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# **HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**

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## **Annual Comprehensive Financial Report**

Fiscal Year Ended June 30, 2021



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3375 Buckskin Canyon Road ▪ P.O. Box 547 ▪ Heber, Arizona 85928

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**

**HEBER, ARIZONA**

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

Issued by:  
Business and Finance Department

# HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6

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## **INTRODUCTORY SECTION**

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# **Heber-Overgaard Schools**

*"Home of the Mustangs"*

**P.O. Box 547 Heber, Arizona 85928**  
**Phone 928-535-4622 Fax 928-535-5146**

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

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December 13, 2021

Citizens and Governing Board  
Heber-Overgaard Unified School District No. 6  
3375 Buckskin Canyon Road  
Heber, Arizona 85928

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Heber-Overgaard Unified School District No. 6 (District) for the fiscal year ended June 30, 2021.

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

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

## **PROFILE OF THE DISTRICT**

The District is one of 13 public school districts located in Navajo County, Arizona. It provides a program of public education from kindergarten through grade 12, with an estimated current enrollment of 432 students. The projected enrollment for 2021-2022 is 428 students.

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity.

Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

The Heber-Overgaard Unified School District lies in the southwest portion of the Navajo County, approximately 138 miles northeast of Phoenix, Arizona and encompasses approximately 586 square miles. Heber and Overgaard are technically two different unincorporated communities which are governed by the Navajo County Board of Supervisors. Heber Overgaard is considered to be located in rural Arizona and is approximately 38 miles from Show Low and 52 miles from Payson, where most residents do their major shopping. This area has a small population of 4,900, but did experience an increase in population between 1990 and 2000 of 50 percent.

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

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

## **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 economic base for the local economy varies; retirement and tourism are an important part of the economy. Proximity to the Sitgreaves National Forest provides recreation opportunities and other jobs through the Federal Government as well as timber harvest. The major employer within the area is Heber-Overgaard Unified School District No. 6. Other major employers in nearby towns are: Navajo County, Wal-Mart, and Summit Healthcare. Service businesses provide employment and services for the retirement community. Retail trade and construction also contribute to the local economy.

**Long-term Financial Planning.** The District has experienced increases and decreases in average daily membership (ADM) over the past 10 years, but over those ten years has averaged approximately 446 ADM. For the fiscal year ended June 30, 2021, the District's ADM was 432. Our district issued a \$10.2 million dollar School Improvement Bond in 2008, which was used for renovations to make needed improvements to existing District buildings, and additional classrooms were added at our primary school for future growth. In 2017, the District refunded the Bonds and saved taxpayers approximately \$590,511 between principal and interest payments. The District currently has a lease agreement that the District is using proceeds from to build a gymnasium at the high school. Currently, the District owns three parcels which will be sold and proceeds from this sale will be used to offset costs for the new gymnasium.

Currently, the District has approximately 12 major buildings with an average age of 20 years. Our District is surrounded by National Forest which limits our districts ability for community growth for personal or commercial tax base. Our district receives National Forest Fees from the Federal Government and the district utilizes these funds as discretionary funds to either supplement wages for District employees or cover shortfalls in the budget. These funds were used to give certified staff employees as much as \$964 additional salary and classified employees received 51 cents per hour additional pay. As of June 30, 2021, the balance in this fund was \$948,340. The fund balance in this account will sustain current expenditures for the next five years as the District is phasing out this additional payment.

## **AWARDS AND ACKNOWLEDGMENTS**

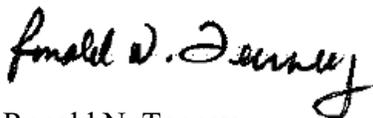
**Awards.** The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 13th year the District received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

**Acknowledgments.** The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated service of the entire staff of the 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,



Ronald N. Tenney  
Superintendent



Andrea Despain  
Business Manager



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Heber-Overgaard Unified  
School District No. 6**

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

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



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

W. Edward Chabal  
President

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

David J. Lewis  
Executive Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Heber-Overgaard Unified School District No. 6  
Arizona**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

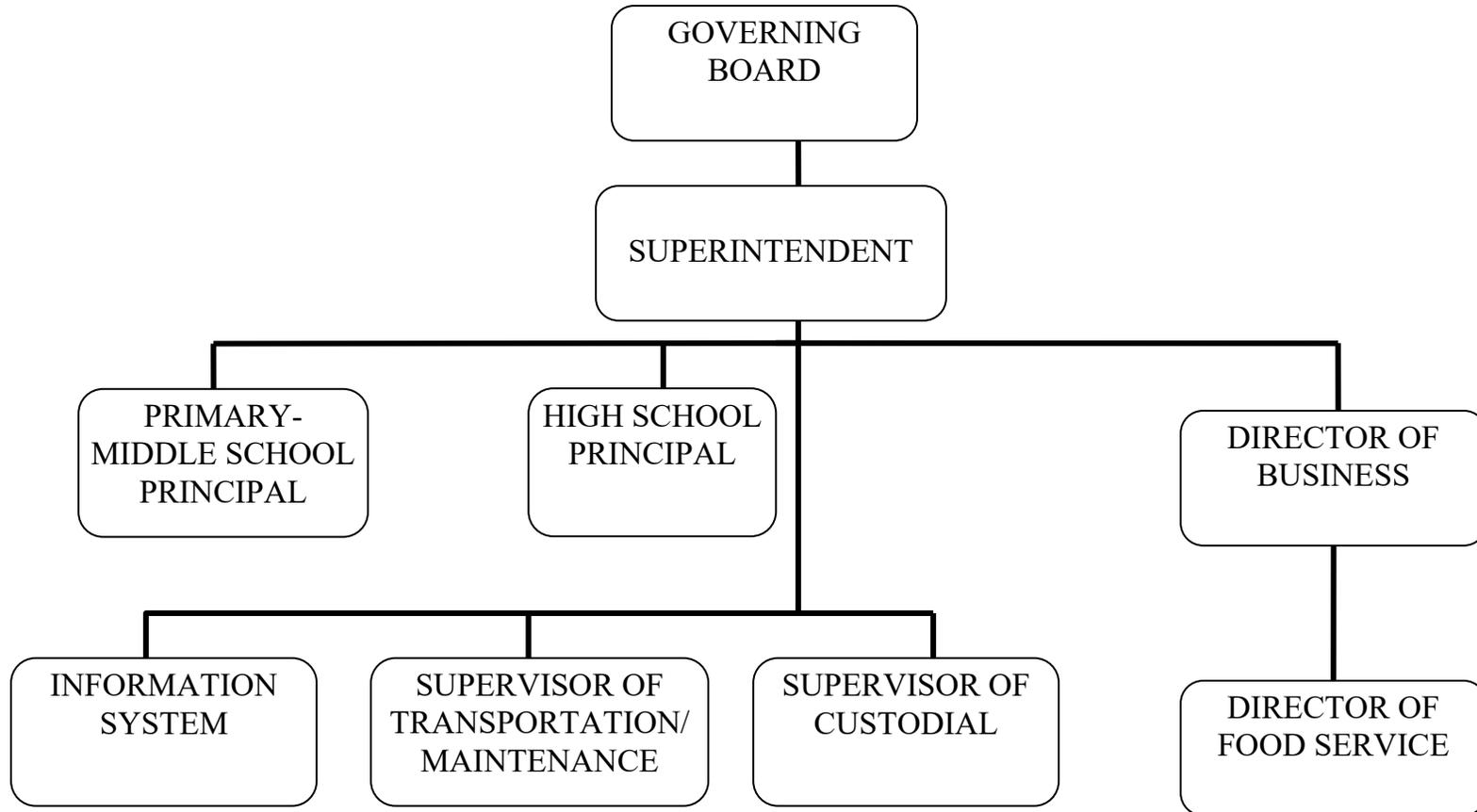
*Christopher P. Morill*

Executive Director/CEO

# Heber-Overgaard USD #6

## *Organizational Chart*

OF



**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**

**LIST OF PRINCIPAL OFFICIALS**

**GOVERNING BOARD**

Christin King, President

Craig Blackburn, Member

Bill Beecroft, Member

Wendy Hall, Member

Patricia Weber, Member

**ADMINISTRATIVE STAFF**

Ronald N. Tenney, Superintendent

Jim Maner, Principal

Reed Porter, Principal

## **FINANCIAL SECTION**

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## Independent Auditor's Report

Governing Board  
Heber-Overgaard Unified School District No. 6

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

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Heber-Overgaard Unified School District No. 6 (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Heber-Overgaard Unified School District No. 6, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Heber-Overgaard Unified School District No. 6 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### ***Other Matters***

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

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, 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 13, 2021, on our consideration of Heber-Overgaard Unified School District No. 6's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Heber-Overgaard Unified School District No. 6'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 Heber-Overgaard Unified School District No. 6's internal control over financial reporting and compliance.

*Heinfeld Meech & Co. PC*

Heinfeld, Meech & Co., P.C.  
Flagstaff, Arizona  
December 13, 2021

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

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**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

As management of the Heber-Overgaard Unified School District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

### **FINANCIAL HIGHLIGHTS**

- The District's total net position of governmental activities increased \$322,461 which represents a five percent increase from the prior fiscal year as a result of capital asset additions of vehicles and improvements for the District.
- General revenues accounted for \$5.7 million in revenue, or 86 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$923,929 or 14 percent of total current fiscal year revenues.
- The District had approximately \$6.3 million in expenses related to governmental activities, a decrease of 13 percent from the prior fiscal year primarily due to a large purchase of fiber optics on the District's behalf through E-Rate in the prior year.
- Among major funds, the General Fund had \$4.6 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$4.3 million in expenditures. The General Fund's fund balance increased from \$1.5 million at the prior fiscal year end, to \$1.7 million at the end of the current fiscal year.

### **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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

**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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**OVERVIEW OF FINANCIAL STATEMENTS**

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Title I Grants, and Debt Service 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 schedules.

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

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Funds as required supplementary information. Schedules for the pension benefit 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 \$7.1 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, and furniture and equipment), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

	As of June 30, 2021	As of June 30, 2020
Current and other assets	\$ 2,755,657	\$ 2,571,644
Capital assets, net	13,035,405	13,421,988
Total assets	<u>15,791,062</u>	<u>15,993,632</u>
Deferred outflows	<u>1,111,784</u>	<u>895,263</u>
Current and other liabilities	63,299	36,245
Long-term liabilities	9,520,865	9,801,405
Total liabilities	<u>9,584,164</u>	<u>9,837,650</u>
Deferred inflows	<u>187,928</u>	<u>242,952</u>
Net position:		
Net investment in capital assets	8,195,708	7,932,652
Restricted	967,074	992,528
Unrestricted	(2,032,028)	(2,116,887)
Total net position	<u>\$ 7,130,754</u>	<u>\$ 6,808,293</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position. Unrestricted net position reported a deficit of \$2.0 million. The deficit is due to the District's proportionate share of the state pension plan's unfolded liability. The same situation held true for the prior fiscal year.

The District's financial position is the product of several financial transactions including the net 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 principal retirement of \$540,000 of bonds.
- Net increase in accumulated depreciation of \$491,525, primarily as a result of current year depreciation expense.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

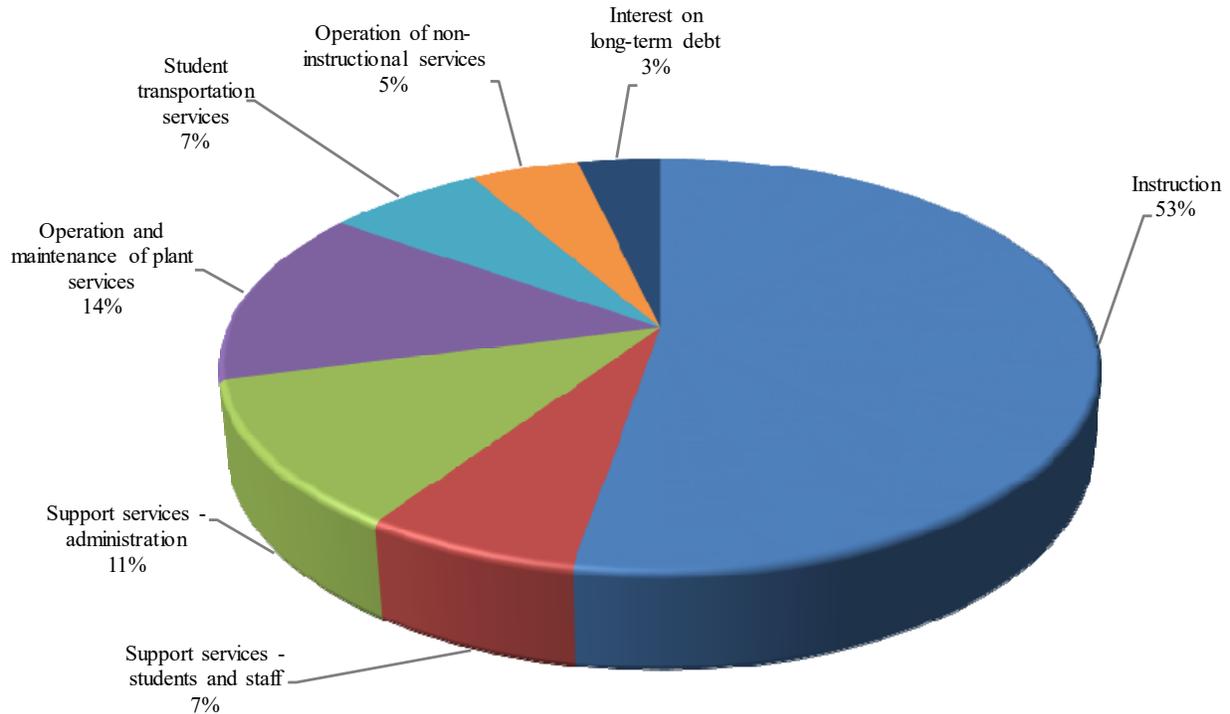
**Changes in net position.** The District's total revenues for the current fiscal year were \$6.7 million. The total cost of all programs and services was \$6.3 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	<u>Fiscal Year Ended June 30, 2021</u>	<u>Fiscal Year Ended June 30, 2020</u>
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 318,250	\$ 402,995
Operating grants and contributions	582,689	1,496,060
Capital grants and contributions	22,990	104,833
General revenues:		
Property taxes	3,668,118	3,719,008
Investment income	21,864	32,528
Unrestricted county aid	37,032	40,498
Unrestricted state aid	1,467,195	1,464,590
Unrestricted federal aid	532,604	291,371
<b>Total revenues</b>	<u>6,650,742</u>	<u>7,551,883</u>
<b>Expenses:</b>		
Instruction	3,331,811	3,128,115
Support services - students and staff	429,895	435,805
Support services - administration	733,853	755,703
Operation and maintenance of plant services	870,495	1,852,672
Student transportation services	434,374	445,516
Operation of non-instructional services	301,924	386,762
Interest on long-term debt	225,929	253,198
<b>Total expenses</b>	<u>6,328,281</u>	<u>7,257,771</u>
<b>Changes in net position</b>	322,461	294,112
<b>Net position, beginning</b>	<u>6,808,293</u>	<u>6,514,181</u>
<b>Net position, ending</b>	<u><u>\$ 7,130,754</u></u>	<u><u>\$ 6,808,293</u></u>

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Expenses - Fiscal Year 2021**



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

- The E-rate fund added over \$20,000 in revenues and expenditures during the year for telecommunication costs associated with the District's prior year upgrade to telecommunication hardware purchased on the District's behalf.
- The coronavirus relief fund added \$112,561 in revenues in the fiscal year for COVID-19 relief funding.
- The COVID-19 elementary and secondary school emergency relief fund added \$139,700 in revenues in the fiscal year for COVID-19 relief funding.

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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 3,331,811	\$ (2,734,892)	\$ 3,128,115	\$ (2,563,909)
Support services - students and staff	429,895	(396,385)	435,805	(385,627)
Support services - administration	733,853	(719,185)	755,703	(738,198)
Operation and maintenance of plant services	870,495	(844,789)	1,852,672	(853,359)
Student transportation services	434,374	(434,374)	445,516	(445,516)
Operation of non-instructional services	301,924	(48,798)	386,762	(14,076)
Interest on long-term debt	225,929	(225,929)	253,198	(253,198)
<b>Total</b>	<b>\$ 6,328,281</b>	<b>\$ (5,404,352)</b>	<b>\$ 7,257,771</b>	<b>\$ (5,253,883)</b>

- The cost of all governmental activities this year was \$6.3 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$923,929.
- Net cost of governmental activities of \$5.4 million was financed by general revenues, which are made up of primarily property taxes of \$3.7 million and state and county aid of \$1.5 million.

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

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$2.4 million.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

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

The General Fund comprises 69 percent of the total fund balance. Approximately \$ 1.6 million , or 97% percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. Fund balance increased \$185,075, or 13% percent, to \$1.7 million at the prior fiscal year end. General Fund revenues decreased \$493,785, primarily as a result of an E-Rate purchase made on behalf of the District in the prior fiscal year. General Fund expenditures decreased \$714,300 primarily due to the same E-Rate purchase made on behalf of the District in the prior fiscal year.

The Title I Fund had a deficit fund balance of \$148,399 as of fiscal year end, which was a decrease of \$135,389 from the prior year.

The fund balance in the Debt Service Fund was \$145,690 as of fiscal year end, which was an increase of \$13,538 from the prior fiscal year.

**BUDGETARY HIGHLIGHTS**

Over the course of the year, the District revised the General Fund annual expenditure budget as a result of a decrease in average daily membership (ADM). The difference between the original budget and the final amended budget was an \$186,785 decrease, or less than five 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 favorable variance of \$72,052 in instruction expenditures was a result of an increased turnover in certified staff resulting in a reduction in actual salaries compared to budgeted salaries.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the District had invested \$21.4 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$104,942 from the prior fiscal year. Total depreciation expense for the current fiscal year was \$531,931.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

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

	As of June 30, 2021	As of June 30, 2020
Capital assets - non-depreciable	\$ 637,088	\$ 637,088
Capital assets - depreciable, net	12,398,317	12,784,900
Total	\$ 13,035,405	\$ 13,421,988

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

**Debt Administration.** At year-end, the District had \$5.1 million in long-term debt outstanding, \$580,000 due within one year. Long-term debt decreased by \$691,353 due to the current year principal retirement of debt.

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 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$29.4 million and the Class B debt limit is \$19.6 million, which are more than the District’s total outstanding general obligation debt and Class B debt, respectively.

Additional information on the District’s long-term debt can be found in Notes 8 through 9.

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

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

- Fiscal year 2020-21 budget balance carry forward (estimated \$157,315).
- District student population (estimated 428).
- Employee salaries (estimated to increase \$105,411).
- The District plans to spend COVID-19 Grant monies for multiple uses during fiscal year 2021-22. The District received \$490,595 in ESSER II Funds. The District plans to utilize a majority of these funds in fiscal year 2021-22 for capital asset purchases of vehicles for student and employee transportation, for retention stipends for staff returning to work, to create new teaching positions to reduce class sizes, contract for psychology services to provide mental health counseling for stipends, and the purchase of technology for the high school. The District also receive \$1,110,469 in ESSER III Funds. Some of this funding will be spent in fiscal year 2021-22, however, a majority of the money will be spent through September 2024.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2021**

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

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

Budgeted expenditures in the General Fund increased seven percent to \$4.2 million in fiscal year 2021-22. A conservative buffer of budgeted expenditures was implemented due to a possible increase of ADM in fiscal year 2021-22 and an expected increase for vendor costs. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2021-22 budget.

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Heber-Overgaard Unified School District No. 6, 3375 Buckskin Canyon Road, Heber, Arizona, 85928.

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

	Governmental Activities
<b><u>ASSETS</u></b>	
Current assets:	
Cash and investments	\$ 2,232,519
Property taxes receivable	102,631
Accounts receivable	17,845
Deposits	5,113
Due from governmental entities	360,438
Prepaid items	37,111
Total current assets	2,755,657
Noncurrent assets:	
Capital assets not being depreciated	637,088
Capital assets, net of accumulated depreciation	12,398,317
Total noncurrent assets	13,035,405
<b>Total assets</b>	<b>15,791,062</b>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred charge on refunding	291,995
Pension plan items	819,789
Total deferred outflows of resources	1,111,784
<b><u>LIABILITIES</u></b>	
Current liabilities:	
Accounts payable	63,299
Compensated absences payable	15,000
Bonds payable	565,000
Total current liabilities	643,299
Noncurrent liabilities:	
Non-current portion of long-term obligations	8,940,865
Total noncurrent liabilities	8,940,865
<b>Total liabilities</b>	<b>9,584,164</b>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Pension plan items	187,928
<b><u>NET POSITION</u></b>	
Net investment in capital assets	8,195,708
Restricted for:	
Instructional Purposes	121,160
Food service	5,404
Non-Instructional Purposes	476,333
Debt service	164,769
Capital outlay	199,408
Unrestricted	(2,032,028)
<b>Total net position</b>	<b>\$ 7,130,754</b>

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2021**

<b>Functions/Programs</b>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b>Governmental activities:</b>					
Instruction	\$ 3,331,811	\$ 290,315	\$ 283,614	\$ 22,990	\$ (2,734,892)
Support services - students and staff	429,895		33,510		(396,385)
Support services - administration	733,853		14,668		(719,185)
Operation and maintenance of plant services	870,495		25,706		(844,789)
Student transportation services	434,374				(434,374)
Operation of non-instructional services	301,924	27,935	225,191		(48,798)
Interest and fiscal charges	225,929				(225,929)
<b>Total governmental activities</b>	<b>\$ 6,328,281</b>	<b>\$ 318,250</b>	<b>\$ 582,689</b>	<b>\$ 22,990</b>	<b>(5,404,352)</b>

**General revenues:**

Taxes:

Property taxes, levied for general purposes	2,777,551
Property taxes, levied for debt service	795,060
Property taxes, levied for capital outlay	95,507
Investment income	21,864
Unrestricted county aid	37,032
Unrestricted state aid	1,467,195
Unrestricted federal aid	532,604
<b>Total general revenues</b>	<b>5,726,813</b>

<b>Changes in net position</b>	<b>322,461</b>
<b>Net position, beginning of year</b>	<b>6,808,293</b>
<b>Net position, end of year</b>	<b>\$ 7,130,754</b>

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

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**FUND FINANCIAL STATEMENTS**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**JUNE 30, 2021**

	General	Title I Grants	Debt Service
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,324,478	\$	\$ 133,673
Property taxes receivable	77,612		22,321
Accounts receivable	17,845		
Deposits			
Due from governmental entities	125,109	148,399	8,775
Due from other funds	187,277		
Prepaid items	37,111		
<b>Total assets</b>	<b>\$ 1,769,432</b>	<b>\$ 148,399</b>	<b>\$ 164,769</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 37,231	\$	\$
Due to other funds		148,399	
<b>Total liabilities</b>	<b>37,231</b>	<b>148,399</b>	
Deferred inflows of resources:			
Unavailable revenues - property taxes	66,794		19,079
Unavailable revenues - intergovernmental	3,080	148,399	
<b>Total deferred inflows of resources</b>	<b>69,874</b>	<b>148,399</b>	<b>19,079</b>
Fund balances (deficits):			
Nonspendable	37,111		
Restricted	6,917		145,690
Unassigned	1,618,299	(148,399)	
<b>Total fund balances</b>	<b>1,662,327</b>	<b>(148,399)</b>	<b>145,690</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 1,769,432</b>	 <b>\$ 148,399</b>	 <b>\$ 164,769</b>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 774,368	\$ 2,232,519
2,698	102,631
	17,845
5,113	5,113
78,155	360,438
	187,277
	37,111
<u>\$ 860,334</u>	<u>\$ 2,942,934</u>
\$ 26,068	\$ 63,299
38,878	187,277
<u>64,946</u>	<u>250,576</u>
2,307	88,180
31,720	183,199
<u>34,027</u>	<u>271,379</u>
	37,111
793,081	945,688
(31,720)	1,438,180
<u>761,361</u>	<u>2,420,979</u>
<u>\$ 860,334</u>	<u>\$ 2,942,934</u>

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**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2021**

**Total governmental fund balances** **\$ 2,420,979**

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	\$ 21,360,187	
Less accumulated depreciation	<u>(8,324,782)</u>	13,035,405

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

Property taxes	88,180	
Intergovernmental	<u>183,199</u>	271,379

Deferred items related to the refunding of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds. 291,995

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	819,789	
Deferred inflows of resources related to pensions	<u>(187,928)</u>	631,861

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

Compensated absences payable	(86,998)	
Net pension liability	(4,302,175)	
Bonds payable	(4,605,000)	
Bond premium	<u>(526,692)</u>	<u>(9,520,865)</u>

**Net position of governmental activities** **\$ 7,130,754**

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	General	Title I Grants	Debt Service
<b>Revenues:</b>			
Other local	\$ 152,260	\$	\$ 14,979
Property taxes	2,773,546		796,159
State aid and grants	1,097,798		
Federal aid, grants and reimbursements	555,230	13,008	
<b>Total revenues</b>	4,578,834	13,008	811,138
<b>Expenditures:</b>			
Current -			
Instruction	2,162,754	93,574	
Support services - students and staff	310,749	1,104	
Support services - administration	633,960	28,811	
Operation and maintenance of plant services	720,946		
Student transportation services	308,838		
Operation of non-instructional services	47,656		
Capital outlay	161,829	19,662	
Debt service -			
Principal retirement			540,000
Interest and fiscal charges			257,600
<b>Total expenditures</b>	4,346,732	143,151	797,600
<b>Excess (deficiency) of revenues over expenditures</b>	232,102	(130,143)	13,538
<b>Other financing sources (uses):</b>			
Transfers in	10,578		
Transfers out	(77,968)	(5,246)	
Proceeds from sale of capital assets	1,150		
Insurance proceeds	6,917		
<b>Total other financing sources (uses)</b>	(59,323)	(5,246)	
<b>Changes in fund balances</b>	172,779	(135,389)	13,538
<b>Fund balances (deficits), beginning of year</b>	1,477,252	(13,010)	132,152
Increase (decrease) in reserve for prepaid items	12,296		
<b>Fund balances (deficits), end of year</b>	\$ 1,662,327	\$ (148,399)	\$ 145,690

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

	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>		
Other local	\$ 234,874	\$ 402,113
Property taxes	100,591	3,670,296
State aid and grants	404,476	1,502,274
Federal aid, grants and reimbursements	335,833	904,071
<b>Total revenues</b>	<u>1,075,774</u>	<u>6,478,754</u>
<b>Expenditures:</b>		
Current -		
Instruction	574,562	2,830,890
Support services - students and staff	92,908	404,761
Support services - administration	5,132	667,903
Operation and maintenance of plant services	7,678	728,624
Student transportation services		308,838
Operation of non-instructional services	238,798	286,454
Capital outlay	221,550	403,041
Debt service -		
Principal retirement	76,111	616,111
Interest and fiscal charges	1,857	259,457
<b>Total expenditures</b>	<u>1,218,596</u>	<u>6,506,079</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(142,822)</u>	<u>(27,325)</u>
<b>Other financing sources (uses):</b>		
Transfers in	77,968	88,546
Transfers out	(5,332)	(88,546)
Proceeds from sale of capital assets		1,150
Insurance proceeds		6,917
<b>Total other financing sources (uses)</b>	<u>72,636</u>	<u>8,067</u>
<b>Changes in fund balances</b>	<u>(70,186)</u>	<u>(19,258)</u>
<b>Fund balances (deficits), beginning of year</b>	831,547	2,427,941
Increase (decrease) in reserve for prepaid items		12,296
<b>Fund balances (deficits), end of year</b>	<u>\$ 761,361</u>	<u>\$ 2,420,979</u>

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

**Changes in fund balances - total governmental funds** **\$ (19,258)**

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

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

Expenditures for capitalized assets	\$ 155,314	
Less current year depreciation	<u>(531,931)</u>	(376,617)

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

Property taxes	(2,178)	
Intergovernmental	<u>166,099</u>	163,921

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

Capital lease principal retirement	76,111	
Bond principal retirement	<u>540,000</u>	616,111

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	300,671	
Pension expense	<u>(401,516)</u>	(100,845)

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	12,296	
Loss on disposal of assets	(9,966)	
Deferred bond items on issuance of refunding debt	(41,714)	
Amortization of deferred bond items	75,242	
Compensated absences	<u>3,291</u>	<u>39,149</u>

**Changes in net position in governmental activities** **\$ 322,461**

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

The financial statements of the Heber-Overgaard Unified School District No. 6 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

**A. Reporting Entity**

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

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

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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

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

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

The District reports the following major governmental funds:

General Fund – The General Fund is the District’s primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District’s Maintenance and 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.

Title I Grants – The Title I Grants Fund is used 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.

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

**D. Cash and Investments**

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

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

Statute authorizes the District to deposit monies of the Auxiliary Operations and Student Activities Funds in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholdings accounts for taxes and employee insurance programs. Some of these bank accounts may be interest bearing. Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk.

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

**E. Investment Income**

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

**F. Receivables and Payables**

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

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

**G. Property Tax Calendar**

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

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

**H. Prepaid Items**

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

**I. Capital Assets**

Capital assets, which include land and improvements; buildings and improvements; vehicles, furniture, and equipment, 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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 - 100 years
Buildings and improvements	5 - 100 years
Vehicles, furniture and equipment	5 - 25 years

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

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

**M. Long-term Obligations**

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

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

**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 fund 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

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

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

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

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

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 2 – FUND BALANCE CLASSIFICATIONS**

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

	<u>General Fund</u>	<u>Title I Grants Fund</u>	<u>Debt Service Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:				
Nonspendable:				
Prepaid items	\$ 37,111		\$	\$
Restricted:				
Debt service			145,690	
Capital projects				197,101
Voter approved initiatives				71,395
Federal and state projects				49,765
Food service				5,404
Civic center				71,674
Community school				2,452
Extracurricular activities				104,029
Gifts and donations				29,903
Career technical education				171,892
Student activities				84,120
Other purposes	6,917			5,346
Unassigned	1,618,299	(148,399)		(31,720)
Total fund balances	<u>\$ 1,662,327</u>	<u>\$ (148,399)</u>	<u>\$ 145,690</u>	<u>\$ 761,361</u>

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

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

	<u>Deficit</u>
Major Fund:	
Title I Grants	\$ 148,399
Non-Major Governmental Funds:	
Professional Development and Technology Grants	18,649
Title IV Grants	1,863
Special Education Grants	10,896
Vocational Education	312

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

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

**NOTE 4 – CASH AND INVESTMENTS**

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$134,939 and the bank balance was \$153,058.

*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 and the Arizona Risk Retention Trust Pool are external investment pools with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The fair value of each participant’s position in both of the investment pools approximate the value of the participant’s shares in the pools 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.

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. At year end, the District’s investments consisted of the following:

	Average Maturities	Fair Value
County Treasurer’s investment pool	1.55 Years	\$ 1,939,386
Arizona School Risk Retention Trust Investment Pool	6.89 Years	158,194
Total		\$ 2,097,580

*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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 4 – CASH AND INVESTMENTS**

*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. All investments held in the Arizona School Risk Retention Trust Investment Pool were rated between BBB and AAA by Standard and Poor’s at year end.

*Custodial Credit Risk – Investments.* The District’s investment in the County Treasurer’s investment pool and the Arizona School Risk Retention Trust Investment Pool represent 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 5 – RECEIVABLES**

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

	General Fund	Title I Grants Fund	Debt Service Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$ 7,406	\$ 148,399	\$	\$ 46,038
Due from state government	87,864			14,287
Due from other districts	29,839		8,775	17,830
Net due from governmental entities	<u>\$ 125,109</u>	<u>\$ 148,399</u>	<u>\$ 8,775</u>	<u>\$ 78,155</u>

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 6 – CAPITAL ASSETS**

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 637,088	\$	\$	\$ 637,088
Total capital assets, not being depreciated	<u>637,088</u>			<u>637,088</u>
Capital assets, being depreciated:				
Land improvements	3,144,135			3,144,135
Buildings and improvements	15,042,199	82,219	40,372	15,084,046
Vehicles, furniture and equipment	2,431,823	73,095	10,000	2,494,918
Total capital assets being depreciated	<u>20,618,157</u>	<u>155,314</u>	<u>50,372</u>	<u>20,723,099</u>
Less accumulated depreciation for:				
Land improvements	(1,701,149)	(129,490)		(1,830,639)
Buildings and improvements	(4,518,470)	(293,346)	(30,406)	(4,781,410)
Vehicles, furniture and equipment	(1,613,638)	(109,095)	(10,000)	(1,712,733)
Total accumulated depreciation	<u>(7,833,257)</u>	<u>(531,931)</u>	<u>(40,406)</u>	<u>(8,324,782)</u>
Total capital assets, being depreciated, net	<u>12,784,900</u>	<u>(376,617)</u>	<u>9,966</u>	<u>12,398,317</u>
Governmental activities capital assets, net	<u>\$ 13,421,988</u>	<u>\$ (376,617)</u>	<u>\$ 9,966</u>	<u>\$ 13,035,405</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 317,780
Support services – students and staff	4,431
Support services – administration	11,665
Operation and maintenance of plant services	117,204
Student transportation services	76,164
Operation of non-instructional services	4,687
Total depreciation expense – governmental activities	<u>\$ 531,931</u>

**NOTE 7 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT**

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$500,000 in unused line of credit.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE**

Bonds payable at year end, consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2021</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Series 2017 Refunding Bond	\$ 5,740,000	5.0%	7/1/21-28	\$ 4,605,000	\$ 565,000

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 565,000	\$ 230,250
2023	595,000	202,000
2024	620,000	172,250
2025	655,000	141,250
2026	690,000	108,500
2027-28	1,480,000	111,750
Total	<u>\$ 4,605,000</u>	<u>\$ 966,000</u>

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

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 5,145,000	\$	\$ 540,000	\$ 4,605,000	\$ 565,000
Premium	601,934		75,242	526,692	
Total bonds payable	<u>5,746,934</u>		<u>615,242</u>	<u>5,131,692</u>	<u>565,000</u>
Obligations under capital leases	76,111		76,111		
Net pension liability	3,888,071	414,104		4,302,175	
Compensated absences payable	<u>90,289</u>	<u>70,827</u>	<u>74,118</u>	<u>86,998</u>	<u>15,000</u>
Governmental activity long-term liabilities	<u>\$ 9,801,405</u>	<u>\$ 484,931</u>	<u>\$ 765,471</u>	<u>\$ 9,520,865</u>	<u>\$ 580,000</u>

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

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

At year end, interfund balances were as follows:

**Due to/from other funds:**

At year end, the Title I Grants Fund, a major fund, and several non-major governmental funds had negative cash balances of \$148,399 and \$38,878, respectively, in the Treasurer’s pooled cash accounts for a total of \$187,277. 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 in		
	General Fund	Non-Major Governmental Funds	Total
Transfers out			
General Fund	\$	\$ 77,968	\$ 77,968
Title I Grants Fund	5,246		5,246
Non-Major Governmental Funds	5,332		5,332
Total	\$ 10,578	\$ 77,968	\$ 88,546

Transfers between funds were used to (1) move federal grant funds restricted for indirect costs, (2) transfer energy savings from the General Fund to the Energy and Water Savings Fund as allowed by statute.

**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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**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 was unable to obtain health coverage at a cost it considered to be economically justifiable. Therefore the District joined the Mountain Public Employee Benefit Trust (MPEBT) together with other school districts in the state for risks of loss related to employee health and accident claims. MPEBT is a public entity risk pool currently operating as a common risk management and insurance program for eight member school districts. The District pays a monthly premium to MPEBT for employee health and accident insurance coverage. The agreement provides that MPEBT will be self-sustaining through member premiums and will reimburse through commercial companies for claims in excess of \$70,000.

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.

**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).

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 13 – PENSIONS**

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.

**Contributions.** In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2021 were \$300,671.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 13 – PENSIONS**

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

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

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

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

Net Liability	District % Proportion	Increase (Decrease)
\$ 4,302,175	0.025	(0.002)

**Pension Expense and Deferred Outflows/Inflows of Resources.** The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District’s pension expense for the year ended June 30, 2021 was \$401,516.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 13 – PENSIONS**

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	\$ 38,921	\$
Changes of assumptions or other inputs		
Net difference between projected and actual earnings on pension investments	414,950	
Changes in proportion and differences between contributions and proportionate share of contributions	65,247	187,928
Contributions subsequent to the measurement date	300,671	
Total	\$ 819,789	\$ 187,928

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

Year Ending June 30:		
2022	\$	14,534
2023		38,222
2024		150,092
2025		128,342

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**NOTE 13 – PENSIONS**

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

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

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

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

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2021**

**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	\$ 5,883,166	\$ 4,302,175	\$ 2,980,548

**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**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL**  
**YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Other local	\$	\$	\$ 125,470	\$ 125,470
Property taxes			2,773,546	2,773,546
State aid and grants			1,097,798	1,097,798
<b>Total revenues</b>			<u>3,996,814</u>	<u>3,996,814</u>
<b>Expenditures:</b>				
Current -				
Instruction	2,095,305	1,999,328	1,927,276	72,052
Support services - students and staff	281,255	278,068	278,046	22
Support services - administration	632,951	616,098	593,440	22,658
Operation and maintenance of plant services	740,846	678,562	646,096	32,466
Student transportation services	300,456	296,707	263,073	33,634
Operation of non-instructional services	43,145	38,410	34,488	3,922
<b>Total expenditures</b>	<u>4,093,958</u>	<u>3,907,173</u>	<u>3,742,419</u>	<u>164,754</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(4,093,958)</u>	<u>(3,907,173)</u>	<u>254,395</u>	<u>4,161,568</u>
<b>Other financing sources (uses):</b>				
Transfers out			(77,968)	(77,968)
<b>Total other financing sources (uses)</b>			<u>(77,968)</u>	<u>(77,968)</u>
<b>Changes in fund balances</b>	<u>(4,093,958)</u>	<u>(3,907,173)</u>	<u>176,427</u>	<u>4,083,600</u>
<b>Fund balances, beginning of year</b>			133,657	133,657
Increase (decrease) in reserve for prepaid items			191,250	191,250
<b>Fund balances (deficits), end of year</b>	<u>\$ (4,093,958)</u>	<u>\$ (3,907,173)</u>	<u>\$ 501,334</u>	<u>\$ 4,408,507</u>

See accompanying notes to this schedule.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**TITLE I GRANTS**  
**YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Federal aid, grants and reimbursements	\$	\$	\$ 13,008	\$ 13,008
<b>Total revenues</b>			<u>13,008</u>	<u>13,008</u>
<b>Expenditures:</b>				
Current -				
Instruction	186,409	182,846	93,574	89,272
Support services - students and staff			1,104	(1,104)
Support services - administration			28,811	(28,811)
Capital outlay			19,662	(19,662)
<b>Total expenditures</b>	<u>186,409</u>	<u>182,846</u>	<u>143,151</u>	<u>39,695</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(186,409)</u>	<u>(182,846)</u>	<u>(130,143)</u>	<u>52,703</u>
<b>Other financing sources (uses):</b>				
Transfers out			(5,246)	(5,246)
<b>Total other financing sources (uses)</b>			<u>(5,246)</u>	<u>(5,246)</u>
<b>Changes in fund balances</b>	<u>(186,409)</u>	<u>(182,846)</u>	<u>(135,389)</u>	<u>47,457</u>
<b>Fund balances (deficits), beginning of year</b>			(13,010)	(13,010)
<b>Fund balances (deficits), end of year</b>	<u>\$ (186,409)</u>	<u>\$ (182,846)</u>	<u>\$ (148,399)</u>	<u>\$ 34,447</u>

See accompanying notes to this schedule.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
ARIZONA STATE RETIREMENT SYSTEM  
LAST SEVEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's proportion of the net pension (assets) liability	0.03%	0.03%	0.03%	0.03%	0.02%	0.03%	0.03%
District's proportionate share of the net pension (assets) liability	\$ 4,302,175	\$ 3,888,071	\$ 3,528,460	\$ 3,868,030	\$ 3,940,019	\$ 3,907,004	\$ 3,826,824
District's covered payroll	\$ 2,693,406	\$ 2,810,850	\$ 2,506,706	\$ 2,415,213	\$ 2,278,525	\$ 1,991,148	\$ 2,320,000
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	159.73%	138.32%	140.76%	160.15%	172.92%	196.22%	164.95%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%	69.49%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 300,671	\$ 308,395	\$ 314,253	\$ 273,231	\$ 260,360	\$ 247,220	\$ 216,836
Contributions in relation to the actuarially determined contribution	<u>300,671</u>	<u>308,395</u>	<u>314,253</u>	<u>273,231</u>	<u>260,360</u>	<u>247,220</u>	<u>216,836</u>
Contribution deficiency (excess)	<u>\$</u>						
District's covered payroll	\$ 2,580,867	\$ 2,693,406	\$ 2,810,850	\$ 2,506,706	\$ 2,415,213	\$ 2,278,525	\$ 1,991,148
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%	10.78%	10.85%	10.89%

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

See accompanying notes to this schedule.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2021**

**NOTE 1 – BUDGETARY BASIS OF ACCOUNTING**

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

- Certain activities reported in the General Fund are budgeted in separate funds in accordance with Arizona Revised Statutes.
- Prepaid items are budgeted in the year prepaid.

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 4,346,732	\$ 1,662,327
Activity budgeted as special revenue funds	(616,855)	(1,129,594)
Record residual activity budgeted as special revenue	31,399	(31,399)
Current-year prepaid items	178,954	
Prior-year prepaid items	(197,811)	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 3,742,419	\$ 501,334

**NOTE 2 – PENSION PLAN SCHEDULES**

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

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

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

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**GOVERNMENTAL FUNDS**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**JUNE 30, 2021**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 580,989	\$ 193,379	\$ 774,368
Property taxes receivable		2,698	2,698
Deposits	5,113		5,113
Due from governmental entities	74,824	3,331	78,155
<b>Total assets</b>	<u>\$ 660,926</u>	<u>\$ 199,408</u>	<u>\$ 860,334</u>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 26,068	\$	\$ 26,068
Due to other funds	38,878		38,878
<b>Total liabilities</b>	<u>64,946</u>		<u>64,946</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		2,307	2,307
Unavailable revenues - intergovernmental	31,720		31,720
<b>Total deferred inflows of resources</b>	<u>31,720</u>	<u>2,307</u>	<u>34,027</u>
Fund balances (deficits):			
Restricted	595,980	197,101	793,081
Unassigned	(31,720)		(31,720)
<b>Total fund balances</b>	<u>564,260</u>	<u>197,101</u>	<u>761,361</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 660,926</u>	<u>\$ 199,408</u>	<u>\$ 860,334</u>

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**YEAR ENDED JUNE 30, 2021**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>			
Other local	\$ 231,156	\$ 3,718	\$ 234,874
Property taxes		100,591	100,591
State aid and grants	359,759	44,717	404,476
Federal aid, grants and reimbursements	335,833		335,833
<b>Total revenues</b>	<u>926,748</u>	<u>149,026</u>	<u>1,075,774</u>
<b>Expenditures:</b>			
Current -			
Instruction	574,562		574,562
Support services - students and staff	92,908		92,908
Support services - administration	5,132		5,132
Operation and maintenance of plant services	7,678		7,678
Operation of non-instructional services	238,798		238,798
Capital outlay	82,806	138,744	221,550
Debt service -			
Principal retirement		76,111	76,111
Interest and fiscal charges		1,857	1,857
<b>Total expenditures</b>	<u>1,001,884</u>	<u>216,712</u>	<u>1,218,596</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(75,136)</u>	<u>(67,686)</u>	<u>(142,822)</u>
<b>Other financing sources (uses):</b>			
Transfers in		77,968	77,968
Transfers out	(5,332)		(5,332)
<b>Total other financing sources (uses)</b>	<u>(5,332)</u>	<u>77,968</u>	<u>72,636</u>
<b>Changes in fund balances</b>	<u>(80,468)</u>	<u>10,282</u>	<u>(70,186)</u>
<b>Fund balances, beginning of year</b>	644,728	186,819	831,547
<b>Fund balances, end of year</b>	<u>\$ 564,260</u>	<u>\$ 197,101</u>	<u>\$ 761,361</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.

**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.

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

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

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

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

**Taylor Grazing** - to account for financial assistance received for the purpose of protecting public lands by preventing over-grazing and soil deterioration and to provide for orderly use, improvement and development, and stabilization of the livestock industry.

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

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

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

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

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

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

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

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

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

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

**Auxiliary Operations** - to account for activity arising from 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.

**Career and Technical Education Projects** - to account for activity related to the production and subsequent sale of items produced in an instructional program by career and technical education pupils.

**Fingerprint** - to account for activity of fingerprinting employees as mandated by the State.

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

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

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

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

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

**Arizona Industry Credentials Incentive** - to account for incentive monies for career technical education courses or programs that provide a certification, credential, or license.

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2021**

	Classroom Site	Instructional Improvement	Professional Development and Technology Grants
<b><u>ASSETS</u></b>			
Cash and investments	\$ 45,381	\$ 26,014	\$
Deposits			
Due from governmental entities			18,649
<b>Total assets</b>	<b>\$ 45,381</b>	<b>\$ 26,014</b>	<b>\$ 18,649</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			18,649
<b>Total liabilities</b>			<b>18,649</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			18,649
Fund balances (deficits):			
Restricted	45,381	26,014	
Unassigned			(18,649)
<b>Total fund balances</b>	<b>45,381</b>	<b>26,014</b>	<b>(18,649)</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 45,381</b>	<b>\$ 26,014</b>	<b>\$ 18,649</b>

<u>Title IV Grants</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Food Service</u>
\$	\$	\$	\$ 206	\$ 38,603	\$
1,863	10,896	2,201		10,956	5,113
<u>\$ 1,863</u>	<u>\$ 10,896</u>	<u>\$ 2,201</u>	<u>\$ 206</u>	<u>\$ 49,559</u>	<u>\$ 17,542</u>
\$	\$	\$	\$	\$	\$ 6,869
1,863	10,896	2,201			5,269
<u>1,863</u>	<u>10,896</u>	<u>2,201</u>			<u>12,138</u>
1,863	10,896	312			
(1,863)	(10,896)	(312)	206	49,559	5,404
<u>(1,863)</u>	<u>(10,896)</u>	<u>(312)</u>	<u>206</u>	<u>49,559</u>	<u>5,404</u>
<u>\$ 1,863</u>	<u>\$ 10,896</u>	<u>\$ 2,201</u>	<u>\$ 206</u>	<u>\$ 49,559</u>	<u>\$ 17,542</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2021**

	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
<b><u>ASSETS</u></b>			
Cash and investments	\$ 82,858	\$ 2,452	\$ 109,541
Deposits			
Due from governmental entities			
<b>Total assets</b>	<b>\$ 82,858</b>	<b>\$ 2,452</b>	<b>\$ 109,541</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 11,184	\$	\$ 5,512
Due to other funds			
<b>Total liabilities</b>	<b>11,184</b>		<b>5,512</b>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	71,674	2,452	104,029
Unassigned			
<b>Total fund balances</b>	<b>71,674</b>	<b>2,452</b>	<b>104,029</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 82,858</b>	 <b>\$ 2,452</b>	 <b>\$ 109,541</b>

<u>Gifts and Donations</u>	<u>Career and Technical Education Projects</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Advertisement</u>	<u>Career Technical Education</u>
\$ 29,903	\$ 27	\$ 219	\$ 4,774	\$ 326	\$ 156,565
<u>\$ 29,903</u>	<u>\$ 27</u>	<u>\$ 219</u>	<u>\$ 4,774</u>	<u>\$ 326</u>	<u>17,830</u>
					<u>\$ 174,395</u>
\$	\$	\$	\$	\$	\$ 2,503
					<u>2,503</u>
29,903	27	219	4,774	326	171,892
<u>29,903</u>	<u>27</u>	<u>219</u>	<u>4,774</u>	<u>326</u>	<u>171,892</u>
<u>\$ 29,903</u>	<u>\$ 27</u>	<u>\$ 219</u>	<u>\$ 4,774</u>	<u>\$ 326</u>	<u>\$ 174,395</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2021**

	Student Activities	Totals
<b><u>ASSETS</u></b>		
Cash and investments	\$ 84,120	\$ 580,989
Deposits		5,113
Due from governmental entities		74,824
<b>Total assets</b>	<b>\$ 84,120</b>	<b>\$ 660,926</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>		
<b><u>AND FUND BALANCES</u></b>		
Liabilities:		
Accounts payable	\$	\$ 26,068
Due to other funds		38,878
<b>Total liabilities</b>		<b>64,946</b>
Deferred inflows of resources:		
Unavailable revenues - intergovernmental		31,720
Fund balances (deficits):		
Restricted	84,120	595,980
Unassigned		(31,720)
<b>Total fund balances</b>	<b>84,120</b>	<b>564,260</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 84,120</b>	 <b>\$ 660,926</b>

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**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Classroom Site	Instructional Improvement	Professional Development and Technology Grants
<b>Revenues:</b>			
Other local	\$ 1,389	\$ 313	\$
State aid and grants	304,138	20,542	
Federal aid, grants and reimbursements			20,262
<b>Total revenues</b>	<b>305,527</b>	<b>20,855</b>	<b>20,262</b>
<b>Expenditures:</b>			
Current -			
Instruction	316,368	12,420	6,410
Support services - students and staff	8,457	6,608	18,373
Support services - administration			737
Operation and maintenance of plant services			
Operation of non-instructional services			11,721
Capital outlay			442
<b>Total expenditures</b>	<b>324,825</b>	<b>19,028</b>	<b>37,683</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(19,298)</b>	<b>1,827</b>	<b>(17,421)</b>
<b>Other financing sources (uses):</b>			
Transfers out			(1,228)
<b>Total other financing sources (uses)</b>			<b>(1,228)</b>
<b>Changes in fund balances</b>	<b>(19,298)</b>	<b>1,827</b>	<b>(18,649)</b>
<b>Fund balances (deficits), beginning of year</b>	64,679	24,187	
<b>Fund balances (deficits), end of year</b>	<b>\$ 45,381</b>	<b>\$ 26,014</b>	<b>\$ (18,649)</b>

<u>Title IV Grants</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>	<u>State Vocational Education</u>	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>
\$	\$	\$	\$	\$	\$
	82,590	13,359	2,698	3	28,088
	<u>82,590</u>	<u>13,359</u>	<u>2,698</u>	<u>3</u>	<u>28,088</u>
1,789	54,749 34,294	9,938	1,718 980		31,791 717
<u>1,789</u>	<u>89,043</u>	<u>12,824</u>	<u>2,698</u>		<u>32,508</u>
<u>(1,789)</u>	<u>(6,453)</u>	<u>535</u>		<u>3</u>	<u>(4,420)</u>
<u>(74)</u>	<u>(3,704)</u>	<u>(326)</u>			
<u>(74)</u>	<u>(3,704)</u>	<u>(326)</u>			
<u>(1,863)</u>	<u>(10,157)</u>	<u>209</u>		<u>3</u>	<u>(4,420)</u>
	<u>(739)</u>	<u>(521)</u>		<u>203</u>	<u>53,979</u>
<u>\$ (1,863)</u>	<u>\$ (10,896)</u>	<u>\$ (312)</u>	<u>\$</u>	<u>\$ 206</u>	<u>\$ 49,559</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Food Service	Civic Center	Community School
<b>Revenues:</b>			
Other local	\$ 2,747	\$ 24,257	\$ 39
State aid and grants			
Federal aid, grants and reimbursements	219,622		
<b>Total revenues</b>	222,369	24,257	39
<b>Expenditures:</b>			
Current -			
Instruction		7,606	
Support services - students and staff		558	
Support services - administration		3,155	
Operation and maintenance of plant services		7,590	
Operation of non-instructional services	226,783		
Capital outlay	5,109	56,641	
<b>Total expenditures</b>	231,892	75,550	
<b>Excess (deficiency) of revenues over expenditures</b>	(9,523)	(51,293)	39
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(9,523)	(51,293)	39
<b>Fund balances (deficits), beginning of year</b>	14,927	122,967	2,413
<b>Fund balances, end of year</b>	\$ 5,404	\$ 71,674	\$ 2,452

Extracurricular Activities Fees Tax Credit	Gifts and Donations	Career and Technical Education Projects	Fingerprint	Textbooks	Advertisement
\$ 34,080	\$ 630	\$	\$ 136	\$ 327	\$ 5
<u>34,080</u>	<u>630</u>	<u></u>	<u>136</u>	<u>327</u>	<u>5</u>
12,005	675		66		
4,551	17		22		
87	1,153		88		
	294				
<u>13,488</u>	<u>1,371</u>	<u></u>	<u>176</u>	<u></u>	<u></u>
<u>30,131</u>	<u>3,510</u>	<u></u>	<u>176</u>	<u></u>	<u></u>
<u>3,949</u>	<u>(2,880)</u>	<u></u>	<u>(40)</u>	<u>327</u>	<u>5</u>
<u>3,949</u>	<u>(2,880)</u>	<u></u>	<u>(40)</u>	<u>327</u>	<u>5</u>
100,080	32,783	27	259	4,447	321
<u>\$ 104,029</u>	<u>\$ 29,903</u>	<u>\$ 27</u>	<u>\$ 219</u>	<u>\$ 4,774</u>	<u>\$ 326</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	<u>Career Technical Education</u>	<u>Arizona Industry Credentials Incentive</u>	<u>Student Activities</u>
<b>Revenues:</b>			
Other local	\$ 73,940	\$	\$ 93,293
State aid and grants		4,290	
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>73,940</u>	<u>4,290</u>	<u>93,293</u>
<b>Expenditures:</b>			
Current -			
Instruction	45,584	2,723	70,720
Support services - students and staff	18,331		
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay	1,302	1,567	
<b>Total expenditures</b>	<u>65,217</u>	<u>4,290</u>	<u>70,720</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,723</u>		<u>22,573</u>
<b>Other financing sources (uses):</b>			
Transfers out			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>8,723</u>		<u>22,573</u>
<b>Fund balances (deficits), beginning of year</b>	163,169		61,547
<b>Fund balances, end of year</b>	<u>\$ 171,892</u>	<u>\$</u>	<u>\$ 84,120</u>

Totals

\$	231,156
	359,759
	<u>335,833</u>
	<u>926,748</u>

	574,562
	92,908
	5,132
	7,678
	238,798
	<u>82,806</u>
	<u>1,001,884</u>

(75,136)

(5,332)

(5,332)

(80,468)

644,728

\$ 564,260

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 1,389	\$ 1,389
State aid and grants		304,138	304,138
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>305,527</u>	<u>305,527</u>
<b>Expenditures:</b>			
Current -			
Instruction	372,417	316,368	56,049
Support services - students and staff	8,499	8,457	42
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>380,916</u>	<u>324,825</u>	<u>56,091</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(380,916)</u>	<u>(19,298)</u>	<u>361,618</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(380,916)</u>	<u>(19,298)</u>	<u>361,618</u>
<b>Fund balances (deficits), beginning of year</b>		64,679	64,679
<b>Fund balances (deficits), end of year</b>	<u>\$ (380,916)</u>	<u>\$ 45,381</u>	<u>\$ 426,297</u>

Instructional Improvement			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 313 20,542	\$ 313 20,542	\$	\$	\$
	<u>20,855</u>	<u>20,855</u>		<u>20,262</u> <u>20,262</u>	<u>20,262</u> <u>20,262</u>
20,047	12,420 6,608	7,627 (6,608)	65,360	6,410 18,373 737	(6,410) 46,987 (737)
<u>20,047</u>	<u>19,028</u>	<u>1,019</u>	<u>65,360</u>	<u>11,721</u> <u>442</u> <u>37,683</u>	<u>(11,721)</u> <u>(442)</u> <u>27,677</u>
<u>(20,047)</u>	<u>1,827</u>	<u>21,874</u>	<u>(65,360)</u>	<u>(17,421)</u>	<u>47,939</u>
				(1,228)	(1,228)
				<u>(1,228)</u>	<u>(1,228)</u>
<u>(20,047)</u>	<u>1,827</u>	<u>21,874</u>	<u>(65,360)</u>	<u>(18,649)</u>	<u>46,711</u>
	24,187	24,187			
<u>\$ (20,047)</u>	<u>\$ 26,014</u>	<u>\$ 46,061</u>	<u>\$ (65,360)</u>	<u>\$ (18,649)</u>	<u>\$ 46,711</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Title IV Grants		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>			
<b>Expenditures:</b>			
Current -			
Instruction	4,916	1,789	3,127
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	4,916	1,789	3,127
<b>Excess (deficiency) of revenues over expenditures</b>	(4,916)	(1,789)	3,127
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out		(74)	(74)
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>		(74)	(74)
<b>Changes in fund balances</b>	(4,916)	(1,863)	3,053
<b>Fund balances (deficits), beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	\$ (4,916)	\$ (1,863)	\$ 3,053

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	82,590	82,590		13,359	13,359
	82,590	82,590		13,359	13,359
128,679	54,749 34,294	73,930 (34,294)	17,265	9,938	7,327
				2,886	(2,886)
128,679	89,043	39,636	17,265	12,824	4,441
(128,679)	(6,453)	122,226	(17,265)	535	17,800
	(3,704)	(3,704)		(326)	(326)
	(3,704)	(3,704)		(326)	(326)
(128,679)	(10,157)	118,522	(17,265)	209	17,474
	(739)	(739)		(521)	(521)
\$ (128,679)	\$ (10,896)	\$ 117,783	\$ (17,265)	\$ (312)	\$ 16,953

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 1,326	\$ 1,326
State aid and grants			
Federal aid, grants and reimbursements		20,378	20,378
<b>Total revenues</b>		21,704	21,704
<b>Expenditures:</b>			
Current -			
Instruction		5,469	(5,469)
Support services - students and staff	18,248	5,549	12,699
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	18,248	11,018	7,230
<b>Excess (deficiency) of revenues over expenditures</b>	(18,248)	10,686	28,934
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(18,248)	10,686	28,934
<b>Fund balances (deficits), beginning of year</b>		105,744	105,744
<b>Fund balances (deficits), end of year</b>	\$ (18,248)	\$ 116,430	\$ 134,678

National Forest Fees			Taylor Grazing Fees		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	256,587	256,587		3,379	3,379
	256,587	256,587		3,379	3,379
	107,735	(107,735)			
	23,356	(23,356)			
	55,234	(55,234)			
	20,190	(20,190)			
	40,432	(40,432)			
	6,858	(6,858)			
	38,132	(38,132)			
	291,937	(291,937)			
	(35,350)	(35,350)		3,379	3,379
	(35,350)	(35,350)		3,379	3,379
	983,690	983,690		8,826	8,826
\$	\$ 948,340	\$ 948,340	\$	\$ 12,205	\$ 12,205

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	E-Rate		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
<b>Revenues:</b>			
Other local	\$	\$ 84	\$ 84
State aid and grants			
Federal aid, grants and reimbursements		22,626	22,626
<b>Total revenues</b>		<u>22,710</u>	<u>22,710</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	27,799	25,705	2,094
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>27,799</u>	<u>25,705</u>	<u>2,094</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(27,799)</u>	<u>(2,995)</u>	<u>24,804</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(27,799)</u>	<u>(2,995)</u>	<u>24,804</u>
<b>Fund balances (deficits), beginning of year</b>		5,095	5,095
<b>Fund balances (deficits), end of year</b>	<u>\$ (27,799)</u>	<u>\$ 2,100</u>	<u>\$ 29,899</u>

Other Federal Projects			State Vocational Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	252,260	252,260		2,698	2,698
	<u>252,260</u>	<u>252,260</u>		<u>2,698</u>	<u>2,698</u>
	105,868	(105,868)	2,822	1,718	1,104
	2,814	(2,814)		980	(980)
	5,040	(5,040)			
	15,937	(15,937)			
	5,635	(5,635)			
<u>1,094,731</u>	<u>120,135</u>	<u>974,596</u>	<u>2,822</u>	<u>2,698</u>	<u>124</u>
<u>1,094,731</u>	<u>255,429</u>	<u>839,302</u>	<u>2,822</u>	<u>2,698</u>	<u>124</u>
<u>(1,094,731)</u>	<u>(3,169)</u>	<u>1,091,562</u>	<u>(2,822)</u>		<u>2,822</u>
	(315)	(315)			
	<u>(315)</u>	<u>(315)</u>			
<u>(1,094,731)</u>	<u>(3,484)</u>	<u>1,091,247</u>	<u>(2,822)</u>		<u>2,822</u>
	(2,830)	(2,830)			
<u>\$ (1,094,731)</u>	<u>\$ (6,314)</u>	<u>\$ 1,088,417</u>	<u>\$ (2,822)</u>	<u>\$</u>	<u>\$ 2,822</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	College Credit Exam Incentives		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$	\$
State aid and grants		3	3
Federal aid, grants and reimbursements			
<b>Total revenues</b>		3	3
<b>Expenditures:</b>			
Current -			
Instruction	203		203
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	203		203
<b>Excess (deficiency) of revenues over expenditures</b>	(203)	3	206
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(203)	3	206
<b>Fund balances (deficits), beginning of year</b>		203	203
<b>Fund balances (deficits), end of year</b>	\$ (203)	\$ 206	\$ 409

Results-based Funding			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 28,088	\$ 28,088	\$	\$ 52	\$ 52
	<u>28,088</u>	<u>28,088</u>		<u>52</u>	<u>52</u>
53,979	31,791 717	22,188 (717)	4,120		4,120
<u>53,979</u>	<u>32,508</u>	<u>21,471</u>	<u>4,120</u>		<u>4,120</u>
<u>(53,979)</u>	<u>(4,420)</u>	<u>49,559</u>	<u>(4,120)</u>	<u>52</u>	<u>4,172</u>
				1,150	1,150
				<u>1,150</u>	<u>1,150</u>
<u>(53,979)</u>	<u>(4,420)</u>	<u>49,559</u>	<u>(4,120)</u>	<u>1,202</u>	<u>5,322</u>
	53,979	53,979		2,970	2,970
<u>\$ (53,979)</u>	<u>\$ 49,559</u>	<u>\$ 103,538</u>	<u>\$ (4,120)</u>	<u>\$ 4,172</u>	<u>\$ 8,292</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Food Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 2,747	\$ 2,747
State aid and grants			
Federal aid, grants and reimbursements		219,622	219,622
<b>Total revenues</b>		<u>222,369</u>	<u>222,369</u>
<b>Expenditures:</b>			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	228,374	226,783	1,591
Capital outlay		5,109	(5,109)
<b>Total expenditures</b>	<u>228,374</u>	<u>231,892</u>	<u>(3,518)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(228,374)</u>	<u>(9,523)</u>	<u>218,851</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(228,374)</u>	<u>(9,523)</u>	<u>218,851</u>
<b>Fund balances (deficits), beginning of year</b>		14,927	14,927
<b>Fund balances (deficits), end of year</b>	<u>\$ (228,374)</u>	<u>\$ 5,404</u>	<u>\$ 233,778</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 24,257	\$ 24,257	\$	\$ 39	\$ 39
	<u>24,257</u>	<u>24,257</u>		<u>39</u>	<u>39</u>
	7,606	(7,606)			
	558	(558)			
	3,155	(3,155)			
	7,590	(7,590)			
<u>82,378</u>	<u>56,641</u>	<u>25,737</u>			
<u>82,378</u>	<u>75,550</u>	<u>6,828</u>			
<u>(82,378)</u>	<u>(51,293)</u>	<u>31,085</u>		<u>39</u>	<u>39</u>
<u>(82,378)</u>	<u>(51,293)</u>	<u>31,085</u>		<u>39</u>	<u>39</u>
	122,967	122,967		2,413	2,413
<u>\$ (82,378)</u>	<u>\$ 71,674</u>	<u>\$ 154,052</u>	<u>\$</u>	<u>\$ 2,452</u>	<u>\$ 2,452</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 25,328	\$ 25,328
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	1,860	25,328	25,328
<b>Expenditures:</b>			
Current -			
Instruction	1,860	12,043	(10,183)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		6,268	(6,268)
Capital outlay		3,562	(3,562)
<b>Total expenditures</b>	1,860	21,873	(20,013)
<b>Excess (deficiency) of revenues over expenditures</b>	(1,860)	3,455	5,315
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(1,860)	3,455	5,315
<b>Fund balances (deficits), beginning of year</b>		42,289	42,289
<b>Fund balances (deficits), end of year</b>	\$ (1,860)	\$ 45,744	\$ 47,604

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 34,080	\$ 34,080	\$	\$ 630	\$ 630
	<u>34,080</u>	<u>34,080</u>		<u>630</u>	<u>630</u>
	12,005	(12,005)		675	(675)
	4,551	(4,551)		17	(17)
	87	(87)		1,153	(1,153)
				294	(294)
<u>129,134</u>	<u>13,488</u>	<u>115,646</u>	<u>33,043</u>	<u>1,371</u>	<u>31,672</u>
<u>129,134</u>	<u>30,131</u>	<u>99,003</u>	<u>33,043</u>	<u>3,510</u>	<u>29,533</u>
<u>(129,134)</u>	<u>3,949</u>	<u>133,083</u>	<u>(33,043)</u>	<u>(2,880)</u>	<u>30,163</u>
<u>(129,134)</u>	<u>3,949</u>	<u>133,083</u>	<u>(33,043)</u>	<u>(2,880)</u>	<u>30,163</u>
	100,080	100,080		32,783	32,783
<u>\$ (129,134)</u>	<u>\$ 104,029</u>	<u>\$ 233,163</u>	<u>\$ (33,043)</u>	<u>\$ 29,903</u>	<u>\$ 62,946</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Career and Technical Education Projects		
	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	27		27
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	27		27
<b>Excess (deficiency) of revenues over expenditures</b>	(27)		27
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	(27)		27
<b>Fund balances (deficits), beginning of year</b>		27	27
<b>Fund balances (deficits), end of year</b>	\$ (27)	\$ 27	\$ 54

Fingerprint			Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 136	\$ 136	\$	\$	\$
	<u>136</u>	<u>136</u>			
	66	(66)	4,134		4,134
	22	(22)			
310	88	222			
<u>310</u>	<u>176</u>	<u>134</u>	<u>4,134</u>		<u>4,134</u>
<u>(310)</u>	<u>(40)</u>	<u>270</u>	<u>(4,134)</u>		<u>4,134</u>
				<u>6,917</u>	<u>6,917</u>
				<u>6,917</u>	<u>6,917</u>
<u>(310)</u>	<u>(40)</u>	<u>270</u>	<u>(4,134)</u>	<u>6,917</u>	<u>11,051</u>
	259	259			
<u>\$ (310)</u>	<u>\$ 219</u>	<u>\$ 529</u>	<u>\$ (4,134)</u>	<u>\$ 6,917</u>	<u>\$ 11,051</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Textbooks		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 327	\$ 327
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>		<u>327</u>	<u>327</u>
<b>Expenditures:</b>			
Current -			
Instruction	4,446		4,446
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
<b>Total expenditures</b>	<u>4,446</u>		<u>4,446</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(4,446)</u>	<u>327</u>	<u>4,773</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	<u>(4,446)</u>	<u>327</u>	<u>4,773</u>
<b>Fund balances (deficits), beginning of year</b>		4,447	4,447
<b>Fund balances (deficits), end of year</b>	<u>\$ (4,446)</u>	<u>\$ 4,774</u>	<u>\$ 9,220</u>

Indirect Costs			Advertisement		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 5	\$ 5
				5	5
			321		321
15,499	5,942 4,951	9,557 (4,951)			
<u>15,499</u>	<u>10,893</u>	<u>4,606</u>	<u>321</u>		<u>321</u>
<u>(15,499)</u>	<u>(10,893)</u>	<u>4,606</u>	<u>(321)</u>	<u>5</u>	<u>326</u>
	10,893	10,893			
	<u>10,893</u>	<u>10,893</u>			
<u>(15,499)</u>		<u>15,499</u>	<u>(321)</u>	<u>5</u>	<u>326</u>
				321	321
<u>\$ (15,499)</u>	<u>\$</u>	<u>\$ 15,499</u>	<u>\$ (321)</u>	<u>\$ 326</u>	<u>\$ 647</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Career Technical Education		
	Budget	Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 73,940	\$ 73,940
State aid and grants			
Federal aid, grants and reimbursements			
<b>Total revenues</b>	<u>70,769</u>	<u>73,940</u>	<u>73,940</u>
<b>Expenditures:</b>			
Current -			
Instruction	70,769	45,584	25,185
Support services - students and staff		18,331	(18,331)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		1,302	(1,302)
<b>Total expenditures</b>	<u>70,769</u>	<u>65,217</u>	<u>5,552</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(70,769)</u>	<u>8,723</u>	<u>79,492</u>
<b>Other financing sources (uses):</b>			
Transfers in			
Transfers out			
Proceeds from sale of capital assets			
Insurance Proceeds			
<b>Total other financing sources (uses)</b>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Changes in fund balances</b>	<u>(70,769)</u>	<u>8,723</u>	<u>79,492</u>
<b>Fund balances (deficits), beginning of year</b>		163,169	163,169
<b>Fund balances (deficits), end of year</b>	<u>\$ (70,769)</u>	<u>\$ 171,892</u>	<u>\$ 242,661</u>

Arizona Industry Credentials Incentive			Student Activities		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4,290	\$ 4,290	\$	\$ 93,293	\$ 93,293
	<u>4,290</u>	<u>4,290</u>		<u>93,293</u>	<u>93,293</u>
5,000	2,723	2,277		70,720	(70,720)
	<u>1,567</u>	<u>(1,567)</u>		<u>70,720</u>	<u>(70,720)</u>
<u>5,000</u>	<u>4,290</u>	<u>710</u>		<u>22,573</u>	<u>22,573</u>
<u>(5,000)</u>		<u>5,000</u>		<u>61,547</u>	<u>61,547</u>
				<u>22,573</u>	<u>22,573</u>
				<u>61,547</u>	<u>61,547</u>
<u>\$ (5,000)</u>	<u>\$</u>	<u>\$ 5,000</u>	<u>\$</u>	<u>\$ 84,120</u>	<u>\$ 84,120</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>			
Other local	\$	\$ 257,946	\$ 257,946
State aid and grants		359,759	359,759
Federal aid, grants and reimbursements		891,063	891,063
<b>Total revenues</b>		<u>1,508,768</u>	<u>1,508,768</u>
<b>Expenditures:</b>			
Current -			
Instruction	686,885	805,677	(118,792)
Support services - students and staff	92,107	124,627	(32,520)
Support services - administration	15,499	71,348	(55,849)
Operation and maintenance of plant services	32,229	74,461	(42,232)
Student transportation services		46,067	(46,067)
Operation of non-instructional services	228,374	251,924	(23,550)
Capital outlay	1,339,286	244,635	1,094,651
<b>Total expenditures</b>	<u>2,394,380</u>	<u>1,618,739</u>	<u>775,641</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,394,380)</u>	<u>(109,971)</u>	<u>2,284,409</u>
<b>Other financing sources (uses):</b>			
Transfers in		10,893	10,893
Transfers out		(5,647)	(5,647)
Proceeds from sale of capital assets		1,150	1,150
Insurance proceeds		6,917	6,917
<b>Total other financing sources (uses)</b>		<u>13,313</u>	<u>13,313</u>
<b>Changes in fund balances</b>	<u>(2,394,380)</u>	<u>(96,658)</u>	<u>2,297,722</u>
<b>Fund balances (deficits), beginning of year</b>		1,790,512	1,790,512
<b>Fund balances (deficits), end of year</b>	<u>\$ (2,394,380)</u>	<u>\$ 1,693,854</u>	<u>\$ 4,088,234</u>

## **DEBT SERVICE FUND**

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**ALL DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2021**

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 14,979	\$ 14,979
Property taxes		796,159	796,159
<b>Total revenues</b>		<u>811,138</u>	<u>811,138</u>
<b>Expenditures:</b>			
Debt service -			
Principal retirement	797,600	540,000	257,600
Interest and fiscal charges		257,600	(257,600)
<b>Total expenditures</b>	<u>797,600</u>	<u>797,600</u>	<u></u>
<b>Changes in fund balances</b>	<u>(797,600)</u>	<u>13,538</u>	<u>811,138</u>
<b>Fund balances, beginning of year</b>		132,152	132,152
<b>Fund balances (deficits), end of year</b>	<u>\$ (797,600)</u>	<u>\$ 145,690</u>	<u>\$ 943,290</u>

## CAPITAL PROJECTS FUNDS

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

**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 monies received 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS**  
**JUNE 30, 2021**

	Litigation Recovery	Unrestricted Capital Outlay	Adjacent Ways
<b><u>ASSETS</u></b>			
Cash and investments	\$ 1,279	\$ 191,122	\$ 856
Property taxes receivable		2,698	
Due from governmental entities		3,331	
<b>Total assets</b>	<b>\$ 1,279</b>	<b>\$ 197,151</b>	<b>\$ 856</b>
 <b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u></b>			
<b><u>AND FUND BALANCES</u></b>			
Deferred inflows of resources:			
Unavailable revenues - property taxes	\$	\$ 2,307	\$
Fund balances:			
Restricted	1,279	194,844	856
<b>Total fund balances</b>	<b>1,279</b>	<b>194,844</b>	<b>856</b>
 <b>Total liabilities, deferred inflows of resources and fund balances</b>	 <b>\$ 1,279</b>	 <b>\$ 197,151</b>	 <b>\$ 856</b>

<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 122	\$ 193,379
	2,698
	<u>3,331</u>
<u>\$ 122</u>	<u>\$ 199,408</u>

<u>\$</u>	<u>\$ 2,307</u>
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<u>122</u>	<u>197,101</u>
<u>122</u>	<u>197,101</u>

<u>\$ 122</u>	<u>\$ 199,408</u>
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**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Litigation Recovery	Unrestricted Capital Outlay	Adjacent Ways
<b>Revenues:</b>			
Other local	\$ 21	\$ 3,686	\$ 11
Property taxes		100,591	
State aid and grants		44,717	
<b>Total revenues</b>	21	148,994	11
<b>Expenditures:</b>			
Capital outlay		138,744	
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>		138,744	
<b>Excess (deficiency) of revenues over expenditures</b>	21	10,250	11
<b>Other financing sources (uses):</b>			
Transfers in			
<b>Total other financing sources (uses)</b>			
<b>Changes in fund balances</b>	21	10,250	11
<b>Fund balances, beginning of year</b>	1,258	184,594	845
<b>Fund balances, end of year</b>	\$ 1,279	\$ 194,844	\$ 856

<u>Energy and Water Savings</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$	\$	\$ 3,718
		100,591
		44,717
		<u>149,026</u>
		138,744
76,111		76,111
1,857		1,857
<u>77,968</u>		<u>216,712</u>
<u>(77,968)</u>		<u>(67,686)</u>
<u>77,968</u>		<u>77,968</u>
<u>77,968</u>		<u>77,968</u>
		<u>10,282</u>
	122	186,819
<u>\$</u>	<u>\$ 122</u>	<u>\$ 197,101</u>

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	Litigation Recovery		Variance - Positive (Negative)
	Budget	Actual	
<b>Revenues:</b>			
Other local	\$	\$ 21	\$ 21
Property taxes			
State aid and grants			
<b>Total revenues</b>	<u>                    </u>	<u>                    21</u>	<u>                    21</u>
<b>Expenditures:</b>			
Current -			
Instruction	1,258		1,258
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
<b>Total expenditures</b>	<u>                    1,258</u>	<u>                    </u>	<u>                    1,258</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>                    (1,258)</u>	<u>                    21</u>	<u>                    1,279</u>
<b>Other financing sources (uses):</b>			
Transfers in			
<b>Total other financing sources (uses)</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Changes in fund balances</b>	<u>                    (1,258)</u>	<u>                    21</u>	<u>                    1,279</u>
<b>Fund balances, beginning of year</b>		1,258	1,258
<b>Fund balances (deficits), end of year</b>	<u>\$ (1,258)</u>	<u>\$ 1,279</u>	<u>\$ 2,537</u>

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3,686	\$ 3,686	\$	\$ 11	\$ 11
	100,591	100,591			
	44,717	44,717			
	148,994	148,994		11	11
274,166	138,744	135,422			
274,166	138,744	135,422			
(274,166)	10,250	284,416		11	11
(274,166)	10,250	284,416		11	11
	184,594	184,594		845	845
\$ (274,166)	\$ 194,844	\$ 469,010	\$	\$ 856	\$ 856

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL**  
**NON-MAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED JUNE 30, 2021**

	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 -			
Instruction			
Capital outlay			
Debt service -			
Principal retirement	76,111	76,111	
Interest and fiscal charges	1,857	1,857	
<b>Total expenditures</b>	77,968	77,968	
<b>Excess (deficiency) of revenues over expenditures</b>	(77,968)	(77,968)	
<b>Other financing sources (uses):</b>			
Transfers in		77,968	77,968
<b>Total other financing sources (uses)</b>		77,968	77,968
<b>Changes in fund balances</b>	(77,968)		77,968
<b>Fund balances, beginning of year</b>			
<b>Fund balances (deficits), end of year</b>	\$ (77,968)	\$	\$ 77,968

Building Renewal Grant			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 3,718	\$ 3,718
				100,591	100,591
				44,717	44,717
				149,026	149,026
			1,258		1,258
			274,166	138,744	135,422
			76,111	76,111	
			1,857	1,857	
			353,392	216,712	136,680
			(353,392)	(67,686)	285,706
				77,968	77,968
				77,968	77,968
			(353,392)	10,282	363,674
	122	122		186,819	186,819
\$	\$ 122	\$ 122	\$ (353,392)	\$ 197,101	\$ 550,493

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## STATISTICAL SECTION

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **Debt Capacity**

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

### **Demographic and Economic Information**

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

### **Operating Information**

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

**Note:** For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 8,195,708	\$ 7,932,652	\$ 7,534,324	\$ 7,283,340	\$ 6,987,383
Restricted	967,074	992,528	654,087	542,690	571,773
Unrestricted	(2,032,028)	(2,116,887)	(1,733,944)	(2,075,844)	(2,285,656)
Total net position	\$ 7,130,754	\$ 6,808,293	\$ 6,454,467	\$ 5,750,186	\$ 5,273,500
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>
<b>Net Position:</b>					
Net investment in capital assets	\$ 6,810,470	\$ 6,746,914	\$ 6,835,740	\$ 6,462,372	\$ 6,519,034
Restricted	528,877	712,690	629,983	647,502	793,817
Unrestricted	(2,412,461)	(2,653,380)	1,432,154	1,505,805	1,770,085
Total net position	\$ 4,926,886	\$ 4,806,224	\$ 8,897,877	\$ 8,615,679	\$ 9,082,936

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Expenses</b>					
Instruction	\$ 3,331,811	\$ 3,128,116	\$ 2,821,847	\$ 2,631,997	\$ 2,512,757
Support services - students and staff	429,895	435,805	439,421	418,547	389,923
Support services - administration	733,853	755,703	674,708	652,140	626,129
Operation and maintenance of plant services	870,495	1,852,672	898,049	905,685	792,808
Student transportation services	434,374	445,516	422,541	345,572	298,493
Operation of non-instructional services	301,924	386,762	229,581	232,714	223,861
Interest on long-term debt	225,929	253,197	282,490	285,707	280,546
Total expenses	<u>6,328,281</u>	<u>7,257,771</u>	<u>5,768,637</u>	<u>5,472,362</u>	<u>5,124,517</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	290,315	177,692	243,135	168,330	220,421
Operation of non-instructional services	27,935	191,107	45,311	47,599	35,381
Other activities		34,196		36,342	38,564
Operating grants and contributions	582,689	1,496,060	601,735	558,781	517,302
Capital grants and contributions	22,990	104,833	121,252	33,960	46,090
Total program revenues	<u>923,929</u>	<u>2,003,888</u>	<u>1,011,433</u>	<u>845,012</u>	<u>857,758</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (5,404,352)</u>	<u>\$ (5,253,883)</u>	<u>\$ (4,757,204)</u>	<u>\$ (4,627,350)</u>	<u>\$ (4,266,759)</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Expenses</b>					
Instruction	\$ 2,622,674	\$ 2,390,585	\$ 2,389,299	\$ 2,552,934	\$ 2,504,248
Support services - students and staff	349,983	428,755	372,643	371,835	393,910
Support services - administration	582,819	662,807	630,588	651,060	618,040
Operation and maintenance of plant services	840,061	867,340	743,958	914,763	945,639
Student transportation services	304,847	341,531	331,736	368,427	377,811
Operation of non-instructional services	217,038	237,648	245,164	244,594	243,101
Interest on long-term debt	403,063	405,386	418,286	438,125	448,500
Total expenses	<u>5,320,485</u>	<u>5,334,052</u>	<u>5,131,674</u>	<u>5,541,738</u>	<u>5,531,249</u>
<b>Program Revenues</b>					
Charges for services:					
Instruction	206,371	194,725	178,895	262,996	190,290
Operation of non-instructional services	52,271	37,061	53,795	42,506	34,048
Other activities	37,353	30,342	78,789	27,253	40,549
Operating grants and contributions	535,624	564,241	494,840	455,170	441,980
Capital grants and contributions	34,445	65,762	27,435	42,813	9,531
Total program revenues	<u>866,064</u>	<u>892,131</u>	<u>833,754</u>	<u>830,738</u>	<u>716,398</u>
<b>Net (Expense)/Revenue</b>	<u>\$ (4,454,421)</u>	<u>\$ (4,441,921)</u>	<u>\$ (4,297,920)</u>	<u>\$ (4,711,000)</u>	<u>\$ (4,814,851)</u>

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

**(Concluded)**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Net (Expense)/Revenue</b>	\$ (5,404,352)	\$ (5,253,883)	\$ (4,757,204)	\$ (4,627,350)	\$ (4,266,759)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	2,777,551	2,593,281	2,645,571	2,573,526	2,301,888
Property taxes, levied for debt service	795,060	821,914	834,339	838,057	861,582
Property taxes, levied for capital outlay	95,507	303,813	135,825	122,823	231,930
Investment income	21,864	32,528	22,936	13,021	8,389
Unrestricted county aid	37,032	40,498	40,726	38,174	30,729
Unrestricted state aid	1,467,195	1,464,590	1,493,386	1,180,896	1,142,308
Unrestricted federal aid	532,604	291,371	288,702	337,030	36,547
<b>Total general revenues</b>	5,726,813	5,547,995	5,461,485	5,103,527	4,613,373
<b>Changes in Net Position</b>	\$ 322,461	\$ 294,112	\$ 704,281	\$ 476,177	\$ 346,614

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Net (Expense)/Revenue</b>	\$ (4,454,421)	\$ (4,441,921)	\$ (4,297,920)	\$ (4,711,000)	\$ (4,814,851)
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purposes	2,387,634	2,449,897	2,580,993	2,428,627	1,973,400
Property taxes, levied for debt service	679,555	834,677	845,380	810,972	812,904
Property taxes, levied for capital outlay	78,970	79,482	69,838	40,512	1,915
Investment income	10,766	15,750	15,436	16,640	66,473
Unrestricted county aid	28,271	25,433	20,506	13,933	13,937
Unrestricted state aid	1,078,306	946,729	786,358	666,401	1,242,185
Unrestricted federal aid	311,581	315,986	278,070	266,658	354,818
<b>Total general revenues</b>	<u>4,575,083</u>	<u>4,667,954</u>	<u>4,596,581</u>	<u>4,243,743</u>	<u>4,465,632</u>
<b>Changes in Net Position</b>	<u>\$ 120,662</u>	<u>\$ 226,033</u>	<u>\$ 298,661</u>	<u>\$ (467,257)</u>	<u>\$ (349,219)</u>

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

**(Concluded)**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Fund:					
Nonspendable	\$ 37,111	\$ 24,815	\$ 39,712	\$ 36,359	\$ 41,075
Restricted	6,917		4,134	4,050	7,886
Committed					
Assigned					
Unassigned	1,618,299	1,452,437	1,501,615	1,559,242	1,539,445
Total General Fund	<u>\$ 1,662,327</u>	<u>\$ 1,477,252</u>	<u>\$ 1,545,461</u>	<u>\$ 1,599,651</u>	<u>\$ 1,588,406</u>
All Other Governmental Funds:					
Nonspendable	\$	\$	\$ 1,256	\$	\$ 1,937
Restricted	938,771	964,959	627,371	519,163	537,224
Committed					
Assigned					
Unassigned	(180,119)	(14,270)	(18,472)	(20,481)	
Total all other governmental funds	<u>\$ 758,652</u>	<u>\$ 950,689</u>	<u>\$ 610,155</u>	<u>\$ 498,682</u>	<u>\$ 539,161</u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Nond spendable	\$ 7,650	\$ 27,266	\$	\$	\$
Restricted					
Committed					
Assigned					
Unassigned	1,652,864	1,565,481	1,412,136	1,090,358	1,388,100
Total General Fund	<u>\$ 1,660,514</u>	<u>\$ 1,592,747</u>	<u>\$ 1,412,136</u>	<u>\$ 1,090,358</u>	<u>\$ 1,388,100</u>
All Other Governmental Funds:					
Nond spendable	\$	\$	\$	\$	\$
Restricted	522,855	685,108	765,302	809,674	972,806
Committed					
Assigned					
Unassigned	(2,774)				
Total all other governmental funds	<u>\$ 520,081</u>	<u>\$ 685,108</u>	<u>\$ 765,302</u>	<u>\$ 809,674</u>	<u>\$ 972,806</u>

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

**(Concluded)**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>	<b><u>2017</u></b>
<b>Federal sources:</b>					
Federal grants	\$ 684,449	\$ 1,574,167	\$ 687,643	\$ 719,358	\$ 432,674
National School Lunch Program	219,622	181,579	129,890	127,997	125,440
Total federal sources	904,071	1,755,746	817,533	847,355	558,114
<b>State sources:</b>					
State equalization assistance	1,142,515	1,047,678	1,161,789	887,302	899,795
State grants	30,789	169,150	10,602	7,798	5,248
School Facilities Board		43,994			
Other revenues	328,970	416,912	331,597	293,594	242,513
Total state sources	1,502,274	1,677,734	1,503,988	1,188,694	1,147,556
<b>Local sources:</b>					
Property taxes	3,670,296	3,713,471	3,613,980	3,535,589	3,390,196
County aid	37,032	40,498	40,726	38,174	30,729
Food service sales	2,616	54,353	45,311	47,599	38,564
Investment income	21,864	32,528	22,936	13,021	8,389
Other revenues	340,601	385,748	295,857	260,205	292,379
Total local sources	4,072,409	4,226,598	4,018,810	3,894,588	3,760,257
<b>Total revenues</b>	<b>\$ 6,478,754</b>	<b>\$ 7,660,078</b>	<b>\$ 6,340,331</b>	<b>\$ 5,930,637</b>	<b>\$ 5,465,927</b>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Federal sources:</b>					
Federal grants	\$ 669,448	\$ 740,869	\$ 641,607	\$ 601,118	\$ 618,478
State Fiscal Stabilization (ARRA) Education Jobs					
National School Lunch Program	113,427	129,280	150,657	151,349	154,045
Total federal sources	<u>782,875</u>	<u>870,149</u>	<u>792,264</u>	<u>752,467</u>	<u>772,523</u>
<b>State sources:</b>					
State equalization assistance	848,222	712,421	544,114	423,273	1,043,697
State grants	14,454	9,550	8,081	12,174	10,121
Other revenues	230,084	234,308	242,244	243,128	198,488
Total state sources	<u>1,092,760</u>	<u>956,279</u>	<u>794,439</u>	<u>678,575</u>	<u>1,252,306</u>
<b>Local sources:</b>					
Property taxes	3,168,419	3,385,475	3,487,557	3,270,819	2,822,899
County aid	28,271	25,433	20,506	13,933	13,937
Food service sales	52,271	37,061	53,795	42,195	33,769
Investment income	10,766	15,749	15,436	16,640	66,473
Other revenues	331,725	291,358	257,684	290,560	254,803
Total local sources	<u>3,591,452</u>	<u>3,755,076</u>	<u>3,834,978</u>	<u>3,634,147</u>	<u>3,191,881</u>
<b>Total revenues</b>	<u>\$ 5,467,087</u>	<u>\$ 5,581,504</u>	<u>\$ 5,421,681</u>	<u>\$ 5,065,189</u>	<u>\$ 5,216,710</u>

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

**(Concluded)**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<b>Fiscal Year Ended June 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 2,830,890	\$ 2,558,886	\$ 2,603,016	\$ 2,395,444	\$ 2,158,543
Support services - students and staff	404,761	405,177	448,327	423,778	386,590
Support services - administration	667,903	668,072	697,927	649,894	635,182
Operation and maintenance of plant services	728,624	1,702,542	800,666	800,301	691,636
Student transportation services	308,838	317,524	338,818	264,897	224,146
Operation of non-instructional services	286,454	370,267	222,520	226,103	217,996
Capital outlay	539,634	539,635	266,365	257,082	298,654
Debt service -					
Interest and fiscal charges	286,726	286,725	316,018	339,463	324,188
Principal retirement	616,111	582,486	594,000	591,304	617,382
Bond issuance costs					71,193
<b>Total expenditures</b>	<u>\$ 6,669,941</u>	<u>\$ 7,431,314</u>	<u>\$ 6,287,657</u>	<u>\$ 5,948,266</u>	<u>\$ 5,625,510</u>
Expenditures for capitalized assets	\$ 155,314	\$ 309,981	\$ 147,235	\$ 163,607	\$ 99,709
Debt service as a percentage of noncapital expenditures	14%	12%	15%	16%	17%

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified accrual basis of accounting)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Expenditures:</b>					
Current -					
Instruction	\$ 2,349,987	\$ 2,075,340	\$ 2,098,142	\$ 2,172,642	\$ 2,153,958
Support services - students and staff	348,294	418,763	372,250	358,657	388,105
Support services - administration	584,279	665,009	635,075	641,596	599,484
Operation and maintenance of plant services	726,614	748,990	623,649	780,000	804,037
Student transportation services	229,210	259,200	262,433	286,481	300,470
Operation of non-instructional services	211,675	231,014	241,196	242,425	234,107
Capital outlay	547,891	329,424	198,495	186,137	288,125
Debt service -					
Interest and fiscal charges	538,604	415,500	428,400	438,125	448,500
Principal retirement	413,177	486,000	430,000	420,000	405,000
Bond issuance costs					
<b>Total expenditures</b>	<u>\$ 5,949,731</u>	<u>\$ 5,629,240</u>	<u>\$ 5,289,640</u>	<u>\$ 5,526,063</u>	<u>\$ 5,621,786</u>
Expenditures for capitalized assets	\$ 420,034	\$ 206,166	\$ 198,495	\$ 80,059	\$ 241,682
Debt service as a percentage of noncapital expenditures	17%	17%	17%	16%	16%

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

**(Concluded)**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**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>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (191,187)	\$ 228,764	\$ 52,674	\$ (17,629)	\$ (159,583)
<b>Other financing sources (uses):</b>					
Refunding bonds issued					5,740,000
Premium on sale of bonds					902,902
Capital lease agreements					
Transfers in	88,861	87,325	86,958	83,611	82,112
Transfers out	88,861	(87,325)	(86,958)	(83,611)	(82,112)
Payment to refunded bond escrow agent				(6,571,709)	
Total other financing sources (uses)	177,722			(6,571,709)	6,642,902
<b>Changes in fund balances</b>	\$ (13,465)	\$ 228,764	\$ 52,674	\$ (6,589,338)	\$ 6,483,319
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Excess (deficiency) of revenues over expenditures</b>	\$ (482,644)	\$ (47,736)	\$ 132,041	\$ (460,874)	\$ (405,076)
<b>Other financing sources (uses):</b>					
Refunding bonds issued					
Premium on sale of bonds					
Capital lease agreements		120,887			
Transfers in	75,686	147,392	83,946	1,401	13,239
Transfers out	(75,686)	(147,392)	(83,946)	(1,401)	(13,239)
Payment to refunded bond escrow agent					
Total other financing sources (uses)		120,887			
<b>Changes in fund balances</b>	\$ (482,644)	\$ 73,151	\$ 132,041	\$ (460,874)	\$ (405,076)

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 5,873,082	\$ 6,836,302	\$ 6,819,557	\$ 6,406,594	\$ 6,526,463
Agricultural and Vacant	7,301,415	9,857,861	10,014,887	10,173,210	10,227,163
Residential (Owner Occupied)	19,742,532	18,963,684	18,279,504	17,346,456	18,420,402
Residential (Rental)	54,748,041	53,173,263	49,915,296	47,760,759	43,046,135
Railroad, Private Cars and Airlines					
Historical Property					
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 87,665,070</b>	<b>\$ 88,831,110</b>	<b>\$ 85,029,244</b>	<b>\$ 81,687,019</b>	<b>\$ 78,220,163</b>
Gross Full Cash Value	\$ 945,120,153	\$ 946,589,903	\$ 884,628,739	\$ 833,286,643	\$ 797,141,209
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	9%	10%	10%	10%
Total Direct Rate	4.39	4.40	4.61	4.66	4.70

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 6,568,082	\$ 7,024,461	\$ 7,777,306	\$ 8,889,175	\$ 9,016,103
Agricultural and Vacant	11,186,427	11,817,457	12,605,493	15,132,992	16,695,519
Residential (Owner Occupied)	17,683,253	18,707,289	20,740,997	26,208,908	76,229,478
Residential (Rental)	40,859,621	39,922,276	42,861,671	44,870,482	1,586,782
Railroad, Private Cars and Airlines					
Historical Property					
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 76,297,383</b>	<b>\$ 77,471,483</b>	<b>\$ 83,985,467</b>	<b>\$ 95,101,557</b>	<b>\$ 103,527,882</b>
Gross Full Cash Value	\$ 724,762,668	\$ 730,568,425	\$ 788,888,670	\$ 883,406,082	\$ 973,588,972
Ratio of Net Limited Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Total Direct Rate	4.50	4.74	4.51	3.75	3.46

**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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS**  
**LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 6,300,997	\$ 7,042,400	\$ 6,922,379	\$ 6,523,565	\$ 6,628,136
Agricultural and Vacant	8,117,312	10,398,719	10,856,029	10,839,131	10,988,531
Residential (Owner Occupied)	22,263,631	20,496,552	19,083,892	18,424,265	19,474,295
Residential (Rental)	61,243,920	57,517,119	52,272,065	50,661,186	45,866,470
Railroad, Private Cars and Airlines					
Historical Property					
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 97,925,860</b>	<b>\$ 95,454,790</b>	<b>\$ 89,134,365</b>	<b>\$ 86,448,147</b>	<b>\$ 82,957,432</b>
Gross Full Cash Value	\$ 945,120,153	\$ 946,589,903	\$ 884,628,739	\$ 833,286,643	\$ 797,141,209
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	917,273,310	868,207,706	803,691,943	787,431,523	751,741,341
Total Direct Rate	4.39	4.40	4.61	4.66	4.70

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 6,580,462	\$ 7,032,843	\$ 7,782,964	\$ 8,897,026	\$ 9,053,785
Agricultural and Vacant	11,234,780	11,840,875	12,663,358	15,291,206	18,245,580
Residential (Owner Occupied)	17,711,128	18,717,451	20,753,212	26,248,399	76,614,851
Residential (Rental)	40,916,878	39,950,142	42,875,088	44,905,464	1,597,581
Railroad, Private Cars and Airlines					
Historical Property					
Certain Government Property Improvements					
<b>Total</b>	<b>\$ 76,443,248</b>	<b>\$ 77,541,311</b>	<b>\$ 84,074,622</b>	<b>\$ 95,342,095</b>	<b>\$ 105,511,797</b>
Gross Full Cash Value	\$ 724,762,668	\$ 730,568,425	\$ 788,888,670	\$ 883,406,082	\$ 973,588,972
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	677,711,897	683,864,905	741,266,642	837,641,160	915,484,222
Total Direct Rate	4.50	4.74	4.51	3.75	3.46

**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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**PROPERTY TAX ASSESSMENT RATIOS**  
**LAST TEN FISCAL YEARS**

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

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

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Heber- Overgaard FD	Primary	Secondary	Total
	2021	0.44	0.87	0.10	0.26	1.78	0.10	1.62	3.52	0.87
2020	0.44	0.87	0.10	0.26	1.78	0.10	2.36	3.53	0.87	4.40
2019	0.47	0.90	0.10	0.28	1.82	0.10	1.81	3.63	0.98	4.61
2018	0.49	0.89	0.10	0.28	1.81	0.10	1.86	3.64	1.02	4.66
2017	0.50	0.85	0.10	0.29	1.79	0.10	1.85	3.63	1.07	4.70
2016	0.05	0.84	0.10	0.30	1.74	0.10	1.81	3.58	0.92	4.50
2015	0.51	0.82	0.10	0.30	1.66	0.10	1.81	3.67	1.07	4.74
2014	0.51	0.70	0.07	0.30	1.48	0.10	1.60	3.50	1.00	4.51
2013	0.47	0.64	0.05	0.30	1.35	0.10	1.59	2.90	0.85	3.75
2012	0.43	0.60	0.05	0.30	1.24	0.10	1.57	2.69	0.77	3.46

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<b>Taxpayer</b>	<b>2021</b>		<b>2012</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>
Navapache Electric Co-Op Inc.	\$ 1,100,407	1.26 %	\$ 4,155,763	4.01 %
Arizona Public Service Company	763,413	0.87	4,395,012	4.25
Arizona Water Company	593,479	0.68	3,025,913	2.92
Citizens of Telecomm of White Mtns	371,918	0.42	2,566,007	2.48
NZ Legacy Ranch	308,963	0.35	2,561,354	2.47
Ace Hardware of Overgaard LLC	225,022	0.26	1,365,141	1.32
Vedant LLC	205,891	0.23	1,088,282	1.05
Trendwest Resorts Inc	153,262	0.17	2,089,340	2.02
Salt River Project	554,168	0.63	-	-
Canyon Rim Vista LLC	142,840	0.16	2,530,865	2.44
Total	<u>\$ 4,419,363</u>	<u>5.03 %</u>	<u>\$ 23,777,677</u>	<u>22.96 %</u>

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Taxes Levied for the Fiscal Year</b>	<b>Collected within the Fiscal Year of the Levy</b>		<b>Collections in Subsequent Fiscal Years</b>	<b>Collected to the End of the Current Fiscal Year</b>	
		<b>Amount</b>	<b>Percentage of Levy</b>		<b>Amount</b>	<b>Percentage of Levy</b>
2021	\$ 3,663,805	\$ 3,565,180	97.31 %	\$	\$ 3,565,180	97.31 %
2020	3,701,175	3,587,673	96.93	108,278	3,695,951	99.86
2019	3,597,330	3,485,324	96.89	106,781	3,592,105	99.85
2018	3,594,947	3,414,825	94.99	177,561	3,592,386	99.93
2017	3,350,608	3,240,130	96.70	108,547	3,348,677	99.94
2016	3,150,449	3,026,940	96.08	123,509	3,150,449	100.00
2015	3,344,947	3,216,655	96.16	127,713	3,344,368	99.98
2014	3,475,742	3,335,217	95.96	140,203	3,475,420	99.99
2013	3,277,006	3,142,322	95.89	134,435	3,276,757	99.99
2012	2,775,945	2,647,385	95.37	128,349	2,775,734	99.99

**Source:** The source of this information is the 2019 Navajo 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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income	
2021	\$ 5,131,692	\$ 164,769	\$ 4,966,923	0.53 %	\$ 1,176	\$	\$ 5,131,692	0.54 %	\$ 1,215	N/A %	
2020	5,746,934	152,330	5,594,604	0.59	1,330	76,111	5,823,045	0.62	1,384	0.16	
2019	6,332,176	109,340	6,222,836	0.70	1,499	148,597	6,480,773	0.73	1,562	0.18	
2018	6,932,418	98,323	6,834,095	0.82	2,422	217,597	7,150,015	0.86	2,534	0.22	
2017	7,527,888	61,942	7,465,946	0.94	2,646	308,901	7,836,789	0.98	2,777	0.25	
2016	7,571,486	51,054	7,520,432	1.04	2,665	396,283	7,967,769	1.10	2,823	0.25	
2015	8,036,600	193,123	7,843,477	1.07	2,779	74,887	8,111,487	1.11	2,874	0.27	
2014	8,486,714	58,532	8,428,182	1.07	3,122		8,486,714	1.08	3,143	0.30	
2013	9,185,000	57,680	9,127,320	1.03	3,042		9,185,000	1.04	3,062	0.50	
2012	9,590,000	89,095	9,500,905	0.98	3,367		9,590,000	0.99	3,398	0.36	

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
JUNE 30, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Navajo County	\$ 107,401,534	9.92 %	\$ 10,654,232
Subtotal, Overlapping Debt			<u>10,654,232</u>
Direct:			
Heber-Overgaard Unified School District No. 6			<u>5,131,692</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 15,785,924</u>

**DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS**

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		5.67 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 3,697	
As a Percentage of Net Limited Assessed Valuation		17.82 %
As a Percentage of Gross Full Cash Value		1.65 %

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

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

Net full cash assessed valuation	\$ 97,925,860
Debt limit (20% of assessed value)	19,585,172
Debt applicable to limit	<u>5,103,641</u>
Legal debt margin	<u><u>\$ 14,481,531</u></u>

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

Net full cash assessed valuation	\$ 97,925,860
Debt limit (30% of assessed value)	29,377,758
Debt applicable to limit	<u>5,103,641</u>
Legal debt margin	<u><u>\$ 24,274,117</u></u>

**Fiscal Year Ended June 30**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 29,377,758	\$ 28,636,437	\$ 26,740,310	\$ 25,934,444	\$ 24,887,230
Total net debt applicable to limit	<u>5,103,641</u>	<u>5,653,340</u>	<u>6,318,805</u>	<u>7,071,891</u>	<u>6,771,421</u>
Legal debt margin	<u><u>\$ 24,274,117</u></u>	<u><u>\$ 22,983,097</u></u>	<u><u>\$ 20,421,505</u></u>	<u><u>\$ 18,862,553</u></u>	<u><u>\$ 18,115,809</u></u>
Total net debt applicable to the limit as a percentage of debt limit	17%	20%	24%	27%	27%

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 22,932,974	\$ 23,262,393	\$ 25,222,387	\$ 28,602,629	\$ 31,653,539
Total net debt applicable to limit	<u>7,440,000</u>	<u>7,895,000</u>	<u>8,335,000</u>	<u>9,185,000</u>	<u>9,590,000</u>
Legal debt margin	<u><u>\$ 15,492,974</u></u>	<u><u>\$ 15,367,393</u></u>	<u><u>\$ 16,887,387</u></u>	<u><u>\$ 19,417,629</u></u>	<u><u>\$ 22,063,539</u></u>
Total net debt applicable to the limit as a percentage of debt limit	32%	34%	33%	32%	30%

**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.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2020	113,276	\$ 3,690,208	\$ 33,268	9.9 %	4,225
2019	112,825	3,552,491	32,165	7.0	4,207
2018	112,746	3,626,475	30,865	6.1	4,150
2017	111,266	3,235,693	29,408	7.6	2,822
2016	110,413	3,154,284	29,132	8.1	2,822
2015	109,671	3,194,396	29,132	10.2	2,822
2014	108,101	2,965,679	27,434	11.3	2,822
2013	107,332	2,826,523	26,393	13.0	2,700
2012	107,226	1,821,026	17,004	16.0	3,000
2011	107,449	2,634,137	23,316	15.7	2,822

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Navapache Regional Medical	1,214	4.56 %	922	3.48 %
State of Arizona	653	2.45	673	2.54
Navajo County	614	2.31	640	2.42
Walmart	515	1.94	550	2.08
Hondah Casino	319	1.20	422	1.59
Cholla Power Plant	278	1.05	300	1.13
Northland Pioneer College	129	0.48	209	0.79
Cellular One	183	0.69	184	0.69
PFFJ, Inc.	123	0.46	-	-
Novo Biopower	40	0.15	-	-
Catalyst		-	270	1.02
Smithfield		-	156	0.59
Safeway		-	130	0.49
Navaphache Electric		-	107	0.40
Heber-Overgaard USD		-	130	0.49
Bulington Northern Santa Fe Rail		-	50	0.19
US Forest Service		-	75	0.28
Total	<u>4,068</u>	<u>15.29 %</u>	<u>4,818</u>	<u>18.18 %</u>
Total employment	<u>26,602</u>		<u>26,491</u>	

**Source:** The source of this information is in the District's records and the University of Arizona, Eller College of Management, Economic and Business Research Center.

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
**LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees as of June 30</b>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Supervisory</b>					
Superintendent	1	1	1	1	1
Principals	2	2	2	2	2
Total supervisory	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
<b>Instruction</b>					
Teachers	31	31	31	30	31
Other professionals (instructional)			1		
Aides	12	14	11	10	7
Total instruction	<u>43</u>	<u>45</u>	<u>43</u>	<u>40</u>	<u>38</u>
<b>Student Services</b>					
Library aides	3	3	2	3	3
Counselors/Advisors	1	1	1	1	1
Technicians	1	1	1	1	1
Total student services	<u>5</u>	<u>5</u>	<u>4</u>	<u>5</u>	<u>5</u>
<b>Support and Administration</b>					
Clerical workers	7	7	7	5	6
Maintenance workers	3	3	3	3	3
Bus Drivers	8	6	6	8	6
Other classified	9	12	7	8	6
Total support and administration	<u>27</u>	<u>28</u>	<u>23</u>	<u>24</u>	<u>21</u>
<b>Total</b>	<u><u>78</u></u>	<u><u>81</u></u>	<u><u>73</u></u>	<u><u>72</u></u>	<u><u>67</u></u>

(Continued)

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE  
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b>Supervisory</b>					
Superintendent	1	1	1	1	1
Principals	1	2	2	2	2
Total supervisory	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
<b>Instruction</b>					
Teachers	31	31	30	31	31
Other professionals (instructional)					
Aides	9	9	11	11	14
Total instruction	<u>40</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>45</u>
<b>Student Services</b>					
Library aides	5	3	3	3	3
Counselors/Advisors	1	1	2	2	2
Technicians	1	2	2	2	2
Total student services	<u>7</u>	<u>6</u>	<u>7</u>	<u>7</u>	<u>7</u>
<b>Support and Administration</b>					
Clerical workers	6	6	6	6	7
Maintenance workers	3	3			
Bus Drivers	6	6			
Other classified	6	6	15	13	18
Total support and administration	<u>21</u>	<u>21</u>	<u>21</u>	<u>19</u>	<u>25</u>
<b>Total</b>	<u><u>70</u></u>	<u><u>70</u></u>	<u><u>72</u></u>	<u><u>71</u></u>	<u><u>80</u></u>

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

**(Concluded)**

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

<b>Fiscal Year Ended June 30</b>	<b>Average Daily Membership</b>	<b>Operating Expenditures</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Expenses</b>	<b>Cost per Pupil</b>	<b>Percentage Change</b>	<b>Teaching Staff</b>	<b>Pupil-Teacher Ratio</b>	<b>Percentage of Free/Reduced Students</b>
2021	432	\$ 5,227,470	\$ 12,101	(9.58) %	\$ 6,328,281	\$ 14,649	(9.17) %	31	13.9	47.7 %
2020	450	6,022,468	13,383	25.16	7,257,771	16,128	33.64	31	14.5	46.8
2019	478	5,111,274	10,693	6.92	5,768,637	12,068	4.97	31	15.4	51.0
2018	476	4,760,417	10,001	5.71	5,472,362	11,497	2.30	30	15.9	48.6
2017	456	4,314,093	9,461	(6.67)	5,124,517	11,238	(7.27)	31	14.7	47.0
2016	439	4,450,059	10,137	(1.82)	5,320,485	12,120	(3.21)	31	14.2	56.0
2015	426	4,398,316	10,325	10.74	5,334,052	12,521	10.78	31	13.7	58.0
2014	454	4,232,745	9,323	(2.44)	5,131,674	11,303	(4.34)	30	15.1	59.0
2013	469	4,481,801	9,556	3.24	5,541,738	11,816	3.39	31	15.1	64.3
2012	484	4,480,161	9,257	0.42	5,531,249	11,428	(5.82)	31	15.6	62.4

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

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

**HEBER-OVERGAARD UNIFIED SCHOOL DISTRICT NO. 6**  
**CAPITAL ASSETS INFORMATION**  
**LAST TEN FISCAL YEARS**

	<u>Fiscal Year Ended June 30</u>									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<b><u>Schools</u></b>										
<b><u>Elementary</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	41,398	41,398	41,398	41,398	41,398	41,398	41,398	41,398	41,398	41,398
Capacity	438	438	438	438	438	438	438	438	438	438
Enrollment	143	133	160	154	150	150	150	154	154	154
<b><u>Middle</u></b>										
Buildings	4	4	4	4	4	4	4	4	4	4
Square feet	52,251	52,251	52,251	52,251	52,251	52,251	52,251	52,251	52,251	52,251
Capacity	486	486	486	486	486	486	486	486	486	486
Enrollment	117	120	124	132	109	109	114	116	116	116
<b><u>High</u></b>										
Buildings	6	6	6	6	6	6	6	6	6	6
Square feet	62,179	62,179	62,179	62,179	62,179	62,179	62,179	62,179	62,179	62,719
Capacity	430	430	430	430	430	430	430	430	430	430
Enrollment	127	211	214	216	203	203	191	222	222	222
<b><u>Other</u></b>										
Buildings	5	5	5	5	4	4	4	4	4	4
Square feet	3,984	3,984	3,984	3,984	3,344	3,344	3,344	3,344	3,344	3,344
<b><u>Administrative</u></b>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	1,866	1,866	1,866	1,866	1,866	1,866	1,866	1,866	1,866	1,866
<b><u>Transportation</u></b>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	12	10	10	10	9	14	14	14	14	14
<b><u>Athletics</u></b>										
Football fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1			
Baseball/softball	2	2	1	1	1	1	1			
Playgrounds	2	2	2	2	2	2	2	2	2	2

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