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# **ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**

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## **Comprehensive Annual Financial Report**

Fiscal Year Ended June 30, 2020



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**

**TUCSON, ARIZONA**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Issued by:  
Business and Finance Department

# ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51

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## **INTRODUCTORY SECTION**



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December 29, 2020

Citizens and Governing Board  
Altar Valley Elementary School District No. 51  
10105 South Sasabe Road  
Tucson, AZ 85736

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the Altar Valley Elementary School District No. 51 (District) for the fiscal year ended June 30, 2020.

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, 2020, 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, 2020, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **PROFILE OF THE DISTRICT**

The District is one of 18 public school districts located in Pima County, Arizona. It provides a program of public education from preschool through grade eight with average daily membership of 547. Estimated enrollment for fiscal year 2020-21 is 531 students. The average age of school buildings is 25 years.

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 District is located 20 miles south of downtown Tucson on Route 86, Ajo Way and spreads over 680 square miles to the west and south. The District is a mixture of residential development, large ranches and farm land. There are large tracts of Bureau of Land Management and State land within the boundaries of the District. Several attractions are near the District including the Saguaro National Monument, the Arizona Sonora Desert Museum, Old Tucson, and the San Xavier del Bac Mission. The internationally known Kitt Peak National Observatory frames the background for the Altar Valley School District. Growth in residential development is anticipated in the next five years. Many large tracts of land were approved for development in prior years and improvements are now being made. The District is located in the one quadrant of metropolitan Tucson that has not seen explosive growth. The rugged natural beauty of the land and affordability of property make the area attractive for future development.

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 overexpenditures 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.** The economy of the District mirrors that of the Tucson Metropolitan area and Pima County as a whole. Growth in the region has been stimulated by a combination of warm climate, a substantial well-educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment. At the present time the Altar Valley School District is the largest employer within District boundaries with approximately 99 employees.

**Long-term Financial Planning.** During the 2019-20 school year, the District's average student membership decreased slightly, enrolling approximately 547 students. The high school population has remained steady at approximately 229. The District's teacher turnover rate continues to be sporadic in recent years, however, the District continues to maintain emphasis on professional development, administrative, support, and competitive salaries.

The District is operating under a seven year, 10 percent maintenance and operations override that voters renewed in 2014 and renewed for another seven years by District voters in November 2019. The continuance of the 10 percent override is beneficial to the long term plans of the District. This funding will allow us to continue to support the advancement and growth of the educational initiatives that include, full-day kindergarten, athletic programs, maintaining class sizes, attracting and retaining the highest quality teaching staff, and maintaining special programs. District administrators will continue to be active in the Pima County Collaborative which is composed of school board members and administrators from each district in Pima County. Active participation in the Southern Arizona School Business Officials, Arizona Association of School Business Officials, and Arizona School Administrators organizations will allow District to meet with their respective professional groups to share training, interests, and concerns.

**Major initiatives of the District.** The District's financial plan is to support the Altar Valley School District in fulfilling our promise that we are make to decisions in the best interest of kids. In addition to advancing initiatives that include free full-day kindergarten, free athletic programs, maintain small class sizes, and competitive teacher and staff salaries. The AVSD is engaged in continuing its system-wide approach to providing teachers professional development on teaching reading effectively. This is being accomplished through on-site coaching and professional development in partnership with Pima County and the Arizona Department of Education.

## **AWARDS AND ACKNOWLEDGMENTS**

**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. This was the fourteenth year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to be awarded these certificates, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

We believe that our current comprehensive annual financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2020 certificates.

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

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

Respectfully submitted,

A handwritten signature in blue ink, consisting of a stylized 'D' followed by a series of loops and a long horizontal stroke extending to the right.

Dr. David Dumon  
Superintendent



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

**Altar Valley Elementary  
School District No. 51**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink, reading 'Claire Hertz'.

**Claire Hertz, SFO**  
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

**Altar Valley Elementary School  
District No. 51, Arizona**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



# ALTAR VALLEY SCHOOL DISTRICT

2019-2020

## Governing Board Members

John Williams  
Robert Ethridge  
Chris Isabel  
Shanee Page  
Martin Hudecek

Dr. David Dumon  
Superintendent

Beatriz Soto Secretary to  
Superintendent/ Governing  
Board

Business  
Services

Food Services  
Director

Aaron Bates  
Technology  
Director

Dan Tankersley  
Operations  
Director

Josh Peebles  
AVMS Principal

Rosalinda  
Rodriguez Robles  
Principal

Julie Waters  
federal  
Programs/  
Professional  
Development  
Director

Denise Camp  
Special  
Services  
Director

Christine Yrigolla  
HR/Payroll

William Camp  
IT Tech

Transportation

Rosie Kehoe  
Admin. Secretary

Lillian Regalado  
Admin. Secretary

Maureen  
Culver Data  
Specialist

Aileen Pedrego  
SPED Secretary

Beatriz Soto  
Accounts Payable

Facilities

Building Level  
Personnel  
Certified/Classified

Building Level  
Personnel  
Certified/  
Classified

Evelyn See  
Volunteer  
Coordinator

Special  
Education

Maintenance

Middle School  
Sports

Pre-School  
Program

SPED Pre-K

Custodial  
Services

ELL  
Coordinator

Gifted, OT, PT,  
Speech, 504,

Procurement

Tutoring/  
Enrichment  
Programs



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

W. John Williams, President

Robert Etheridge, Vice President

Chris Isabel, Member

Martin Hudecek, Member

Shanee Page, Member

**ADMINISTRATIVE STAFF**

Dr. David Dumon, Superintendent

L. LeAnn Burns CPA, Business Manager

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Governing Board  
Altar Valley Elementary School District No. 51

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Altar Valley Elementary School District No. 51 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Altar Valley Elementary School District No. 51, as of June 30, 2020, 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.

### ***Change in Accounting Principle***

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, for the year ended June 30, 2020, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

### ***Other Matters***

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

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

#### ***Other Information***

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2020, on our consideration of Altar Valley Elementary School District No. 51'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 to solely 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 Altar Valley Elementary School District No. 51'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 Altar Valley Elementary School District No. 51's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Tucson, Arizona  
December 29, 2020

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



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**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

As management of the Altar Valley Elementary School District No. 51 (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, 2020. 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 \$51,347 which represents a one percent increase from the prior fiscal year.
- General revenues accounted for \$7.8 million in revenue, or 83 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$1.6 million or 17 percent of total current fiscal year revenues.
- The District had approximately \$9.4 million in expenses related to governmental activities, a decrease of two percent from the prior fiscal year.
- Among major funds, the General Fund had \$7.3 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$6.8 million in expenditures. The General Fund's fund balance increase from \$952,997 at the prior fiscal year end to \$1.6 million at the end of the current fiscal year was primarily due to an increase in state equalization assistance as a result of an increase in the funding formula adopted by the state legislature.

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$5.6 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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of June 30, 2020	As of June 30, 2019
Current and other assets	\$ 3,464,838	\$ 2,824,190
Capital assets, net	8,222,114	8,689,434
Total assets	<u>11,686,952</u>	<u>11,513,624</u>
Deferred outflows	<u>530,076</u>	<u>933,703</u>
Current liabilities	306,360	277,217
Long-term liabilities	5,870,253	6,133,896
Total liabilities	<u>6,176,613</u>	<u>6,411,113</u>
Deferred inflows	<u>429,991</u>	<u>632,762</u>
Net position:		
Net investment in capital assets	7,367,345	7,535,037
Restricted	1,055,328	1,173,945
Unrestricted	<u>(2,812,249)</u>	<u>(3,305,530)</u>
Total net position	<u>\$ 5,610,424</u>	<u>\$ 5,403,452</u>

At the end of the current fiscal year, the District reported a negative unrestricted net position of \$2.8 million as a result of an unfunded pension liability. Positive net position was reported in the other two categories.

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 retirement of \$299,628 of capital lease obligations.
- The increase of \$44,599 in pension liabilities.
- The depreciation of existing assets resulting in the addition of \$467,320 in accumulated depreciation.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

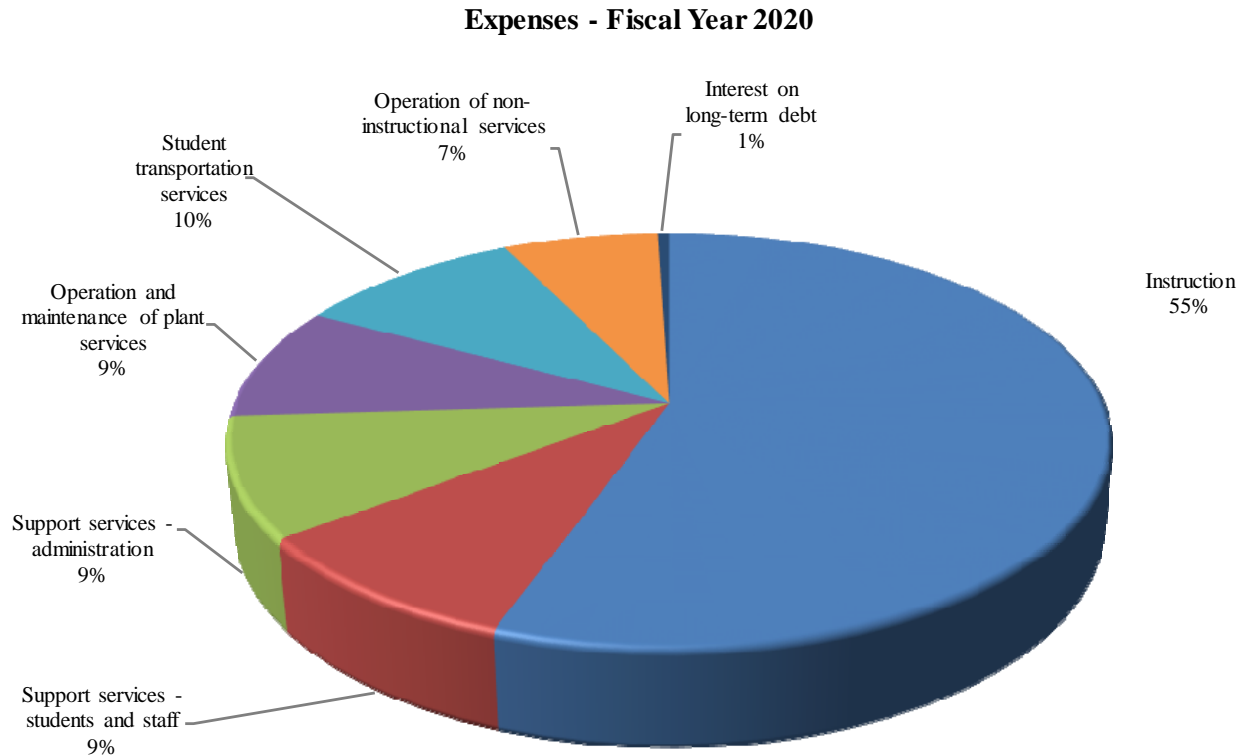
**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Changes in net position.** The District's total revenues for the current fiscal year were \$9.4 million. The total cost of all programs and services was \$9.4 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2020 and June 30, 2019.

	Fiscal Year Ended June 30, 2020	Fiscal Year Ended June 30, 2019
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 49,887	\$ 28,810
Operating grants and contributions	1,498,569	1,612,365
Capital grants and contributions	58,562	59,169
General revenues:		
Property taxes	2,369,331	2,467,655
Investment income	27,976	37,120
Unrestricted county aid	409,080	432,704
Unrestricted state aid	4,995,648	4,279,906
<b>Total revenues</b>	<u>9,409,053</u>	<u>8,917,729</u>
<b>Expenses:</b>		
Instruction	5,188,729	5,359,639
Support services - students and staff	867,587	767,871
Support services - administration	871,072	917,845
Operation and maintenance of plant services	828,877	871,681
Student transportation services	926,263	888,513
Operation of non-instructional services	630,048	654,786
Interest on long-term debt	45,130	40,275
<b>Total expenses</b>	<u>9,357,706</u>	<u>9,500,610</u>
<b>Changes in net position</b>	51,347	(582,881)
<b>Net position, beginning, as restated</b>	5,559,077	5,986,333
<b>Net position, ending</b>	<u><u>\$ 5,610,424</u></u>	<u><u>\$ 5,403,452</u></u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**



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

- State aid revenues increased \$715,742 primarily due to an increase in state equalization assistance as a result of an increase in the funding formula adopted by the state legislature.
- The decrease in instructional expenses of \$170,910 was primarily due to decrease in tuition out expense and the reduction of a certified position.

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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2020		Year Ended June 30, 2019	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 5,188,729	\$ (4,636,483)	\$ 5,359,639	\$ (4,715,772)
Support services - students and staff	867,587	(527,155)	767,871	(423,932)
Support services - administration	871,072	(858,826)	917,845	(899,610)
Operation and maintenance of plant services	828,877	(824,395)	871,681	(807,436)
Student transportation services	926,263	(926,263)	888,513	(884,762)
Operation of non-instructional services	630,048	67,564	654,786	(28,479)
Interest on long-term debt	45,130	(45,130)	40,275	(40,275)
Total	<u>\$ 9,357,706</u>	<u>\$ (7,750,688)</u>	<u>\$ 9,500,610</u>	<u>\$ (7,800,266)</u>

- The cost of all governmental activities this year was \$9.4 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$1.6 million.
- Net cost of governmental activities of \$7.8 million was financed by general revenues, which are made up of primarily property taxes of \$2.4 million and state and county aid of \$5.4 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 \$2.4 million, an increase of \$431,803 due primarily to additional state aid revenue.



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

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

The General Fund comprises 67 percent of the total fund balance. Approximately \$1.3 million, or 78 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$663,070 to \$1.6 million as of fiscal year end was a result of an increase in state equalization assistance as a result of an increase in the funding formula adopted by the state legislature. General Fund revenues increased \$660,538. General Fund expenditures decreased \$433,992 as a result of declining fund balance in fund 610, lower tuition out costs for high school students, and a shortened in-person school year due to COVID-19.

The Other State Projects Fund's fund balance increased \$21,728. Other State Projects Fund revenues increased \$7,443 and expenditures increased \$24,313.

The Unrestricted Capital Outlay Fund's fund balance decreased \$160,658. Unrestricted Capital Outlay Fund revenues decreased \$43,461 and expenditures decreased \$411,726 due to no new investments in capital assets.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$77,226 decrease, 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 \$624,130 in instruction was a result of efforts by the District to maximize carryforward for future years' expenditures.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**YEAR ENDED JUNE 30, 2020**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$14.2 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. Total depreciation expense for the current fiscal year was \$467,320.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2020 and June 30, 2019.

	As of June 30, 2020	As of June 30, 2019
Capital assets - non-depreciable	\$ 9,000	\$ 9,000
Capital assets - depreciable, net	8,213,114	8,680,434
Total	<u>\$ 8,222,114</u>	<u>\$ 8,689,434</u>

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

**Debt Administration.** At year end, the District had \$854,769 in long-term debt outstanding, \$310,329 due within one year. Long-term debt decreased by \$299,628.

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 \$7.5 million and the Class B debt limit is \$5.0 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 8 and 9.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2020**

**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 2020-21 budget. Among them:

- Fiscal year 2019-20 budget balance carry forward (estimated \$436,423).
- District student population (estimated 549).
- Increase in fuel and utility costs.
- Increase in employee benefits.

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 two percent to \$7.4 million in fiscal year 2020-21. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2020-21 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, Altar Valley Elementary School District No. 51, 10105 South Sasabe Road, Tucson, Arizona 85736.

## **BASIC FINANCIAL STATEMENTS**

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## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 2,126,580
Property taxes receivable	627,332
Accounts receivable	4,340
Due from governmental entities	249,956
Prepaid items	456,630
Total current assets	<u>3,464,838</u>
Noncurrent assets:	
Capital assets not being depreciated	9,000
Capital assets, net of accumulated depreciation	<u>8,213,114</u>
Total noncurrent assets	<u>8,222,114</u>
<b>Total assets</b>	<u><u>11,686,952</u></u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Pension plan items	<u>530,076</u>
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	81,301
Accrued payroll and employee benefits	49,957
Compensated absences payable	12,500
Unearned revenues	175,102
Obligations under capital leases	310,329
Total current liabilities	<u>629,189</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>5,547,424</u>
Total noncurrent liabilities	<u>5,547,424</u>
<b>Total liabilities</b>	<u><u>6,176,613</u></u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension plan items	<u>429,991</u>
<b><u>NET POSITION</u></b>	
Net investment in capital assets	7,367,345
Restricted	1,055,328
Unrestricted	<u>(2,812,249)</u>
<b>Total net position</b>	<u><u>\$ 5,610,424</u></u>

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction	\$ 5,188,729	\$ 35,904	\$ 457,780	\$ 58,562	\$ (4,636,483)
Support services - students and staff	867,587		340,432		(527,155)
Support services - administration	871,072		12,246		(858,826)
Operation and maintenance of plant services	828,877	1,545	2,937		(824,395)
Student transportation services	926,263				(926,263)
Operation of non-instructional services	630,048	12,438	685,174		67,564
Interest on long-term debt	45,130				(45,130)
<b>Total governmental activities</b>	<u>\$ 9,357,706</u>	<u>\$ 49,887</u>	<u>\$ 1,498,569</u>	<u>\$ 58,562</u>	<u>\$ (7,750,688)</u>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	2,369,128
Property taxes, levied for capital outlay	203
Investment income	27,976
Unrestricted county aid	409,080
Unrestricted state aid	4,995,648
<b>Total general revenues</b>	<u>7,802,035</u>

**Changes in net position** 51,347

**Net position, beginning of year, as restated** 5,559,077

**Net position, end of year** \$ 5,610,424

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



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## **FUND FINANCIAL STATEMENTS**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	<u>General</u>	<u>Other State Projects</u>	<u>Unrestricted Capital Outlay</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,064,078	\$ 235,428	\$ 280
Property taxes receivable	571,532		55,800
Accounts receivable			
Due from governmental entities	9,198		
Due from other funds	193,899		
Prepaid items	358,274	30,000	
<b>Total assets</b>	<u><u>\$ 2,196,981</u></u>	<u><u>\$ 265,428</u></u>	<u><u>\$ 56,080</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 20,531	\$	\$
Due to other funds			87,467
Accrued payroll and employee benefits	41,812		
Unearned revenues		175,102	
<b>Total liabilities</b>	<u>62,343</u>	<u>175,102</u>	<u>87,467</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	518,571		54,288
Unavailable revenues - intergovernmental			
<b>Total deferred inflows of resources</b>	<u>518,571</u>	<u></u>	<u>54,288</u>
Fund balances (deficits):			
Nonspendable	358,274	30,000	
Restricted		60,326	
Unassigned	1,257,793		(85,675)
<b>Total fund balances</b>	<u>1,616,067</u>	<u>90,326</u>	<u>(85,675)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 2,196,981</u></u>	<u><u>\$ 265,428</u></u>	<u><u>\$ 56,080</u></u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 826,794	\$ 2,126,580
	627,332
4,340	4,340
240,758	249,956
	193,899
68,356	456,630
<u>\$ 1,140,248</u>	<u>\$ 3,658,737</u>

\$ 60,770	\$ 81,301
106,432	193,899
8,145	49,957
	175,102
<u>175,347</u>	<u>500,259</u>

	572,859
<u>158,269</u>	<u>158,269</u>
<u>158,269</u>	<u>731,128</u>

68,356	456,630
896,646	956,972
(158,370)	1,013,748
<u>806,632</u>	<u>2,427,350</u>

<u>\$ 1,140,248</u>	<u>\$ 3,658,737</u>
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**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

<b>Total governmental fund balances</b>	<b>\$</b>	<b>2,427,350</b>
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Amounts reported for *governmental activities* in the Statement of Net Position are different because:

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

Governmental capital assets	\$ 14,227,766	
Less accumulated depreciation	<u>(6,005,652)</u>	8,222,114

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

Property taxes	572,859	
Intergovernmental	<u>158,269</u>	731,128

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

Deferred outflows of resources related to pensions	530,076	
Deferred inflows of resources related to pensions	<u>(429,991)</u>	100,085

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

Compensated absences payable	(49,172)	
Obligations under capital leases	(854,769)	
Net pension liability	<u>(4,966,312)</u>	<u>(5,870,253)</u>

<b>Net position of governmental activities</b>	<b>\$</b>	<b><u>5,610,424</u></b>
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The notes to the basic financial statements are an integral part of this statement.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	<u>General</u>	<u>Other State Projects</u>	<u>Unrestricted Capital Outlay</u>
<b>Revenues:</b>			
Other local	\$ 427,337	\$	\$ 15,475
Property taxes	2,401,330		5,151
State aid and grants	4,502,715	203,861	172,752
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>7,331,382</u>	<u>203,861</u>	<u>193,378</u>
<b>Expenditures:</b>			
Current -			
Instruction	4,101,464	857	
Support services - students and staff	480,027	24,469	
Support services - administration	795,904		
Operation and maintenance of plant services	734,947	2,000	
Student transportation services	669,512		
Operation of non-instructional services	11,515	154,807	
Capital outlay	3,196		46,106
Debt service -			
Principal retirement			272,861
Interest and fiscal charges			35,069
<b>Total expenditures</b>	<u>6,796,565</u>	<u>182,133</u>	<u>354,036</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>534,817</u>	<u>21,728</u>	<u>(160,658)</u>
<b>Other financing sources (uses):</b>			
Transfers in	126,446		
Transfers out	(36,828)		
Proceeds from sale of capital assets	1,545		
<b>Total other financing sources (uses)</b>	<u>91,163</u>		
<b>Changes in fund balances</b>	<u>625,980</u>	<u>21,728</u>	<u>(160,658)</u>
<b>Fund balances, beginning of year, as restated</b>	952,997	68,598	74,983
Increase (decrease) in reserve for prepaid items	37,090		
<b>Fund balances, end of year</b>	<u>\$ 1,616,067</u>	<u>\$ 90,326</u>	<u>\$ (85,675)</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 83,046	\$ 525,858
26	2,406,507
320,181	5,199,509
1,239,181	1,239,181
<u>1,642,434</u>	<u>9,371,055</u>
693,733	4,796,054
319,045	823,541
11,467	807,371
41,108	778,055
	669,512
463,408	629,730
72,564	121,866
26,767	299,628
10,061	45,130
<u>1,638,153</u>	<u>8,970,887</u>
<u>4,281</u>	<u>400,168</u>
36,828	163,274
(126,446)	(163,274)
	1,545
<u>(89,618)</u>	<u>1,545</u>
<u>(85,337)</u>	<u>401,713</u>
898,969	1,995,547
(7,000)	30,090
<u>\$ 806,632</u>	<u>\$ 2,427,350</u>



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

<b>Changes in fund balances - total governmental funds</b>	<b>\$</b>	<b>401,713</b>
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Amounts reported for *governmental activities* in the Statement of Activities are different because:

Governmental funds report the portion of capital outlay for capitalized assets as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.		(467,320)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(37,176)	
Intergovernmental	73,629	36,453

Repayments of capital lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		299,628
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Governmental funds report pension contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in the net pension liability, adjusted for deferred items, is reported as pension expense in the Statement of Activities.

Current year pension contributions	383,534	
Pension expense	(622,941)	(239,407)

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.

Prepaid items	30,090	
Compensated absences	(9,810)	20,280

<b>Changes in net position in governmental activities</b>	<b>\$</b>	<b><u>51,347</u></b>
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The notes to the basic financial statements are an integral part of this statement.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

The financial statements of the Altar Valley Elementary School District No. 51 (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, 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities for accounting and financial reporting purposes, and provides guidance as to how those activities should be reported. Student Activities and employee withholding accounts reported in the prior year as fiduciary activities do not meet these new fiduciary activities criteria and have been reclassified as special revenue governmental funds and the General Fund. Beginning balances of the governmental funds and governmental activities have been restated by \$155,625 accordingly.

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

**A. Reporting Entity**

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

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

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

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

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

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

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

Property taxes, federal, state and county aid, 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 Operation Fund as well as certain activities budgeted in separate funds in accordance with A.R.S. These funds are maintained as separate funds for budgetary purposes but do not meet the criteria for separate reporting in the financial statements.

Other State Projects Fund – The Other State Projects Fund accounts for financial assistance received for other State projects.

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

**D. Cash and Investments**

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

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

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

**E. Investment Income**

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

**F. Receivables and Payables**

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

**G. Property Tax Calendar**

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

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

**H. 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 on the fund financial statements.

**I. Capital Assets**

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

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

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

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

Land improvements	10 - 25 years
Buildings and improvements	5 - 80 years
Vehicles, furniture and equipment	4 - 20 years

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

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

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

**K. 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.

**L. 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.

**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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

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

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

At year end, the District's legal debt limit is \$7.5 million, and the available margin is also \$7.5 million as the District has no general obligation bonds outstanding.

**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.



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

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

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	General Fund	Other State Projects	Unrestricted Capital Outlay	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Prepaid items	\$ 358,274	\$ 30,000	\$	\$ 68,356
Restricted:				
Capital projects				70,921
Voter approved initiatives				549,268
Federal and state projects		60,326		43,414
Food service				133,640
Civic center				30,113
Community school				2,162
Extracurricular activities				47,396
Student activities				18,361
Other purposes				1,371
Unassigned	1,257,793		(85,675)	(158,370)
Total fund balances	<u>\$ 1,616,067</u>	<u>\$ 90,326</u>	<u>(85,675)</u>	<u>\$ 806,632</u>

**NOTE 3 – RESTRICTED NET POSITION**

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

	Governmental Activities
Restricted Net Position:	
Capital projects	\$ 70,921
Voter approved initiatives	549,268
Federal and state projects	202,096
Food service	133,640
Other purposes	99,403
Total	<u>\$ 1,055,328</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 4 – 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.

	<u>Deficit</u>
Major Governmental Fund:	
Unrestricted Capital Outlay	\$ (85,675)
Non-Major Governmental Funds:	
County, City, and Town Grants	(40)
Title I Grants	(17,130)
Professional Development and	
Technology Grants	(27,267)
Title IV Grants Fund	(49,121)
Limited English and Immigrant Students	(8,264)
Other Federal Projects	(1,856)
Energy and Water Savings	(61)

The deficits arose because of operations during the year and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2020-21 are expected to eliminate the deficits.

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

**NOTE 5 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$213,735 and the bank balance was \$244,393.

*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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 5 – CASH AND INVESTMENTS**

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	202 days	<u>\$ 1,912,845</u>

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

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

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

**NOTE 6 – RECEIVABLES**

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

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:		
Due from federal government	\$	\$ 202,180
Due from state government		38,578
Due from county government	9,198	
Net due from governmental entities	<u>\$ 9,198</u>	<u>\$ 240,758</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 7 – CAPITAL ASSETS**

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 9,000	\$	\$	\$ 9,000
Total capital assets, not being depreciated	<u>9,000</u>			<u>9,000</u>
Capital assets, being depreciated:				
Land improvements	1,141,240			1,141,240
Buildings and improvements	11,164,336			11,164,336
Vehicles, furniture and equipment	1,913,190			1,913,190
Total capital assets being depreciated	<u>14,218,766</u>			<u>14,218,766</u>
Less accumulated depreciation for:				
Land improvements	(653,186)	(38,777)		(691,963)
Buildings and improvements	(4,154,333)	(197,193)		(4,351,526)
Vehicles, furniture and equipment	(730,813)	(231,350)		(962,163)
Total accumulated depreciation	<u>(5,538,332)</u>	<u>(467,320)</u>		<u>(6,005,652)</u>
Total capital assets, being depreciated, net	<u>8,680,434</u>	<u>(467,320)</u>		<u>8,213,114</u>
Governmental activities capital assets, net	<u>\$ 8,689,434</u>	<u>\$ (467,320)</u>	<u>\$</u>	<u>\$ 8,222,114</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 189,743
Support services – administration	10,277
Operation and maintenance of plant services	33,263
Student transportation services	216,226
Operation of non-instructional services	17,811
Total depreciation expense – governmental activities	<u>\$ 467,320</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES**

The District has acquired buses and energy efficient upgrades under the provisions of long-term lease agreements classified as capital leases. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund are used to pay the capital lease obligations on the buses. Revenues from the General Fund are transferred to the Energy and Water Savings Fund to pay the capital lease obligations on the energy efficiency upgrades when due. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	<u>Governmental Activities</u>
Asset:	
Land improvements	\$ 256,835
Building improvements	176,134
Vehicles, furniture and equipment	1,505,884
Less: Accumulated depreciation	<u>(809,489)</u>
Total	<u>\$ 1,129,364</u>

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

Year Ending June 30:	<u>Governmental Activities</u>
2021	\$ 344,066
2022	175,188
2023	100,188
2024	149,715
2025	36,828
2026-29	<u>147,312</u>
Total minimum lease payments	953,297
Less: amount representing interest	<u>98,528</u>
Present value of minimum lease payments	<u>\$ 854,769</u>
Due within one year	<u>\$ 310,329</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 9 – CHANGES IN LONG-TERM LIABILITIES**

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Obligations under capital leases	\$ 1,154,397	\$	\$ 299,628	\$ 854,769	\$ 310,329
Net pension liability	4,921,713	44,599		4,966,312	
Compensated absences payable	39,362	59,524	49,714	49,172	12,500
Governmental activity long-term liabilities	<u>\$ 6,115,472</u>	<u>\$ 104,123</u>	<u>\$ 349,342</u>	<u>\$ 5,870,253</u>	<u>\$ 322,829</u>

**NOTE 10 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

At year end, interfund balances were as follows:

**Due to/from other funds** – At year end, the Unrestricted Capital Outlay Fund and several non-major governmental funds had negative cash balances of \$193,899 in the Treasurer's pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

**Interfund transfers** – Transfers between funds were used primarily to (1) move federal grant funds of \$126,446 restricted for indirect costs to the General Fund and (2) move resources of \$36,828 to the Energy and Water Savings Fund, a non-major governmental fund, for capital lease payments.

**NOTE 11 – 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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 12 – 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 employee dental and vision insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – PENSIONS**

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

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

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

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

\*With actuarially reduced benefits

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – 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 12.11 percent (11.94 percent for retirement and 0.17 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 12.11 percent (11.45 percent for retirement, 0.49 percent for health insurance premium benefit, and 0.17 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, 2020 were \$383,534.

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 10.41 percent (10.29 for retirement, 0.05 percent for health insurance premium benefit, and 0.07 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

**Pension Liability.** The net pension liability was measured as of June 30, 2019. 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, 2018, to the measurement date of June 30, 2019. 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, 2019.

At June 30, 2020, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2019, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2018 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 4,966,312	0.034	(0.001)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – 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, 2020 was \$622,941.

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	\$ 89,718	\$ 934
Changes of assumptions or other inputs	20,993	197,768
Net difference between projected and actual earnings on pension investments		111,626
Changes in proportion and differences between contributions and proportionate share of contributions	35,831	119,663
Contributions subsequent to the measurement date	383,534	
Total	<u>\$ 530,076</u>	<u>\$ 429,991</u>

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, 2021. 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:		
2021	\$	(105,990)
2022		(185,918)
2023		(21,437)
2024		29,896

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – PENSIONS**

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

Actuarial valuation date	June 30, 2018
Actuarial roll forward date	June 30, 2019
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Inflation	2.3%
Projected salary increases	2.7-7.2%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

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

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

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity	50%	6.09%
Credit	20	5.36
Interest rate sensitive bonds	10	1.62
Real estate	20	5.85
Total	<u>100%</u>	

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE 13 – PENSIONS**

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

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

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 7,068,212	\$ 4,966,312	\$ 3,209,664

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

## **REQUIRED SUPPLEMENTARY INFORMATION**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 398,835	\$ 398,835
Property taxes			2,401,330	2,401,330
State aid and grants			4,502,715	4,502,715
<b>Total revenues</b>			<u>7,302,880</u>	<u>7,302,880</u>
<b>Expenditures:</b>				
Current -				
Instruction	4,691,274	4,708,848	4,084,718	624,130
Support services - students and staff	485,222	458,422	453,565	4,857
Support services - administration	893,308	825,308	778,321	46,987
Operation and maintenance of plant services	765,925	765,925	734,947	30,978
Student transportation services	733,262	733,262	669,512	63,750
Operation of non-instructional services	19,241	19,241	11,515	7,726
<b>Total expenditures</b>	<u>7,588,232</u>	<u>7,511,006</u>	<u>6,732,578</u>	<u>778,428</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(7,588,232)</u>	<u>(7,511,006)</u>	<u>570,302</u>	<u>8,081,308</u>
<b>Other financing sources (uses):</b>				
Transfers out			(36,828)	(36,828)
<b>Total other financing sources (uses)</b>			<u>(36,828)</u>	<u>(36,828)</u>
<b>Changes in fund balances</b>	<u>(7,588,232)</u>	<u>(7,511,006)</u>	<u>533,474</u>	<u>8,044,480</u>
<b>Fund balances, beginning of year</b>			445,341	445,341
Increase (decrease) in reserve for prepaid items			37,090	37,090
<b>Fund balances (deficits), end of year</b>	<u>\$ (7,588,232)</u>	<u>\$ (7,511,006)</u>	<u>\$ 1,015,905</u>	<u>\$ 8,526,911</u>

See accompanying notes to this schedule.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**OTHER STATE PROJECTS**  
**YEAR ENDED JUNE 30, 2020**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original &amp; Final</u>	<u>Actual</u>	<u>(Negative)</u>
<b>Revenues:</b>			
State aid and grants	\$	\$ 203,861	\$ 203,861
<b>Total revenues</b>		<u>203,861</u>	<u>203,861</u>
<b>Expenditures:</b>			
Current -			
Instruction		857	(857)
Support services - students and staff		24,469	(24,469)
Operation and maintenance of plant services		2,000	(2,000)
Operation of non-instructional services	290,750	154,807	135,943
<b>Total expenditures</b>	<u>290,750</u>	<u>182,133</u>	<u>108,617</u>
<b>Changes in fund balances</b>	<u>(290,750)</u>	<u>21,728</u>	<u>312,478</u>
<b>Fund balances, beginning of year</b>		68,598	68,598
<b>Fund balances (deficits), end of year</b>	<u>\$ (290,750)</u>	<u>\$ 90,326</u>	<u>\$ 381,076</u>

See accompanying notes to this schedule.



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**ARIZONA STATE RETIREMENT SYSTEM**  
**LAST SIX FISCAL YEARS**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>
Measurement date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
District's proportion of the net pension (assets) liability	0.03%	0.04%	0.04%	0.03%
District's proportionate share of the net pension (assets) liability	\$ 4,966,312	\$ 4,921,713	\$ 5,516,188	\$ 5,145,752
District's covered payroll	\$ 3,595,465	\$ 3,503,624	\$ 3,451,113	\$ 2,979,088
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	138.13%	140.47%	159.84%	172.73%
Plan fiduciary net position as a percentage of the total pension liability	73.24%	73.40%	69.92%	67.06%

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

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>
Actuarially determined contribution	\$ 383,534	\$ 401,973	\$ 381,895	\$ 372,030
Contributions in relation to the actuarially determined contribution	<u>383,534</u>	<u>401,973</u>	<u>381,895</u>	<u>372,030</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 3,349,642	\$ 3,595,465	\$ 3,503,624	\$ 3,451,113
Contributions as a percentage of covered payroll	11.45%	11.18%	10.90%	10.78%

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.

**2016****2015**

June 30, 2015

June 30, 2014

0.03%

0.04%

\$ 4,963,110 \$ 5,528,692

\$ 2,938,760 \$ 2,990,944

168.88%

184.85%

68.35%

69.49%

**2016****2015**

\$ 323,231 \$ 320,031

323,231320,031\$\$

\$ 2,979,088 \$ 2,938,760

10.85%

10.89%

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2020**

**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:

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 6,796,565	\$ 1,616,067
Activity budgeted as special revenue funds	(113,744)	(407,287)
Employee insurance account	<u>49,757</u>	<u>(192,875)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 6,732,578</u>	<u>\$ 1,015,905</u>

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

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

**Factors that Affect Trends.** The actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2016. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2017, actuarial valuation.

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

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## **GOVERNMENTAL FUNDS**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2020**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 755,873	\$ 70,921	\$ 826,794
Accounts receivable	4,340		4,340
Due from governmental entities	240,758		240,758
Prepaid items	68,356		68,356
<b>Total assets</b>	<u>\$ 1,069,327</u>	<u>\$ 70,921</u>	<u>\$ 1,140,248</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 60,770	\$	\$ 60,770
Due to other funds	106,371	61	106,432
Accrued payroll and employee benefits	8,145		8,145
<b>Total liabilities</b>	<u>175,286</u>	<u>61</u>	<u>175,347</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>158,269</u>		<u>158,269</u>
Fund balances (deficits):			
Nonspendable	68,356		68,356
Restricted	825,725	70,921	896,646
Unassigned	<u>(158,309)</u>	<u>(61)</u>	<u>(158,370)</u>
<b>Total fund balances</b>	<u>735,772</u>	<u>70,860</u>	<u>806,632</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,069,327</u>	<u>\$ 70,921</u>	<u>\$ 1,140,248</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2020**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 75,580	\$ 7,466	\$ 83,046
Property taxes		26	26
State aid and grants	320,181		320,181
Federal aid, grants and reimbursements	<u>1,239,181</u>		<u>1,239,181</u>
<b>Total revenues</b>	<u>1,634,942</u>	<u>7,492</u>	<u>1,642,434</u>
<b>Expenditures:</b>			
Current -			
Instruction	693,733		693,733
Support services - students and staff	318,335	710	319,045
Support services - administration	11,467		11,467
Operation and maintenance of plant services	41,108		41,108
Operation of non-instructional services	463,408		463,408
Capital outlay	68,089	4,475	72,564
Debt service -			
Principal retirement		26,767	26,767
Interest and fiscal charges		10,061	10,061
<b>Total expenditures</b>	<u>1,596,140</u>	<u>42,013</u>	<u>1,638,153</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>38,802</u>	<u>(34,521)</u>	<u>4,281</u>
<b>Other financing sources (uses):</b>			
Transfers in		36,828	36,828
Transfers out	<u>(126,446)</u>		<u>(126,446)</u>
<b>Total other financing sources (uses)</b>	<u>(126,446)</u>	<u>36,828</u>	<u>(89,618)</u>
<b>Changes in fund balances</b>	<u>(87,644)</u>	<u>2,307</u>	<u>(85,337)</u>
<b>Fund balances, beginning of year, as restated</b>	830,416	68,553	898,969
Increase (decrease) in reserve for prepaid items	(7,000)		(7,000)
<b>Fund balances, end of year</b>	<u>\$ 735,772</u>	<u>\$ 70,860</u>	<u>\$ 806,632</u>



## **SPECIAL REVENUE FUNDS**

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

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

**County, City, and Town Grants** - to account for monies received from county, city and town grants.

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

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

**Title IV Grants** - to account for financial assistance received for 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.

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

**E-Rate** - to account for monies received to reimburse the District for broadband internet and telecommunications costs.

**Other Federal Projects** - to account for financial assistance received for other supplemental federal 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 bookstore, athletic and miscellaneous District related operations.

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

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

**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.

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 294,478	\$ 216,212	\$
Accounts receivable			
Due from governmental entities	24,539	14,039	
Prepaid items			
<b>Total assets</b>	<u><u>\$ 319,017</u></u>	<u><u>\$ 230,251</u></u>	<u><u>\$</u></u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			40
Accrued payroll and employee benefits			
<b>Total liabilities</b>			<u>40</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	319,017	230,251	
Unassigned			(40)
<b>Total fund balances</b>	<u>319,017</u>	<u>230,251</u>	<u>(40)</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><u>\$ 319,017</u></u>	<u><u>\$ 230,251</u></u>	<u><u>\$</u></u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$ 16,911
45,486	27,267	49,121	8,264	26,275	26,503
28,356				40,000	
<u>\$ 73,842</u>	<u>\$ 27,267</u>	<u>\$ 49,121</u>	<u>\$ 8,264</u>	<u>\$ 66,275</u>	<u>\$ 43,414</u>
\$	\$	\$	\$	\$	\$
42,076	26,509	17,284	8,264	26,275	
3,410	758	27,102			
<u>45,486</u>	<u>27,267</u>	<u>49,121</u>	<u>8,264</u>	<u>26,275</u>	
<u>45,486</u>	<u>27,267</u>	<u>49,121</u>	<u>8,264</u>	<u>26,275</u>	
28,356				40,000	
(45,486)	(27,267)	(49,121)	(8,264)	(26,275)	43,414
<u>(17,130)</u>	<u>(27,267)</u>	<u>(49,121)</u>	<u>(8,264)</u>	<u>13,725</u>	<u>43,414</u>
<u>\$ 73,842</u>	<u>\$ 27,267</u>	<u>\$ 49,121</u>	<u>\$ 8,264</u>	<u>\$ 66,275</u>	<u>\$ 43,414</u>

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2020**

	<u>Other Federal Projects</u>	<u>Food Service</u>	<u>Civic Center</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$	\$ 133,209	\$ 30,113
Accounts receivable			
Due from governmental entities	1,856	17,408	
Prepaid items			
<b>Total assets</b>	<u>\$ 1,856</u>	<u>\$ 150,617</u>	<u>\$ 30,113</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 16,977	\$
Due to other funds	1,856		
Accrued payroll and employee benefits			
<b>Total liabilities</b>	<u>1,856</u>	<u>16,977</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>1,856</u>		
Fund balances (deficits):			
Nonspendable			
Restricted		133,640	30,113
Unassigned	(1,856)		
<b>Total fund balances</b>	<u>(1,856)</u>	<u>133,640</u>	<u>30,113</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 1,856</u>	<u>\$ 150,617</u>	<u>\$ 30,113</u>

<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Textbooks</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 2,162	\$ 43,056 4,340	\$ 1,371	\$ 18,361	\$ 755,873 4,340 240,758 68,356
<u>\$ 2,162</u>	<u>\$ 47,396</u>	<u>\$ 1,371</u>	<u>\$ 18,361</u>	<u>\$ 1,069,327</u>
\$	\$	\$	\$	\$ 60,770 106,371 8,145 175,286
				158,269
2,162	47,396	1,371	18,361	68,356 825,725 (158,309) 735,772
<u>2,162</u>	<u>47,396</u>	<u>1,371</u>	<u>18,361</u>	<u>735,772</u>
<u>\$ 2,162</u>	<u>\$ 47,396</u>	<u>\$ 1,371</u>	<u>\$ 18,361</u>	<u>\$ 1,069,327</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<b>Revenues:</b>			
Other local	\$ 6,779	\$ 4,242	\$
State aid and grants	294,467	25,714	
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>301,246</u>	<u>29,956</u>	
<b>Expenditures:</b>			
Current -			
Instruction	309,538		142
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>309,538</u>		<u>142</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(8,292)</u>	<u>29,956</u>	<u>(142)</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(8,292)</u>	<u>29,956</u>	<u>(142)</u>
<b>Fund balances (deficits), beginning of year, as restated</b>	327,309	200,295	102
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ 319,017</u>	<u>\$ 230,251</u>	<u>\$ (40)</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$
315,485	32,862	172,052		167,508	26,502
<u>315,485</u>	<u>32,862</u>	<u>172,052</u>		<u>167,508</u>	<u>26,502</u>
132,174		82,782		149,988	10,557
191,438	25,735	48,057	2,634	26,431	
1,075	576	1,908	225	2,498	
					40,358
	26,267	29,473		2,822	
<u>324,687</u>	<u>52,578</u>	<u>162,220</u>	<u>2,859</u>	<u>181,739</u>	<u>50,915</u>
<u>(9,202)</u>	<u>(19,716)</u>	<u>9,832</u>	<u>(2,859)</u>	<u>(14,231)</u>	<u>(24,413)</u>
<u>(18,775)</u>	<u>(1,465)</u>	<u>(7,645)</u>		<u>(8,326)</u>	
<u>(18,775)</u>	<u>(1,465)</u>	<u>(7,645)</u>		<u>(8,326)</u>	
<u>(27,977)</u>	<u>(21,181)</u>	<u>2,187</u>	<u>(2,859)</u>	<u>(22,557)</u>	<u>(24,413)</u>
10,847	(6,086)	(51,308)	(5,405)	43,282	67,827
				(7,000)	
<u>\$ (17,130)</u>	<u>\$ (27,267)</u>	<u>\$ (49,121)</u>	<u>\$ (8,264)</u>	<u>\$ 13,725</u>	<u>\$ 43,414</u>

(Continued)



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Other Federal Projects	Food Service	Civic Center
<b>Revenues:</b>			
Other local	\$	\$ 16,072	\$ 610
State aid and grants			
Federal aid, grants and reimbursements	4,928	519,844	
<b>Total revenues</b>	<u>4,928</u>	<u>535,916</u>	<u>610</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	5,185		
Operation and maintenance of plant services	750		
Operation of non-instructional services		463,408	
Capital outlay		9,527	
<b>Total expenditures</b>	<u>5,935</u>	<u>472,935</u>	
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,007)</u>	<u>62,981</u>	<u>610</u>
<b>Other financing sources (uses):</b>			
Transfers out	(235)	(90,000)	
<b>Total other financing sources (uses)</b>	<u>(235)</u>	<u>(90,000)</u>	
<b>Changes in fund balances</b>	<u>(1,242)</u>	<u>(27,019)</u>	<u>610</u>
<b>Fund balances (deficits), beginning of year, as restated</b>	(614)	160,659	29,503
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,856)</u>	<u>\$ 133,640</u>	<u>\$ 30,113</u>

<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Textbooks</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 43	\$ 19,259	\$ 37	\$ 28,538	\$ 75,580
				320,181
				1,239,181
<u>43</u>	<u>19,259</u>	<u>37</u>	<u>28,538</u>	<u>1,634,942</u>
	8,552			693,733
	1,356		22,684	318,335
				11,467
				41,108
				463,408
				68,089
<u></u>	<u>9,908</u>	<u></u>	<u>22,684</u>	<u>1,596,140</u>
<u>43</u>	<u>9,351</u>	<u>37</u>	<u>5,854</u>	<u>38,802</u>
<u></u>	<u></u>	<u></u>	<u></u>	<u>(126,446)</u>
<u></u>	<u></u>	<u></u>	<u></u>	<u>(126,446)</u>
<u>43</u>	<u>9,351</u>	<u>37</u>	<u>5,854</u>	<u>(87,644)</u>
2,119	38,045	1,334	12,507	830,416
				(7,000)
<u>\$ 2,162</u>	<u>\$ 47,396</u>	<u>\$ 1,371</u>	<u>\$ 18,361</u>	<u>\$ 735,772</u>

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 6,779	\$ 6,779
State aid and grants		294,467	294,467
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>301,246</u>	<u>301,246</u>
<b>Expenditures:</b>			
Current -			
Instruction	621,775	309,538	312,237
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>621,775</u>	<u>309,538</u>	<u>312,237</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(621,775)</u>	<u>(8,292)</u>	<u>613,483</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(621,775)</u>	<u>(8,292)</u>	<u>613,483</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		327,309	327,309
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (621,775)</u>	<u>\$ 319,017</u>	<u>\$ 940,792</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4,242 25,714	\$ 4,242 25,714	\$	\$	\$
	29,956	29,956			
230,000		230,000	67,500	142	67,358
230,000		230,000	67,500	142	67,358
(230,000)	29,956	259,956	(67,500)	(142)	67,358
(230,000)	29,956	259,956	(67,500)	(142)	67,358
	200,295	200,295		102	102
\$ (230,000)	\$ 230,251	\$ 460,251	\$ (67,500)	\$ (40)	\$ 67,460

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Title I Grants		Variance -
	Budget	Actual	Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		315,485	315,485
<b>Total revenues</b>		<u>315,485</u>	<u>315,485</u>
<b>Expenditures:</b>			
Current -			
Instruction		132,174	(132,174)
Support services - students and staff	445,000	191,438	253,562
Support services - administration		1,075	(1,075)
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>445,000</u>	<u>324,687</u>	<u>120,313</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(445,000)</u>	<u>(9,202)</u>	<u>435,798</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(18,775)	(18,775)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		<u>(18,775)</u>	<u>(18,775)</u>
<b>Changes in fund balances</b>	<u>(445,000)</u>	<u>(27,977)</u>	<u>417,023</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		10,847	10,847
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (445,000)</u>	<u>\$ (17,130)</u>	<u>\$ 427,870</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	32,862	32,862		172,052	172,052
	32,862	32,862		172,052	172,052
	25,735	(25,735)	200,000	82,782	117,218
	576	(576)		48,057	(48,057)
				1,908	(1,908)
35,000	26,267	8,733		29,473	(29,473)
35,000	52,578	(17,578)	200,000	162,220	37,780
(35,000)	(19,716)	15,284	(200,000)	9,832	209,832
	(1,465)	(1,465)		(7,645)	(7,645)
	(1,465)	(1,465)		(7,645)	(7,645)
(35,000)	(21,181)	13,819	(200,000)	2,187	202,187
	(6,086)	(6,086)		(51,308)	(51,308)
\$ (35,000)	\$ (27,267)	\$ 7,733	\$ (200,000)	\$ (49,121)	\$ 150,879

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Limited English and Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff		2,634	(2,634)
Support services - administration		225	(225)
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>		2,859	(2,859)
<b>Excess (deficiency) of revenues over expenditures</b>		(2,859)	(2,859)
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>		(2,859)	(2,859)
<b>Fund balances (deficits), beginning of year, as restated</b>		(5,405)	(5,405)
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$	\$ (8,264)	\$ (8,264)

Special Education Grants			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	167,508	167,508			
	167,508	167,508			
235,000	149,988	85,012			
	26,431	(26,431)	112,500	26,317	86,183
	2,498	(2,498)			
	2,822	(2,822)			
235,000	181,739	53,261	112,500	26,317	86,183
(235,000)	(14,231)	220,769	(112,500)	(26,317)	86,183
	(8,326)	(8,326)			
	(8,326)	(8,326)			
(235,000)	(22,557)	212,443	(112,500)	(26,317)	86,183
	43,282	43,282		66,644	66,644
	(7,000)	(7,000)			
\$ (235,000)	\$ 13,725	\$ 248,725	\$ (112,500)	\$ 40,327	\$ 152,827

(Continued)



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	E-Rate		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		26,502	26,502
<b>Total revenues</b>		<u>26,502</u>	<u>26,502</u>
<b>Expenditures:</b>			
Current -			
Instruction		10,557	(10,557)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	115,000	40,358	74,642
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>115,000</u>	<u>50,915</u>	<u>64,085</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(115,000)</u>	<u>(24,413)</u>	<u>90,587</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(115,000)</u>	<u>(24,413)</u>	<u>90,587</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		67,827	67,827
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (115,000)</u>	<u>\$ 43,414</u>	<u>\$ 158,414</u>

Other Federal Projects			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 199	\$ 199
	4,928	4,928		199	199
	4,928	4,928			
12,500	5,185	7,315	10,000		10,000
	750	(750)			
12,500	5,935	6,565	10,000		10,000
(12,500)	(1,007)	11,493	(10,000)	199	10,199
	(235)	(235)		1,545	1,545
	(235)	(235)		1,545	1,545
(12,500)	(1,242)	11,258	(10,000)	1,744	11,744
	(614)	(614)		9,372	9,372
\$ (12,500)	\$ (1,856)	\$ 10,644	\$ (10,000)	\$ 11,116	\$ 21,116

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 16,072	\$ 16,072
State aid and grants			
Federal aid, grants and reimbursements		519,844	519,844
<b>Total revenues</b>		<u>535,916</u>	<u>535,916</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services	630,000	463,408	166,592
Capital outlay		9,527	(9,527)
<b>Total expenditures</b>	<u>630,000</u>	<u>472,935</u>	<u>157,065</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(630,000)</u>	<u>62,981</u>	<u>692,981</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(90,000)	(90,000)
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>		<u>(90,000)</u>	<u>(90,000)</u>
<b>Changes in fund balances</b>	<u>(630,000)</u>	<u>(27,019)</u>	<u>602,981</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		160,659	160,659
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (630,000)</u>	<u>\$ 133,640</u>	<u>\$ 763,640</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 610	\$ 610	\$	\$ 43	\$ 43
	610	610		43	43
			2,150		2,150
35,000		35,000			
35,000		35,000	2,150		2,150
(35,000)	610	35,610	(2,150)	43	2,193
(35,000)	610	35,610	(2,150)	43	2,193
	29,503	29,503		2,119	2,119
\$ (35,000)	\$ 30,113	\$ 65,113	\$ (2,150)	\$ 2,162	\$ 4,312

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 19	\$ 19
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		19	19
<b>Expenditures:</b>			
Current -			
Instruction	950		950
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	950		950
<b>Excess (deficiency) of revenues over expenditures</b>	(950)	19	969
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(950)	19	969
<b>Fund balances (deficits), beginning of year, as restated</b>		937	937
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$ (950)	\$ 956	\$ 1,906

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 19,259	\$ 19,259	\$	\$ 23,159	\$ 23,159
	19,259	19,259		23,159	23,159
52,500	8,552 1,356	43,948 (1,356)	47,500	15,862	31,638
				2,118	(2,118)
				3,196	(3,196)
52,500	9,908	42,592	47,500	21,176	26,324
(52,500)	9,351	61,851	(47,500)	1,983	49,483
(52,500)	9,351	61,851	(47,500)	1,983	49,483
	38,045	38,045		55,033	55,033
\$ (52,500)	\$ 47,396	\$ 99,896	\$ (47,500)	\$ 57,016	\$ 104,516

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Textbooks		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 37	\$ 37
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>37</u>	<u>37</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,500		1,500
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>1,500</u>		<u>1,500</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,500)</u>	<u>37</u>	<u>1,537</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(1,500)</u>	<u>37</u>	<u>1,537</u>
<b>Fund balances (deficits), beginning of year, as restated</b>		1,334	1,334
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,500)</u>	<u>\$ 1,371</u>	<u>\$ 2,871</u>

Litigation Recovery			Indirect Costs		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 372	\$ 372	\$	\$ 4,753	\$ 4,753
	372	372		4,753	4,753
7,000		7,000		884	(884)
				145	(145)
			280,000	65,222	214,778
7,000		7,000	280,000	66,251	213,749
(7,000)	372	7,372	(280,000)	(61,498)	218,502
				126,446	126,446
				126,446	126,446
(7,000)	372	7,372	(280,000)	64,948	344,948
	7,056	7,056		225,458	225,458
\$ (7,000)	\$ 7,428	\$ 14,428	\$ (280,000)	\$ 290,406	\$ 570,406

(Continued)



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Advertisement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Instruction	40		40
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	40		40
<b>Excess (deficiency) of revenues over expenditures</b>	(40)		40
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(40)		40
<b>Fund balances (deficits), beginning of year, as restated</b>		38	38
Increase (decrease) in reserve for prepaid items			
<b>Fund balances (deficits), end of year</b>	\$ (40)	\$ 38	\$ 78

Student Activities			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 28,538	\$ 28,538	\$	\$ 104,082	\$ 104,082
				320,181	320,181
				1,239,181	1,239,181
	28,538	28,538		1,663,444	1,663,444
			1,465,915	710,479	755,436
	22,684	(22,684)	557,500	344,797	212,703
			292,500	78,807	213,693
			125,000	41,108	83,892
			665,000	463,408	201,592
			35,000	71,285	(36,285)
	22,684	(22,684)	3,140,915	1,709,884	1,431,031
	5,854	5,854	(3,140,915)	(46,440)	3,094,475
				126,446	126,446
				(126,446)	(126,446)
				1,545	1,545
				1,545	1,545
	5,854	5,854	(3,140,915)	(44,895)	3,096,020
	12,507	12,507		1,194,954	1,194,954
				(7,000)	(7,000)
\$	\$ 18,361	\$ 18,361	\$ (3,140,915)	\$ 1,143,059	\$ 4,283,974

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## **CAPITAL PROJECTS FUNDS**

**Insurance Proceeds** - to account 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.

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2020**

	<u>Insurance Proceeds</u>	<u>Adjacent Ways</u>	<u>Energy and Water Savings</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 10,657	\$ 60,264	\$
<b>Total assets</b>	<u>\$ 10,657</u>	<u>\$ 60,264</u>	<u>\$</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Due to other funds	\$	\$	\$ 61
<b>Total liabilities</b>	<u></u>	<u></u>	<u>61</u>
Fund balances (deficits):			
Restricted	10,657	60,264	
Unassigned			(61)
<b>Total fund balances</b>	<u>10,657</u>	<u>60,264</u>	<u>(61)</u>
<b>Total liabilities and fund balances</b>	<u>\$ 10,657</u>	<u>\$ 60,264</u>	<u>\$</u>

Totals	
\$	70,921
\$	70,921

\$	61
	61

	70,921
	(61)
	70,860
\$	70,921

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Insurance Proceeds	Adjacent Ways	Energy and Water Savings
<b>Revenues:</b>			
Other local	\$ 6,494	\$ 972	\$
Property taxes		26	
<b>Total revenues</b>	<u>6,494</u>	<u>998</u>	<u></u>
<b>Expenditures:</b>			
Current -			
Support services - students and staff	710		
Capital outlay	4,238		237
Debt service -			
Principal retirement			26,767
Interest and fiscal charges			10,061
<b>Total expenditures</b>	<u>4,948</u>	<u></u>	<u>37,065</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,546</u>	<u>998</u>	<u>(37,065)</u>
<b>Other financing sources (uses):</b>			
Transfers in			36,828
<b>Total other financing sources (uses)</b>			<u>36,828</u>
<b>Changes in fund balances</b>	<u>1,546</u>	<u>998</u>	<u>(237)</u>
<b>Fund balances, beginning of year</b>	9,111	59,266	176
<b>Fund balances (deficits), end of year</b>	<u>\$ 10,657</u>	<u>\$ 60,264</u>	<u>\$ (61)</u>

Totals	
\$	7,466
	26
	<u>7,492</u>

710  
4,475

26,767
<u>10,061</u>
<u>42,013</u>

(34,521)

36,828
<u>36,828</u>

2,307

68,553

<u>\$</u>	<u>70,860</u>
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**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Insurance Proceeds		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 6,494	\$ 6,494
Property taxes			
State aid and grants			
<b>Total revenues</b>		<u>6,494</u>	<u>6,494</u>
<b>Expenditures:</b>			
Current -			
Support services - students and staff		710	(710)
Capital outlay	25,000	4,238	20,762
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>25,000</u>	<u>4,948</u>	<u>20,052</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(25,000)</u>	<u>1,546</u>	<u>26,546</u>
<b>Other financing sources (uses):</b>			
Transfers in			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(25,000)</u>	<u>1,546</u>	<u>26,546</u>
<b>Fund balances, beginning of year</b>		9,111	9,111
<b>Fund balances (deficits), end of year</b>	<u>\$ (25,000)</u>	<u>\$ 10,657</u>	<u>\$ 35,657</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 15,475	\$ 15,475	\$	\$ 972	\$ 972
	5,151	5,151		26	26
	172,752	172,752			
	193,378	193,378		998	998
30,291	20,782	9,509	60,000		60,000
272,861	272,861				
35,069	35,069				
338,221	328,712	9,509	60,000		60,000
(338,221)	(135,334)	202,887	(60,000)	998	60,998
(338,221)	(135,334)	202,887	(60,000)	998	60,998
	49,659	49,659		59,266	59,266
\$ (338,221)	\$ (85,675)	\$ 252,546	\$ (60,000)	\$ 60,264	\$ 120,264

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Energy and Water Savings		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
Property taxes			
State aid and grants			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Support services - students and staff			
Capital outlay		237	(237)
Debt service -			
Principal retirement	26,767	26,767	
Interest and fiscal charges	10,061	10,061	
<b>Total expenditures</b>	36,828	37,065	(237)
<b>Excess (deficiency) of revenues over expenditures</b>	(36,828)	(37,065)	(237)
<b>Other financing sources (uses):</b>			
Transfers in		36,828	36,828
<b>Total other financing sources (uses)</b>		36,828	36,828
<b>Changes in fund balances</b>	(36,828)	(237)	36,591
<b>Fund balances, beginning of year</b>		176	176
<b>Fund balances (deficits), end of year</b>	\$ (36,828)	\$ (61)	\$ 36,767

Building Renewal Grant			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 22,941	\$ 22,941
				5,177	5,177
				172,752	172,752
				200,870	200,870
				710	(710)
200,000		200,000	315,291	25,257	290,034
			299,628	299,628	
			45,130	45,130	
200,000		200,000	660,049	370,725	289,324
(200,000)		200,000	(660,049)	(169,855)	490,194
				36,828	36,828
				36,828	36,828
(200,000)		200,000	(660,049)	(133,027)	527,022
				118,212	118,212
\$ (200,000)	\$	\$ 200,000	\$ (660,049)	\$ (14,815)	\$ 645,234

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability to make debt payments and/or issue additional debt in the future. The District does not have any outstanding bonded debt.

### **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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**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 7,367,345	\$ 7,535,037	\$ 7,773,967	\$ 7,971,981	\$ 8,166,436
Restricted	1,055,328	1,173,945	1,271,058	1,469,835	1,451,599
Unrestricted	(2,812,249)	(3,305,530)	(3,058,692)	(3,124,482)	(3,207,404)
Total net position	<u>\$ 5,610,424</u>	<u>\$ 5,403,452</u>	<u>\$ 5,986,333</u>	<u>\$ 6,317,334</u>	<u>\$ 6,410,631</u>
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 8,159,709	\$ 8,334,043	\$ 8,491,990	\$ 8,586,230	\$ 8,779,174
Restricted	1,035,904	1,034,557	733,758	838,062	494,753
Unrestricted	(3,765,427)	1,899,552	2,216,551	1,943,895	1,277,377
Total net position	<u>\$ 5,430,186</u>	<u>\$ 11,268,152</u>	<u>\$ 11,442,299</u>	<u>\$ 11,368,187</u>	<u>\$ 10,551,304</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.



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Expenses</b>					
Instruction	\$ 5,188,729	\$ 5,359,639	\$ 4,929,245	\$ 5,022,444	\$ 4,617,871
Support services - students and staff	867,587	767,871	719,221	696,842	664,224
Support services - administration	871,072	917,845	861,104	799,751	815,047
Operation and maintenance of plant services	828,877	871,681	835,284	825,618	770,648
Student transportation services	926,263	888,513	844,271	717,068	724,422
Operation of non-instructional services	630,048	654,786	641,302	808,456	633,973
Interest on long-term debt	45,130	40,275	40,857	28,745	34,989
Total expenses	<u>9,357,706</u>	<u>9,500,610</u>	<u>8,871,284</u>	<u>8,898,924</u>	<u>8,261,174</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	35,904	2,039	934	4,200	11,540
Operation of non-instructional services	12,438	21,574	15,918	12,121	34,259
Other activities	1,545	5,197	2,850	4,195	9,976
Operating grants and contributions	1,498,569	1,612,365	1,595,369	1,755,824	1,629,866
Capital grants and contributions	58,562	59,169	4,329	35,611	155,652
Total program revenues	<u>1,607,018</u>	<u>1,700,344</u>	<u>1,619,400</u>	<u>1,811,951</u>	<u>1,841,293</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (7,750,688)</u>	<u>\$ (7,800,266)</u>	<u>\$ (7,251,884)</u>	<u>\$ (7,086,973)</u>	<u>\$ (6,419,881)</u>

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenses</b>					
Instruction	\$ 5,118,827	\$ 5,233,349	\$ 4,787,739	\$ 4,910,353	\$ 5,183,400
Support services - students and staff	871,129	743,570	676,033	705,684	889,720
Support services - administration	911,283	941,777	874,091	1,045,304	834,587
Operation and maintenance of plant services	941,641	794,173	974,015	728,500	888,166
Student transportation services	649,294	651,389	727,866	603,929	1,031,291
Operation of non-instructional services	512,258	528,648	530,410	519,620	474,728
Interest on long-term debt	14,086				
Total expenses	<u>9,018,518</u>	<u>8,892,906</u>	<u>8,570,154</u>	<u>8,513,390</u>	<u>9,301,892</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	8,660	16,576	4,380	77,554	74,342
Operation of non-instructional services	36,884	39,645	28,052	46,114	19,442
Other activities	3,000	3,957	4,177	3,600	2,950
Operating grants and contributions	1,715,969	1,742,447	1,711,427	1,575,524	1,935,945
Capital grants and contributions	175,056	55,780	92,700	136,640	417
Total program revenues	<u>1,939,569</u>	<u>1,858,405</u>	<u>1,840,736</u>	<u>1,839,432</u>	<u>2,033,096</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (7,078,949)</u>	<u>\$ (7,034,501)</u>	<u>\$ (6,729,418)</u>	<u>\$ (6,673,958)</u>	<u>\$ (7,268,796)</u>

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

**(Concluded)**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Net (Expense)/Revenue</b>	\$ (7,750,688)	\$ (7,800,266)	\$ (7,251,884)	\$ (7,086,973)	\$ (6,419,881)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	2,369,128	2,382,658	2,362,307	2,558,297	1,506,832
Property taxes, levied for capital outlay	203	84,997	66,595		439,908
Investment income	27,976	37,120	25,062	19,150	9,589
Unrestricted county aid	409,080	432,704	441,011	443,920	529,420
Unrestricted state aid	4,995,648	4,279,906	4,011,525	3,967,558	4,793,849
Unrestricted federal aid			13,606	4,751	17,521
<b>Total general revenues</b>	<b><u>7,802,035</u></b>	<b><u>7,217,385</u></b>	<b><u>6,920,106</u></b>	<b><u>6,993,676</u></b>	<b><u>7,297,119</u></b>
<b>Changes in Net Position</b>	<b><u>\$ 51,347</u></b>	<b><u>\$ (582,881)</u></b>	<b><u>\$ (331,778)</u></b>	<b><u>\$ (93,297)</u></b>	<b><u>\$ 877,238</u></b>

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Net (Expense)/Revenue</b>	\$ (7,078,949)	\$ (7,034,501)	\$ (6,729,418)	\$ (6,673,958)	\$ (7,268,796)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	1,393,888	1,697,436	1,485,762	2,066,132	1,628,108
Property taxes, levied for capital outlay	378,034		450,626	69,929	359,690
Investment income	8,669	6,804	13,256	2,980	847
Unrestricted county aid	484,473	479,432	405,031	429,507	265,905
Unrestricted state aid	4,476,255	4,663,217	4,422,243	4,885,210	5,152,539
Unrestricted federal aid	29,359	13,465	26,612	37,083	52,652
<b>Total general revenues</b>	<u>6,770,678</u>	<u>6,860,354</u>	<u>6,803,530</u>	<u>7,490,841</u>	<u>7,459,741</u>
<b>Changes in Net Position</b>	<u>\$ (308,271)</u>	<u>\$ (174,147)</u>	<u>\$ 74,112</u>	<u>\$ 816,883</u>	<u>\$ 190,945</u>

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

(Concluded)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
General Fund:					
Nondisposable	\$ 358,274	\$ 321,184	\$ 296,753	\$ 369,459	\$ 279,254
Unassigned	1,257,793	488,695	1,032,973	1,124,120	1,316,150
Total General Fund	<u>\$ 1,616,067</u>	<u>\$ 809,879</u>	<u>\$ 1,329,726</u>	<u>\$ 1,493,579</u>	<u>\$ 1,595,404</u>
All Other Governmental Funds:					
Nondisposable	\$ 98,356	\$ 105,356	\$ 86,412	\$ 91,322	\$ 118,497
Restricted	956,972	1,009,327	1,071,675	1,315,486	1,346,510
Unassigned	(244,045)	(84,640)	(52,720)	(15)	
Total all other governmental funds	<u>\$ 811,283</u>	<u>\$ 1,030,043</u>	<u>\$ 1,105,367</u>	<u>\$ 1,406,793</u>	<u>\$ 1,465,007</u>

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
General Fund:					
Nondisposable	\$ 283,499	\$ 416,515	\$ 445,270	\$ 421,690	\$ 232,012
Unassigned	1,109,573	1,013,002	1,390,208	1,102,904	371,493
Total General Fund	<u>\$ 1,393,072</u>	<u>\$ 1,429,517</u>	<u>\$ 1,835,478</u>	<u>\$ 1,524,594</u>	<u>\$ 603,505</u>
All Other Governmental Funds:					
Nondisposable	\$ 74,353	\$ 86,745	\$ 18,944	\$ 40,909	\$ 32,997
Restricted	944,720	886,669	620,465	759,324	388,741
Assigned					304,739
Unassigned				(10,796)	
Total all other governmental funds	<u>\$ 1,019,073</u>	<u>\$ 973,414</u>	<u>\$ 639,409</u>	<u>\$ 789,437</u>	<u>\$ 726,477</u>

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

**(Concluded)**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Federal sources:</b>					
Federal grants	\$ 719,337	\$ 803,195	\$ 699,097	\$ 958,901	\$ 1,006,523
National School Lunch Program	519,844	528,068	530,096	531,368	504,588
Total federal sources	<u>1,239,181</u>	<u>1,331,263</u>	<u>1,229,193</u>	<u>1,490,269</u>	<u>1,511,111</u>
<b>State sources:</b>					
State equalization assistance	4,675,467	3,961,461	3,719,627	3,711,980	4,523,877
State grants	203,861	196,418	198,024	190,112	109,428
Other revenues	320,181	318,445	292,989	256,769	269,972
Total state sources	<u>5,199,509</u>	<u>4,476,324</u>	<u>4,210,640</u>	<u>4,158,861</u>	<u>4,903,277</u>
<b>Local sources:</b>					
Property taxes	2,406,507	2,459,763	2,430,130	2,594,924	1,873,793
County aid	409,080	499,021	505,139	506,163	624,207
Food service sales	12,438	21,574	15,918	11,739	14,854
Investment income	27,976	37,120	25,062	19,150	9,589
Other revenues	76,364	52,852	71,932	61,148	137,928
Total local sources	<u>2,932,365</u>	<u>3,070,330</u>	<u>3,048,181</u>	<u>3,193,124</u>	<u>2,660,371</u>
<b>Total revenues</b>	<u><u>\$ 9,371,055</u></u>	<u><u>\$ 8,877,917</u></u>	<u><u>\$ 8,488,014</u></u>	<u><u>\$ 8,842,254</u></u>	<u><u>\$ 9,074,759</u></u>

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Federal sources:</b>					
Federal grants	\$ 1,201,551	\$ 1,053,789	\$ 1,098,251	\$ 1,088,151	\$ 1,207,076
State Fiscal Stabilization (ARRA)					52,652
Education Jobs				3,620	235,880
National School Lunch Program	369,039	415,267	387,048	375,669	325,355
Total federal sources	<u>1,570,590</u>	<u>1,469,056</u>	<u>1,485,299</u>	<u>1,467,440</u>	<u>1,820,963</u>
<b>State sources:</b>					
State equalization assistance	4,235,538	4,401,749	4,207,004	4,699,533	4,995,490
State grants	130,420	150,188	171,164	126,351	24,031
Other revenues	240,717	261,568	215,356	185,677	170,000
Total state sources	<u>4,606,675</u>	<u>4,813,505</u>	<u>4,593,524</u>	<u>5,011,561</u>	<u>5,189,521</u>
<b>Local sources:</b>					
Property taxes	1,781,392	1,685,589	1,912,617	2,104,018	1,823,577
County aid	564,568	557,022	452,233	529,737	265,905
Food service sales	36,884	34,447	28,052	32,714	19,442
Investment income	8,669	6,804	13,256	2,980	847
Other revenues	141,645	120,694	135,514	149,780	221,312
Total local sources	<u>2,533,158</u>	<u>2,404,556</u>	<u>2,541,672</u>	<u>2,819,229</u>	<u>2,331,083</u>
<b>Total revenues</b>	<u>\$ 8,710,423</u>	<u>\$ 8,687,117</u>	<u>\$ 8,620,495</u>	<u>\$ 9,298,230</u>	<u>\$ 9,341,567</u>

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

**(Concluded)**



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 4,796,054	\$ 5,142,969	\$ 4,737,703	\$ 4,835,787	\$ 4,382,099
Support services - students and staff	823,541	793,109	753,515	724,571	705,918
Support services - administration	807,371	934,239	831,402	837,236	843,469
Operation and maintenance of plant services	778,055	840,858	734,881	812,854	828,897
Student transportation services	669,512	680,598	655,173	593,085	525,559
Operation of non-instructional services	629,730	636,107	602,692	803,255	620,354
Capital outlay	121,866	448,389	429,120	629,653	428,176
Debt service -					
Interest and fiscal charges	299,628	40,275	40,857	28,745	34,989
Principal retirement	45,130	376,212	277,567	294,039	330,937
<b>Total expenditures</b>	<u><u>\$ 8,970,887</u></u>	<u><u>\$ 9,892,756</u></u>	<u><u>\$ 9,062,910</u></u>	<u><u>\$ 9,559,225</u></u>	<u><u>\$ 8,700,398</u></u>
 Expenditures for capitalized assets	 \$	 \$ 376,295	 \$ 251,623	 \$ 663,926	 \$ 383,917
 Debt service as a percentage of noncapital expenditures	 4%	 4%	 4%	 4%	 4%

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 4,443,167	\$ 4,721,828	\$ 4,451,118	\$ 4,608,163	\$ 4,933,500
Support services - students and staff	755,677	701,545	638,287	706,259	887,045
Support services - administration	824,661	856,244	881,338	891,921	977,121
Operation and maintenance of plant services	802,876	832,676	883,888	713,643	921,566
Student transportation services	562,142	588,128	703,188	634,984	784,081
Operation of non-instructional services	459,506	516,488	485,244	502,231	472,992
Capital outlay	1,103,928	581,210	418,191	454,570	339,689
Debt service -					
Interest and fiscal charges	14,086				
Principal retirement	22,726				
<b>Total expenditures</b>	<u><u>\$ 8,988,769</u></u>	<u><u>\$ 8,798,119</u></u>	<u><u>\$ 8,461,254</u></u>	<u><u>\$ 8,511,771</u></u>	<u><u>\$ 9,315,994</u></u>
 Expenditures for capitalized assets	 \$ 496,868	 \$ 86,213	 \$ 148,694	 \$ 80,077	 \$ 23,475
 Debt service as a percentage of noncapital expenditures	 0%	 0%	 0%	 0%	 0%

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

**(Concluded)**

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ 400,168	\$ (1,014,839)	\$ (574,896)	\$ (716,971)	\$ 374,361
<b>Other financing sources (uses):</b>					
Capital lease agreements		376,293	187,233	493,902	234,006
Transfers in	163,274	89,091	67,048	97,950	93,371
Transfers out	(163,274)	(89,091)	(67,048)	(97,950)	(93,371)
Proceeds from sale of capital assets	1,545				
Total other financing sources (uses)	<u>1,545</u>	<u>376,293</u>	<u>187,233</u>	<u>493,902</u>	<u>234,006</u>
<b>Changes in fund balances</b>	<u>\$ 401,713</u>	<u>\$ (638,546)</u>	<u>\$ (387,663)</u>	<u>\$ (223,069)</u>	<u>\$ 608,367</u>
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (278,346)	\$ (111,002)	\$ 159,241	\$ 786,459	\$ 25,573
<b>Other financing sources (uses):</b>					
Capital lease agreements	432,968				
Transfers in	90,591	499,952	30,243	52,250	8,449
Transfers out	(90,591)	(499,952)	(30,243)	(52,250)	(8,449)
Total other financing sources (uses)	<u>432,968</u>	<u></u>	<u></u>	<u></u>	<u></u>
<b>Changes in fund balances</b>	<u>\$ 154,622</u>	<u>\$ (111,002)</u>	<u>\$ 159,241</u>	<u>\$ 786,459</u>	<u>\$ 25,573</u>

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**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>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 25,735,462	\$ 23,004,781	\$ 23,874,828	\$ 24,578,235	\$ 3,615,752
Agricultural and Vacant	5,652,832	6,007,460	6,162,621	6,804,812	8,063,721
Residential (Owner Occupied)	12,538,178	12,415,961	12,283,079	12,370,114	12,398,247
Residential (Rental)	<u>3,680,024</u>	<u>3,985,815</u>	<u>4,304,969</u>	<u>4,491,244</u>	<u>4,789,641</u>
Total	<u>\$ 47,606,496</u>	<u>\$ 45,414,017</u>	<u>\$ 46,625,497</u>	<u>\$ 48,244,405</u>	<u>\$ 28,867,361</u>
Gross Full Cash Value	\$ 577,564,288	\$ 566,814,590	\$ 559,461,991	\$ 568,498,883	\$ 487,670,802
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	8%	8%	6%
Total Direct Rate	5.58	5.98	5.77	5.98	7.63

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 4,116,079	\$ 4,113,391	\$ 4,218,479	\$ 4,293,660	\$ 6,658,689
Agricultural and Vacant	8,405,992	9,496,473	10,975,815	11,565,319	11,546,550
Residential (Owner Occupied)	13,807,705	15,461,323	17,671,867	19,398,998	21,049,230
Residential (Rental)	<u>3,848,256</u>	<u>2,206,880</u>	<u>2,060,304</u>	<u>1,266,800</u>	<u>1,187,948</u>
Total	<u>\$ 30,178,032</u>	<u>\$ 31,278,067</u>	<u>\$ 34,926,465</u>	<u>\$ 36,524,777</u>	<u>\$ 40,442,417</u>
Gross Full Cash Value	\$ 493,633,075	\$ 493,775,756	\$ 528,626,147	\$ 548,635,237	\$ 583,577,646
Ratio of Net Limited Assessed Value to Gross Full Cash Value	6%	6%	7%	7%	7%
Total Direct Rate	6.73	6.27	6.44	6.57	6.04

**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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 25,863,889	\$ 23,170,342	\$ 23,934,939	\$ 24,610,588	\$ 3,633,306
Agricultural and Vacant	6,559,608	6,292,902	6,459,436	7,009,775	8,436,359
Residential (Owner Occupied)	13,403,826	13,003,354	12,617,343	12,635,378	12,547,590
Residential (Rental)	<u>3,845,740</u>	<u>4,125,973</u>	<u>4,394,711</u>	<u>4,583,170</u>	<u>4,865,722</u>
Total	<u>\$ 49,673,063</u>	<u>\$ 46,592,571</u>	<u>\$ 47,406,429</u>	<u>\$ 48,838,911</u>	<u>\$ 29,482,977</u>
Gross Full Cash Value	\$ 577,564,288	\$ 566,814,590	\$ 559,461,991	\$ 568,498,883	\$ 487,670,802
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	9%	8%	8%	9%	6%
Estimated Net Full Cash Value	349,492,481	329,756,666	335,317,562	345,196,763	212,495,831
Total Direct Rate	5.58	5.98	5.77	5.98	7.63

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	\$ 4,258,744	\$ 4,113,392	\$ 4,226,101	\$ 4,311,058	\$ 7,171,375
Agricultural and Vacant	8,493,925	9,586,223	11,251,064	12,676,137	14,043,970
Residential (Owner Occupied)	13,860,846	15,485,408	17,722,981	19,546,847	21,505,972
Residential (Rental)	<u>3,889,070</u>	<u>2,217,108</u>	<u>2,080,934</u>	<u>1,279,732</u>	<u>1,231,712</u>
Total	<u>\$ 30,502,585</u>	<u>\$ 31,402,131</u>	<u>\$ 35,281,080</u>	<u>\$ 37,813,774</u>	<u>\$ 43,953,029</u>
Gross Full Cash Value	\$ 493,633,075	\$ 493,775,756	\$ 528,626,147	\$ 548,635,237	\$ 583,577,646
Ratio of Net Full Cash Assessed Value to Gross Full Cash	6%	6%	7%	7%	8%
Estimated Net Full Cash Value	219,346,545	225,440,042	254,709,568	273,537,575	316,046,460
Total Direct Rate	6.73	6.27	6.44	6.57	6.04

**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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**PROPERTY TAX ASSESSMENT RATIOS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	19 %
Agricultural and Vacant	15	15	15	15	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	14	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Commercial, Industrial, Utilities and Mining	19 %	20 %	20 %	20 %	21 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	16	15	15	15	17

**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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State		County	Flood	Community	Fire	Central			
	Equalization	County	Free Library	Control District	College District	District Assistance	Arizona Water	Primary	Secondary	Total
2020	0.46	4.69	0.54	0.33	1.38	0.04	0.14	4.66	0.92	5.58
2019	0.47	4.76	0.52	0.33	1.40	0.04	0.14	5.06	0.92	5.98
2018	0.49	4.46	0.51	0.31	1.39	0.05	0.14	4.86	0.91	5.77
2017	0.50	4.99	0.52	0.33	1.37	0.05	0.14	5.05	0.93	5.98
2016	0.51	5.09	0.52	0.31	1.37	0.05	0.14	6.12	1.51	7.63
2015	0.51	4.98	0.44	0.30	1.33	4.75	0.14	5.82	0.91	6.73
2014	0.51	4.45	0.38	0.26	1.29	4.75	0.10	4.86	1.41	6.27
2013	0.47	4.20	0.35	0.26	1.17	4.75	0.10	5.18	1.26	6.44
2012	0.43	4.20	0.35	0.26	1.11	4.75	0.10	5.40	1.17	6.57
2011	0.36	4.06	0.31	0.26	1.08	4.63	0.10	5.06	0.98	6.04

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Taxpayer</b>	<b>2020</b>			<b>2011</b>	
	<b>Net Limited Assessed Valuation</b>	<b>Percentage of District's Net Limited Assessed Valuation</b>		<b>Net Full Cash Assessed Valuation</b>	<b>Percentage of District's Net Full Cash Assessed Valuation</b>
Sierrita Gas Pipeline LLC	\$ 21,739,903	45.67 %		\$	%
Trico Electric Co-Op Inc (T&D)	1,475,924	3.10			
Unisource Energy Corporation	427,384	0.90		8,698,304	19.79
Southwest Gas Corporation	302,708	0.64			
Arizona Electric Power	293,537	0.62			
SBH Sendero LP	224,070	0.47			
Sadlier Living TR/Salatich Living TR	217,398	0.46			
Monselle Gary M Living TR	200,850	0.42			
Chanan Singh & Sons LLC	167,938	0.35			
Qwest Corporation	153,279	0.32		2,742,669	6.24
Marana Ina Road				2,171,280	4.94
North Pima Center LLC				1,714,168	3.90
Marana Marketplace Partners LLC				1,639,448	3.73
Orange Grove Properties LLC				1,551,542	3.53
Caldor Investments of Arizona LLC				1,498,798	3.41
GRH Marana LLC et al				1,700,982	3.87
Target Corporation				1,424,078	3.24
Arizona MSA #77				2,083,374	4.74
Total	<u>\$ 25,202,991</u>	<u>52.95 %</u>		<u>\$ 25,224,643</u>	<u>57.39 %</u>

**Source:** The source of this information is the Pima County Finance & Risk Management'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.



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2020	\$ 2,414,239	\$ 2,233,116	92.50 %	\$	\$ 2,233,116	92.50 %
2019	2,412,261	2,261,470	93.75	106,769	2,368,239	98.18
2018	2,455,316	2,273,184	92.58	126,500	2,399,684	97.73
2017	2,542,098	2,364,553	93.02	127,696	2,492,249	98.04
2016	1,804,646	1,505,874	83.44	247,101	1,752,975	97.14
2015	1,777,607	1,498,225	84.28	230,471	1,728,696	97.25
2014	1,703,013	1,413,005	82.97	240,282	1,653,287	97.08
2013	1,885,522	1,560,572	82.77	271,454	1,832,026	97.16
2012	2,041,116	1,791,504	87.77	184,718	1,976,222	96.82
2011	1,919,599	1,540,337	80.24	323,354	1,863,691	97.09

**Source:** The source of this information is the 2020 Pima 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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**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		Capital Leases	Percentage of			Percentage of Personal Income	
				Estimated Actual Value (Full Cash Value)	Per Capita		Estimated Actual Value (Full Cash Value)	Per Capita			
2020	\$	\$	\$	%	\$	\$ 854,769	\$ 854,769	0.15 %	\$ 111	N/A %	
2019						1,154,397	1,154,397	0.20	152	0.00	
2018						1,154,316	1,154,316	0.21	161	0.00	
2017						1,244,650	1,244,650	0.22	175	0.00	
2016						1,044,787	1,044,787	0.21	148	0.00	
2015						410,242	410,242	0.08	46	0.00	
2014											
2013											
2012											
2011											

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2020**

<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:			
Pima County	227,335,000	0.43 %	<u>\$ 977,541</u>
Direct:			
Altar Valley Elementary School District No. 51	854,769	100.00	<u>854,769</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 1,832,310</u></u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	-	%
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$	127
As a Percentage of Net Limited Assessed Valuation	2.05	%
As a Percentage of Gross Full cash Value	0.17	%

**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, 2019 is presented for the overlapping governments as this is the most recent available information.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**LEGAL DEBT MARGIN INFORMATION**  
**LAST TEN FISCAL YEARS**

**Class B Bond Legal Debt Margin Calculation for Fiscal Year 2020:**

Net full cash assessed valuation	\$ 49,673,063
Debt limit (10% of assessed value)	4,967,306
Debt applicable to limit	
Legal debt margin	<u>\$ 4,967,306</u>

**Total Legal Debt Margin Calculation for Fiscal Year 2020:**

Net full cash assessed valuation	\$ 49,673,063
Debt limit (15% of assessed value)	7,450,959
Debt applicable to limit	
Legal debt margin	<u>\$ 7,450,959</u>

**Fiscal Year Ended June 30**

	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Debt Limit	\$ 7,450,959	\$ 6,988,886	\$ 7,110,964	\$ 7,325,837	\$ 4,422,447
Total net debt applicable to limit	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Legal debt margin	<u>\$ 7,450,959</u>	<u>\$ 6,988,886</u>	<u>\$ 7,110,964</u>	<u>\$ 7,325,837</u>	<u>\$ 4,422,447</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>	<u><b>2012</b></u>	<u><b>2011</b></u>
Debt Limit	\$ 4,575,388	\$ 4,710,320	\$ 5,292,162	\$ 5,672,066	\$ 6,592,954
Total net debt applicable to limit	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Legal debt margin	<u>\$ 4,575,388</u>	<u>\$ 4,710,320</u>	<u>\$ 5,292,162</u>	<u>\$ 5,672,066</u>	<u>\$ 6,592,954</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

**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.

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

<b>Year</b>	<b>Population</b>	<b>Personal Income (thousands)</b>	<b>Per Capita Income</b>	<b>Unemployment Rate</b>	<b>Estimated District Population</b>
2019	1,044,675	\$ N/A	\$ N/A	4.0 %	7,702
2018	1,034,201	45,748,033	44,028	4.5	7,581
2017	1,026,099	42,585,356	41,637	4.5	7,181
2016	1,013,103	40,182,115	39,541	4.9	7,125
2015	1,009,371	38,603,900	38,697	5.6	7,069
2014	1,007,162	37,198,714	37,031	6.2	8,905
2013	996,046	36,935,363	37,063	7.0	8,895
2012	990,380	36,058,871	36,335	7.3	8,872
2011	986,081	34,931,620	35,371	9.1	8,872
2010	980,263	34,360,759	34,987	9.0	8,450

**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 for 2010 is the University of Arizona, Eller College of Management, Economic and Business Research Center. For 2011 through 2019, the source of the information is the Arizona Office of Employment and Population Statistics.

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Employer</b>	<b>2020</b>			<b>2011</b>	
	<b>Employees</b>	<b>Percentage of Total Employment</b>		<b>Employees</b>	<b>Percentage of Total Employment</b>
United States Department of the Air Force	13,830	3.86	%		
Raytheon	12,610	3.52		10,500	4.95
Banner University Medical Center Tucson Campus	5,380	1.50			
Tucson Medical Center	4,480	1.25			
State of Arizona	2,890	0.81		8,866	4.18
Southern Arizona VA Health Care System	2,800	0.78			
University of Arizona	2,670	0.75		10,481	4.94
Pima County	2,290	0.64		6,403	3.02
Wal-Mart Stores, Inc.	2,180	0.61		7,308	3.44
Northwest Medical Center	2,120	0.59			
Davis-Monthan Air Force Base				8,462	3.99
Tucson Unified School District				6,709	3.16
Fort Huachuca				6,225	2.93
UA Healthcare				5,982	2.82
City of Tucson				4,930	2.32
Phelps Dodge					
Total	<u>51,250</u>	<u>14.31</u>	%	<u>75,866</u>	<u>35.75</u> %
Total employment	<u>358,100</u>			<u>212,314</u>	

**Source:** The source of this information is the Maricopa Association of Governments Employer Database, the U.S. Department of Labor, Bureau of Labor Statistics, the Arizona Office of Economic Opportunity and the Business Journal Book of Lists.

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>
<b>Supervisory</b>					
Principals	2	2	2	2	2
NCLB Coordinator	1	1	1	1	1
SPED Director	1	1	1	1	1
Total supervisory	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
<b>Instruction</b>					
Teachers	36	36	35	36	33
Other professionals (instructional)					
Aides	19	19	19	19	17
Total instruction	<u>55</u>	<u>55</u>	<u>54</u>	<u>55</u>	<u>50</u>
<b>Student Services</b>					
Nurses	1	1	1	1	1
Counselors/Advisors	1	1	1	1	1
Librarians					
Library Technician	2	2	2	2	2
Total student services	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
<b>Support and Administration</b>					
Superintendent	1	1	1	1	1
District Office	1	2	2	2	3
Transportation	18	18	18	18	18
Health Office	2	2	2	2	2
School Secretaries	2	2	2	2	2
NCLB Secretary					
SPED Secretaries	1	1	1	1	1
Other professionals	2	2	2	2	2
Other classified	8	8	8	8	8
Total support and administration	<u>35</u>	<u>36</u>	<u>36</u>	<u>36</u>	<u>37</u>
<b>Total</b>	<u>98</u>	<u>99</u>	<u>98</u>	<u>99</u>	<u>95</u>

(Continued)

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Supervisory</b>					
Principals	2	2	2	1	2
NCLB Coordinator	1	1	1	1	1
SPED Director	1	1	1	1	1
Total supervisory	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>4</u>
<b>Instruction</b>					
Teachers	35	42	41	39	44
Other professionals (instructional)			3	3	3
Aides	17	17	20	22	24
Total instruction	<u>52</u>	<u>59</u>	<u>64</u>	<u>64</u>	<u>71</u>
<b>Student Services</b>					
Nurses	1	1	1	1	
Counselors/Advisors	1	1	1	1	
Librarians					
Library Technician	2	2	2	2	2
Total student services	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>2</u>
<b>Support and Administration</b>					
Superintendent	1	1	1	1	1
District Office	4	5	4	5	5
Transportation	18	16	21	22	22
Health Office	2	2	2	2	3
School Secretaries	2	2	4	4	4
NCLB Secretary	1	1	1	1	1
SPED Secretaries	1	1	1	1	1
Other professionals	2	2	2	2	2
Other classified	8	8	1	1	1
Total support and administration	<u>39</u>	<u>38</u>	<u>37</u>	<u>39</u>	<u>40</u>
<b>Total</b>	<u>99</u>	<u>105</u>	<u>109</u>	<u>110</u>	<u>117</u>

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

**(Concluded)**



**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil- Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2020	549	\$ 8,504,263	\$ 15,490	(3.05) %	\$ 9,357,706	\$ 17,045	1.37 %	55	10.0	85.0 %
2019	565	9,027,880	15,979	12.80	9,500,610	16,815	11.26	55	10.3	85.0
2018	587	8,315,366	14,166	(4.70)	8,871,284	15,113	(1.67)	54	10.9	85.0
2017	579	8,606,788	14,865	13.00	8,898,924	15,369	11.81	55	10.5	85.0
2016	601	7,906,296	13,155	6.61	8,261,174	13,746	(3.06)	50	12.0	58.5
2015	636	7,848,029	12,340	(10.50)	9,018,518	14,180	(4.97)	52	12.2	74.5
2014	596	8,216,909	13,787	11.59	8,892,906	14,921	13.34	59	10.1	84.0
2013	651	8,043,063	12,355	3.20	8,570,154	13,165	4.07	64	10.2	88.2
2012	673	8,057,201	11,972	(15.97)	8,513,390	12,650	(14.32)	64	10.5	86.9
2011	630	8,976,305	14,248	8.29	9,301,892	14,765	5.34	71	8.9	85.9

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

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

**ALTAR VALLEY ELEMENTARY SCHOOL DISTRICT NO. 51**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<b>Fiscal Year Ended June 30</b>									
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>
<b><u>Schools</u></b>										
<b><u>Elementary</u></b>										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	46,597	46,597	46,597	46,597	46,597	46,597	46,597	46,597	46,597	46,597
Capacity	620	620	620	620	620	620	620	620	620	620
Enrollment	266	266	300	282	315	420	431	410	373	369
<b><u>Middle</u></b>										
Buildings	9	9	9	9	9	9	9	9	9	9
Square feet	60,074	60,074	60,074	60,074	60,074	60,074	59,575	59,575	59,575	59,575
Capacity	428	428	428	428	428	428	428	428	428	428
Enrollment	297	297	286	297	306	297	307	301	314	301
<b><u>Administrative</u></b>										
Buildings	2	2	2	2	2	2	2	2	2	2
Square feet	3,330	3,330	3,330	3,330	3,330	3,330	3,330	3,330	3,330	3,330
<b><u>Transportation</u></b>										
Buses	13	13	13	13	14	14	14	17	17	16
<b><u>Athletics</u></b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Baseball/softball	1	1	1	1	1	1	1	1	1	1

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

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