552,231
Unrestricted federal aid	130,300	137,011	174,149	114,464	123,286
Total general revenues	<u>16,859,467</u>	<u>15,386,680</u>	<u>14,673,128</u>	<u>14,448,718</u>	<u>13,840,726</u>
Changes in Net Position	<u>\$ 1,079,803</u>	<u>\$ (469,149)</u>	<u>\$ (1,283,748)</u>	<u>\$ (40,581)</u>	<u>\$ 13,206</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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund:					
Unassigned	\$ 2,922,965	\$ 3,118,988	\$ 2,493,795	\$ 1,539,337	\$ 1,438,758
Total General Fund	\$ 2,922,965	\$ 3,118,988	\$ 2,493,795	\$ 1,539,337	\$ 1,438,758
All Other Governmental Funds:					
Restricted	\$ 4,516,594	\$ 2,324,314	\$ 970,535	\$ 760,084	\$ 816,440
Unassigned	(1,204,114)	(400,568)	(177,236)	(767,096)	(296,201)
Total all other governmental funds	\$ 3,312,480	\$ 1,923,746	\$ 793,299	\$ (7,012)	\$ 520,239

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund:					
Unassigned	\$ 1,205,073	\$ 1,149,593	\$ 2,558,173	\$ 3,596,976	\$ 3,478,296
Total General Fund	<u>\$ 1,205,073</u>	<u>\$ 1,149,593</u>	<u>\$ 2,558,173</u>	<u>\$ 3,596,976</u>	<u>\$ 3,478,296</u>
All Other Governmental Funds:					
Restricted	\$ 1,454,859	\$ 1,778,173	\$ 1,462,069	\$ 1,830,204	\$ 1,858,042
Unassigned		(39,490)	(21,562)	(47,753)	(72,209)
Total all other governmental funds	<u>\$ 1,454,859</u>	<u>\$ 1,738,683</u>	<u>\$ 1,440,507</u>	<u>\$ 1,782,451</u>	<u>\$ 1,785,833</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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Federal sources:					
Federal grants	\$ 10,531,335	\$ 4,339,361	\$ 3,488,693	\$ 3,407,182	\$ 3,479,974
Impact Aid	43,714	54,892	52,502	63,178	56,634
National School Lunch Program	2,987,669	1,654,742	1,810,124	2,092,535	1,946,845
Total federal sources	<u>13,562,718</u>	<u>6,048,995</u>	<u>5,351,319</u>	<u>5,562,895</u>	<u>5,483,453</u>
State sources:					
State equalization assistance	16,271,859	15,822,458	15,938,347	14,501,161	13,282,338
State grants	1,032,729	859,787	1,231,520	250,316	281,536
School Facilities Board	3,801,667	233,146	396,142		
Other revenues	2,646,107	1,695,530	1,658,982	1,628,600	1,376,496
Total state sources	<u>23,752,362</u>	<u>18,610,921</u>	<u>19,224,991</u>	<u>16,380,077</u>	<u>14,940,370</u>
Local sources:					
Property taxes	1,682,372	3,226,862	2,540,008	2,544,984	2,450,942
County aid	551,662	524,375	506,399	517,428	531,172
Food service sales	53,209	16,749	45,601	55,196	56,115
Investment income	10,710	10,418	20,722	18,826	12,250
Other revenues	288,770	194,640	367,128	262,460	291,693
Total local sources	<u>2,586,723</u>	<u>3,973,044</u>	<u>3,479,858</u>	<u>3,398,894</u>	<u>3,342,172</u>
Total revenues	<u><u>\$ 39,901,803</u></u>	<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>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Federal sources:					
Federal grants	\$ 3,468,825	\$ 3,497,057	\$ 3,308,731	\$ 3,395,455	\$ 3,766,792
Impact Aid	58,532	65,190	87,850	82,798	81,384
National School Lunch Program	2,015,281	1,879,326	1,767,111	1,791,049	1,638,301
Total federal sources	<u>5,542,638</u>	<u>5,441,573</u>	<u>5,163,692</u>	<u>5,269,302</u>	<u>5,486,477</u>
State sources:					
State equalization assistance	13,034,396	12,060,541	11,340,689	11,330,161	10,471,560
State grants	203,823	170,073	214,523	301,141	314,253
School Facilities Board	87,700	28,957			
Other revenues	1,157,840	1,130,647	1,054,622	921,477	1,026,840
Total state sources	<u>14,483,759</u>	<u>13,390,218</u>	<u>12,609,834</u>	<u>12,552,779</u>	<u>11,812,653</u>
Local sources:					
Property taxes	1,888,348	1,459,642	1,632,181	1,415,296	1,621,562
County aid	535,916	525,969	548,762	530,088	500,522
Food service sales	63,765	57,017	51,174	58,442	46,335
Investment income	6,916	8,402	14,918	14,907	25,987
Other revenues	302,106	346,230	200,070	329,914	359,184
Total local sources	<u>2,797,051</u>	<u>2,397,260</u>	<u>2,447,105</u>	<u>2,348,647</u>	<u>2,553,590</u>
Total revenues	<u>\$ 22,823,448</u>	<u>\$ 21,229,051</u>	<u>\$ 20,220,631</u>	<u>\$ 20,170,728</u>	<u>\$ 19,852,720</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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenditures:					
Current -					
Instruction	\$ 16,540,065	\$ 13,367,500	\$ 12,731,624	\$ 11,958,037	\$ 10,451,243
Support services - students and staff	4,396,682	3,303,377	2,919,021	2,882,675	2,836,684
Support services - administration	3,843,683	2,995,566	2,933,215	3,063,754	3,022,407
Operation and maintenance of plant services	3,243,676	2,619,355	2,701,419	2,725,414	2,823,072
Student transportation services	694,962	498,075	517,358	566,959	508,805
Operation of non-instructional services	2,099,688	1,520,277	1,957,436	1,919,992	1,830,139
Capital outlay	7,557,775	1,410,158	1,723,025	2,072,719	2,417,610
Debt service -					
Interest and fiscal charges	81,427	114,027	165,384	200,911	220,614
Principal retirement	251,134	1,048,985	1,046,638	379,094	376,791
Total expenditures	<u>\$ 38,709,092</u>	<u>\$ 26,877,320</u>	<u>\$ 26,695,120</u>	<u>\$ 25,769,555</u>	<u>\$ 24,487,365</u>
Expenditures for capitalized assets	\$ 5,838,491	\$ 685,928	\$ 911,166	\$ 1,777,277	\$ 2,222,569
Debt service as a percentage of noncapital expenditures	1%	4%	5%	2%	3%

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenditures:					
Current -					
Instruction	\$ 10,107,260	\$ 9,490,058	\$ 9,170,133	\$ 8,629,810	\$ 8,684,392
Support services - students and staff	2,897,989	2,732,377	2,412,512	2,718,797	2,647,245
Support services - administration	2,979,252	2,681,654	2,578,428	2,503,128	2,439,103
Operation and maintenance of plant services	2,479,279	2,392,334	2,385,050	2,250,101	2,483,557
Student transportation services	503,024	454,968	539,660	575,872	587,192
Operation of non-instructional services	1,993,450	1,827,573	1,759,406	1,699,050	1,605,848
Capital outlay	2,656,871	2,043,577	2,418,775	638,616	700,652
Debt service -					
Interest and fiscal charges	198,590	182,638	216,398	248,202	390,232
Principal retirement	1,106,517	1,259,962	1,050,047	791,854	750,680
Total expenditures	<u>\$ 24,922,232</u>	<u>\$ 23,065,141</u>	<u>\$ 22,530,409</u>	<u>\$ 20,055,430</u>	<u>\$ 20,288,901</u>
Expenditures for capitalized assets	\$ 1,987,114	\$ 911,139	\$ 1,148,635	\$ 364,814	\$ 749,891
Debt service as a percentage of noncapital expenditures	6%	7%	6%	5%	6%

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)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Excess (deficiency) of revenues over expenditures	\$ 1,192,711	\$ 1,755,640	\$ 1,361,048	\$ (427,689)	\$ (721,370)
Other financing sources (uses):					
Capital lease agreements					
Transfers in	675,240	549,655	395,097	463,629	481,539
Transfers out	(675,240)	(549,655)	(395,097)	(463,629)	(481,539)
Insurance recoveries				1,017	20,435
Total other financing sources (uses)	1,870,440	725,686	929,031	506,803	182,222
Changes in fund balances	\$ 1,192,711	\$ 1,755,640	\$ 1,361,048	\$ (426,672)	\$ (700,935)
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Excess (deficiency) of revenues over expenditures	\$ (2,098,784)	\$ (1,836,090)	\$ (2,309,778)	\$ 115,298	\$ (436,181)
Other financing sources (uses):					
Capital lease agreements	1,870,440	725,686	929,031		
Transfers in	484,780	474,504	449,937	506,803	182,222
Transfers out	(484,780)	(474,504)	(449,937)	(506,803)	(182,222)
Total other financing sources (uses)	1,870,440	725,686	929,031	506,803	182,222
Changes in fund balances	\$ (228,344)	\$ (1,110,404)	\$ (1,380,747)	\$ 115,298	\$ (436,181)

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 14,275,478	\$ 11,917,581	\$ 12,327,013	\$ 11,024,102	\$ 9,296,642
Agricultural and Vacant	9,866,083	8,335,944	9,071,227	8,306,696	8,208,256
Residential (Owner Occupied)	42,540,493	39,128,788	37,460,263	34,734,629	31,937,140
Residential (Rental)	22,071,201	18,198,368	14,335,433	12,174,090	10,176,855
Railroad, Private Cars and Airlines	277,173	223,427	244,665	265,274	259,896
Certain Government Property Improvements	3,563	3,389	244		
Total	\$ 89,033,991	\$ 77,807,497	\$ 73,438,845	\$ 66,504,791	\$ 59,878,789
Gross Full Cash Value	\$ 1,100,208,070	\$ 974,853,897	\$ 857,113,312	\$ 797,084,254	\$ 721,973,982
Ratio of Net Limited Value to Gross Full Cash Value	8%	8%	9%	8%	8%
Total Direct Rate	2.23	4.55	4.01	4.29	4.67

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 9,372,600	\$ 9,564,117	\$ 9,502,432	\$ 10,283,237	\$ 10,293,591
Agricultural and Vacant	8,448,964	9,820,135	9,827,665	10,185,325	9,164,229
Residential (Owner Occupied)	29,367,242	27,812,505	28,705,708	30,882,679	36,260,476
Residential (Rental)	8,882,120	8,069,762	5,876,558	5,749,744	5,574,702
Railroad, Private Cars and Airlines	218,622	217,435	223,300	173,708	159,950
Certain Government Property Improvements					
Total	\$ 56,289,548	\$ 55,483,954	\$ 54,135,663	\$ 57,274,693	\$ 61,452,948
Gross Full Cash Value	\$ 644,676,351	\$ 515,010,137	\$ 594,489,129	\$ 620,349,276	\$ 678,940,015
Ratio of Net Limited Value to Gross Full Cash Value	9%	11%	9%	9%	9%
Total Direct Rate	3.75	2.66	2.81	2.93	3.08

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

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

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>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 14,911,159	\$ 12,503,406	\$ 12,848,811	\$ 11,407,522	\$ 9,560,077
Agricultural and Vacant	11,318,279	9,244,390	9,833,121	8,883,842	8,853,833
Residential (Owner Occupied)	51,436,126	47,190,547	41,888,148	40,070,690	36,810,814
Residential (Rental)	26,642,241	21,860,569	16,258,957	14,387,300	12,030,373
Railroad, Private Cars and Airlines	352,752	277,214	297,288	315,072	298,581
Certain Government Property Improvements	3,703	3,464	257		
Total	\$ 104,664,260	\$ 91,079,590	\$ 81,126,582	\$ 75,064,426	\$ 67,553,678
Gross Full Cash Value	\$ 1,100,208,070	\$ 974,853,897	\$ 857,113,312	\$ 797,084,254	\$ 721,973,982
Ratio of Net Full Cash Value to Gross Full Cash Value	10%	9%	9%	9%	9%
Estimated Net Full Cash Value	895,489,842	780,410,917	683,105,759	634,796,382	569,443,544
Total Direct Rate	2.23	4.55	4.01	4.29	4.67

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 9,654,879	\$ 9,627,308	\$ 9,558,378	\$ 10,434,635	\$ 10,699,218
Agricultural and Vacant	9,183,276	10,513,691	10,549,132	11,316,858	9,921,377
Residential (Owner Occupied)	31,764,895	28,305,751	29,276,080	31,436,484	37,770,649
Residential (Rental)	10,050,175	8,359,240	5,956,836	5,787,485	5,750,660
Railroad, Private Cars and Airlines	232,093	220,974	224,999	175,020	162,278
Certain Government Property Improvements					
Total	\$ 60,885,318	\$ 57,026,964	\$ 55,565,425	\$ 59,150,482	\$ 64,304,182
Gross Full Cash Value	\$ 644,676,351	\$ 515,010,137	\$ 594,489,129	\$ 620,349,276	\$ 678,940,015
Ratio of Net Full Cash Value to Gross Full Cash Value	9%	11%	9%	10%	9%
Estimated Net Full Cash Value	506,082,026	460,546,458	437,711,464	464,729,390	515,933,762
Total Direct Rate	3.75	2.66	2.81	2.93	3.08

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

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

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

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</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	15	14	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	18 %	19 %	19 %	20 %	20 %
Agricultural and Vacant	15	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	16	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	Overlapping Rates							District Direct Rates		
	State	County	County Free Library	Flood Control District	Community College District	Yuma Union High School District	City of Somerton	Primary	Secondary	Total
	Equalization	County	Library	District	District	District	Somerton	Primary	Secondary	Total
2022	0.43	2.51	0.91	0.24	2.44	2.39	1.61	2.23		2.23
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	4.01
2019	0.47	2.53	0.90	0.25	2.57	2.55	1.72	2.34	1.95	4.29
2018	0.49	2.50	0.90	0.28	2.49	2.70	1.69	2.49	2.17	4.67
2017	0.00	2.47	0.90	0.28	2.63	3.19	0.00	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

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**

Taxpayer	2022		2013	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Valuation
Arizona Public Service Company	\$ 5,142,752	5.78 %	\$ 4,671,878	7.27 %
Southwest Gas Corporation	2,236,134	2.51	383,540	0.60
RL Jones Property LLC	991,486	1.11		
Farm Credit Leasing	810,914	0.91		
Concord Holdings LLC	534,114	0.60		
San Luis Trading & Logistics LLC	459,501	0.52		
Cocopah Indian Tribe	317,631	0.36		
Hall Michael	305,681	0.34		
Union Pacific Rairoad Co	304,201	0.34		
Comite De Dient Estar Inc AZ Corp	293,568	0.33	670,335	1.04
Qwest Corporation			313,343	0.49
Verizon Wireless			361,995	0.56
Las Estrellas Development AZ LLC			362,101	0.56
Somerton Affordable Housing AZ, LP			279,153	0.43
Pen Holdings Real Estate Fl LLC			256,106	0.40
Dorsing Doug and Connie JT			275,411	0.43
Gemini Property Holdings Inc. AZ			254,301	0.40
Total	\$ 11,395,982	12.81 %	\$ 7,828,163	12.17 %

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**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 1,652,572	\$ 1,606,024	97.18 %	\$	\$ 1,606,024	97.18 %
2021	3,257,470	3,156,082	96.89	67,430	3,223,512	98.96
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	53,646	1,464,406	98.94
2015	1,573,335	1,501,864	95.46	54,256	1,556,120	98.91
2014	1,443,202	1,345,943	93.26	79,452	1,425,395	98.77
2013	1,645,503	1,534,270	93.24	94,050	1,628,320	98.96

Source: The source of this information is the 2022 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	Financed Purchases and Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2022	\$	\$		%	\$	\$ 1,292,003	\$ 1,292,003	0.12 %	\$ 54	0.01 %
2021						1,543,137	1,543,137	0.16	65	0.02
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

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

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaces the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2013-2021 information within this column relates to the transactions previously designated as capital leases.

**SOMERTON ELEMENTARY SCHOOL DISTRICT NO. 11
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2022**

<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	39,645,000	4.87 %	1,930,712
Yuma Union High School District No. 70	45,160,000	5.16	<u>2,330,256</u>
Subtotal, Overlapping Debt			<u>4,260,968</u>
Direct:			
Somerton Elementary School District No. 11			<u>1,292,003</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 5,552,971</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	\$	177
As a Percentage of Net Limited Assessed Valuation		4.79 %
As a Percentage of Gross Full Cash Value		0.39 %

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, 2021 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 2022:

Net full cash assessed valuation	\$ 104,664,260
Debt limit (10% of assessed value)	10,466,426
Debt applicable to limit	
Legal debt margin	<u>\$ 10,466,426</u>

Total Legal Debt Margin Calculation for Fiscal Year 2022:

Net full cash assessed valuation	\$ 104,664,260
Debt limit (15% of assessed value)	15,699,639
Debt applicable to limit	
Legal debt margin	<u>\$ 15,699,639</u>

Fiscal Year Ended June 30

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Debt Limit	\$ 15,699,639	\$ 13,661,939	\$ 12,168,987	\$ 11,259,664	\$ 10,133,052
Total net debt applicable to limit					
Legal debt margin	<u>\$ 15,699,639</u>	<u>\$ 13,661,939</u>	<u>\$ 12,168,987</u>	<u>\$ 11,259,664</u>	<u>\$ 10,133,052</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt Limit	\$ 9,132,798	\$ 8,554,045	\$ 8,334,814	\$ 8,872,572	\$ 9,645,627
Total net debt applicable to limit		485,000	945,000	1,390,000	1,815,000
Legal debt margin	<u>\$ 9,132,798</u>	<u>\$ 8,069,045</u>	<u>\$ 7,389,814</u>	<u>\$ 7,482,572</u>	<u>\$ 7,830,627</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	6%	11%	16%	19%

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>
2021	207,318	\$ 9,169,548	\$ 44,299	12.9 %	24,012
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

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>2022</u>		<u>2013</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 %	1,336	1.95 %
Hd Supply	2,000	2.96		
Yuma Union High School District No. 70	1,680	2.48		
Yuma Regional Medical Center	1,560	2.31	1,991	2.90
Walmart Stores	1,560	2.31		
State of Arizona	1,520	2.25		
Yuma Elementary School District No. 1	1,290	1.91	1,400	2.04
Crane Elementary School District No. 13	1,250	1.85		
City of Yuma	1,110	1.64	1,200	1.75
Advanced Call Center Technologies	920	1.36	820	1.20
U.S. Army Yuma Proving Ground			2,093	3.05
U.S. Marine Corps Air Station			2,164	3.15
United States Border Patrol			1,000	1.46
Cocopah Tribe			870	1.27
Quechan Casino Resort			650	0.95
Total	<u>14,930</u>	<u>22.08 %</u>	<u>13,524</u>	<u>19.72 %</u>
Total employment	<u>67,670</u>		<u>68,591</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**

	Full-time Equivalent Employees as of June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Supervisory					
Superintendent/Principals	6	6	6	6	6
Assistant superintendent/principals	2	2	2	2	3
Total supervisory	<u>9</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>9</u>
Instruction					
Teachers	158	154	154	154	146
Other teachers (adult)	2	2	2	2	2
Other professionals (instructional)	7	7	7	9	7
Aides	71	66	61	62	61
Total instruction	<u>238</u>	<u>229</u>	<u>224</u>	<u>227</u>	<u>216</u>
Student Services					
Counselors/Advisors	5	2	1	1	2
Librarians					
Nurses/Technicians	1	1	1	1	1
Total student services	<u>6</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>3</u>
Support and Administration					
Other classified	148	142	139	136	130
Total support and administration	<u>148</u>	<u>142</u>	<u>139</u>	<u>136</u>	<u>130</u>
Total	<u><u>401</u></u>	<u><u>382</u></u>	<u><u>373</u></u>	<u><u>373</u></u>	<u><u>358</u></u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Supervisory					
Superintendent/Principals	6	6	6	6	6
Assistant superintendent/principals	3	3	3	2	2
Total supervisory	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>8</u>
Instruction					
Teachers	144	142	141	137	137
Other teachers (adult)	2	2	2	2	3
Other professionals (instructional)	7	7	4	4	6
Aides	62	61	62	66	65
Total instruction	<u>215</u>	<u>212</u>	<u>209</u>	<u>209</u>	<u>211</u>
Student Services					
Counselors/Advisors	2	2	2	2	3
Librarians					
Nurses/Technicians	1	1	1	1	1
Total student services	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>4</u>
Support and Administration					
Other classified	138	138	135	133	126
Total support and administration	<u>138</u>	<u>138</u>	<u>135</u>	<u>133</u>	<u>126</u>
Total	<u><u>365</u></u>	<u><u>362</u></u>	<u><u>356</u></u>	<u><u>353</u></u>	<u><u>349</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**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2022	2,651	\$ 30,818,756	\$ 11,627	29.91 %	\$ 33,818,008	\$ 12,758	27.32 %	238	11.1	87.0 %
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	(1.49)	19,933,638	7,634	(4.27)	211	12.4	86.5

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

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

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

	Fiscal Year Ended June 30									
	<u>2022</u>	<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>Schools</u>										
Elementary										
Buildings	23	23	23	23	23	22	22	22	22	22
Square feet	213,443	213,443	213,443	213,443	213,443	198,315	198,315	186,821	186,821	186,821
Capacity	2,500	2,500	2,500	2,500	2,500	2,333	2,333	2,168	2,168	2,168
Enrollment	2,072	2,072	2,072	2,335	2,072	2,072	2,072	1,867	1,867	1,867
Middle										
Buildings	13	13	13	13	13	13	13	12	12	12
Square feet	100,291	100,291	100,291	100,291	100,291	100,291	100,291	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	1,018	682	1,018	1,018	1,018	837	837	837
Other										
Buildings	7	7	7	7	7	6	6	6	6	6
Square feet	22,737	22,737	22,737	22,737	22,737	16,465	16,465	16,465	16,465	16,465
<u>Administrative</u>										
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
<u>Transportation</u>										
Garages	2	2	2	2	2	2	2	2	2	2
Buses	20	20	20	21	20	20	20	20	20	20
<u>Athletics</u>										
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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