
CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



A 21ST CENTURY LEARNING COMMUNITY

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

TUCSON, ARIZONA

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

Issued by:
Business and Finance Department

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INTRODUCTORY SECTION

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Catalina Foothills Unified School District #16
2101 E. River Road, Tucson, AZ 85718
(520) 209-7500 (520) 209-7570 FAX www.cfsd16.org

A 21st CENTURY LEARNING COMMUNITY

December 14, 2021

Citizens and Governing Board
Catalina Foothills Unified School District No. 16
2101 East River Road
Tucson, Arizona 85718-6597

State law mandates that school districts are required to undergo an annual single audit and 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 of America 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 Catalina Foothills Unified School District No. 16 (District) for the fiscal year that 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, were 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in a separately issued Single Audit Reporting Package.

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

PROFILE OF THE DISTRICT

The District is one of several public school districts located in Pima County, Arizona. It provides a high quality public education for its students in pre-kindergarten through grade twelve including academic and extracurricular programs, services such as student transportation and a school lunch program, and the construction and maintenance of District campuses/facilities with a student enrollment of 4,811 students in state funded K-12 programs for the 2020-21 school year. The District has an enrollment of 336 students for half day kindergarten and preschool tuition-based programs. The average age of the District facilities/school buildings is 30 years. The District has ten building sites.

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, defining the strategic direction of the organization on behalf of its students' learning, establishing the full array of academic programs, acquiring and maintaining school property, determining the overall organizational or operational structure of its schools, and deciding how financial resources will be allocated within an appropriate accounting system, including budgetary controls. 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 to those organizational entities for which its elected governing board is financially accountable. The District's major operations include all academic programs, student transportation, construction and maintenance of District facilities, food services, and extracurricular activities.

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The District is located in the northern portion of the greater metropolitan Tucson area, running parallel to the Santa Catalina Mountains. It is primarily a residential community encompassing approximately 25 square miles. The quality of its schools and the natural desert-mountain environment make the community one of the most desirable in the area.

The District contains the highest median value for both residential and commercial property in the Tucson metropolitan area. The economy of the District is primarily based on tourism with world-class resorts located within its boundaries. The tourism economy is supplemented by a number of small to medium-sized shopping centers, restaurants, etc. A large, regional upscale shopping center exists in the central part of the District.

During 2020-21, the primary and secondary assessed valuation of the property in the District increased as a result of the economic improvement and increased real estate values.

Long-term Financial Planning. The District's average daily membership decreased to 4,874 in 2020-21 from the previous year's 5,044 (2019-20). The District expects to increase enrollment and projects an enrollment of approximately 5,353 in 2021-22. Some of the reasons the District is attractive to residents and non-residents are the following:

1. *Academic Performance*

The Catalina Foothills School District has been labeled as an "Excelling" or "A" district based on its Academic Achievement Profile or the A-F Letter Grade Accountability System since 2014, at which time the letter grades for districts and schools were temporarily discontinued. Since the A-F Letter Grade Accountability System resumed in 2016, all of the District's schools have been labeled as "A" (Excellent) or "B" (Highly Performing). Due to school closures resulting from COVID-19, the Letter Grades from the 2018-2019 school year were carried over to the 2019-2020 school year. Letter Grades were not assigned for the 2020-2021 school year.

For five consecutive years the District had the highest AzMERIT passing rates for all K-12 unified school districts in the state. Due to the pandemic, AzMERIT testing was suspended in spring 2020. Ninety percent (90%) of Catalina Foothills' students continue their formal education after high school graduation.

Ninety-four percent (94%) of students graduate from high school within four years.

2. *Maintenance & Operations Overrides*

District voters have reauthorized the District's maintenance and operations budget override for K-12 since the mid-1980s. The most recent reauthorization was 2018. These override dollars help maintain comprehensive academic K-12 programs for students.

3. *Capital Overrides*

Local voters approved a capital override for \$2,000,000 in 2008 and reauthorized the override on November 3, 2015, for an additional seven years. The \$2.0 million annual override pays for classroom technology, and curriculum related equipment, digital tools, software licenses, and library resources for all students, educators, and families.

Standard technology tools/equipment (laptops, iPads, Chromebooks, Diversiboards, projectors, document, and video cameras) and curriculum-related digital tools and subscriptions (e.g., GarageBand, iMovie, Notebook, Microsoft Word, Excel, PowerPoint, Pages, Numbers, Keynote, Google Workspace, Destiny, Discovery Experience, Nearpod) are identified, renewed, and/or updated to support student learning and proficiency in the academic and technology standards. Additional technological equipment and resources were purchased to support distance/remote learning during school closures resulting from the COVID-19 pandemic.

4. *Grants*

In 2020-21, the District was awarded \$5,091,871 in federal and state grants, received \$131,100 from the Catalina Foothills Unified School District Foundation, and received \$2,682,007 in revenues from Classroom Site Funds that primarily supported teacher salaries including performance pay. Grant funds received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan (ESSER I, II, III) were used to support students' academic and social, and emotional needs, and implement prevention and mitigation strategies in order to continuously and safely operate schools for in-person learning during the COVID-19 pandemic.

5. *Bonds*

On November 3, 2015, District voters approved a \$22,000,000 bond expenditure that will underwrite approximately 150 facility/equipment projects scheduled for a five-year period (2016-21). The District sold the first bond issuance of \$7,500,000 in April 2016. The District also sold \$7,360,000 of refunding bonds in April 2016. The second issuance of \$9,185,000 (plus a net premium applied of \$515,000) sold in April 2018. The third issuance of \$4,395,000 (plus a net premium applied of \$405,000) sold in April 2020. The District sold \$3,840,000 of refunding bonds in April 2020, and \$2,800,000 in May 2021.

AWARDS AND ACKNOWLEDGMENTS

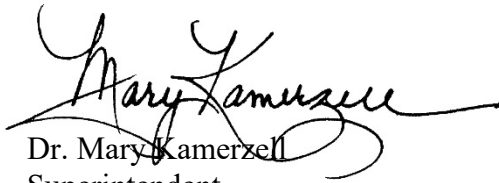
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the thirty-third consecutive year the District has received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

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

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



Dr. Mary Kamerzell
Superintendent



Lisa Taetle
Director of Finance



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

**Catalina Foothills
School District No.16**

**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

**Catalina Foothills Unified School District No. 16
Arizona**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Catalina Foothills School District
Tucson, Arizona
ORGANIZATIONAL CHART
2020-2021

**ASSOCIATE
SUPERINTENDENT**

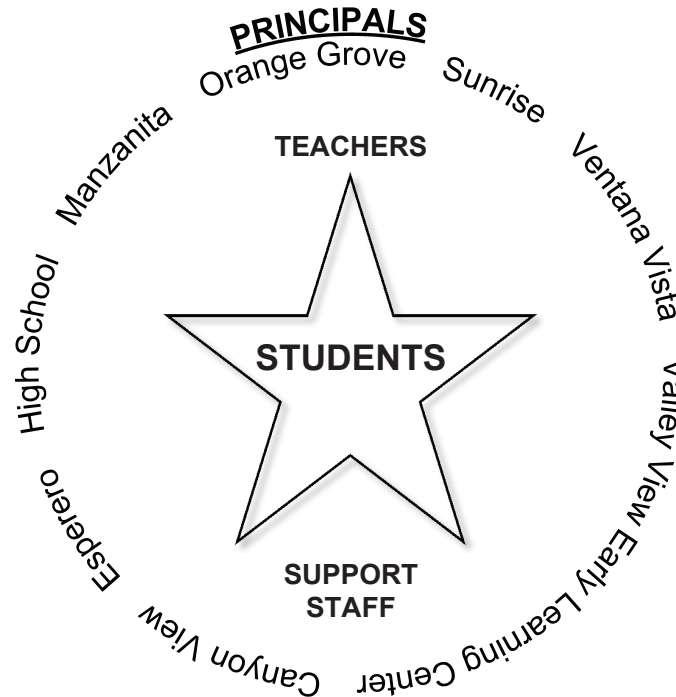
- Curriculum
- Assessment
- Technology
- Professional Development
- Federal Grants
- Gifted Education

**ASSISTANT
SUPERINTENDENT**

- Human Resources
- Professional Development
- Community Schools
- Support Services
Read Strong (Title I)
Student Discipline

DIRECTOR OF FACILITIES

- Construction
- Maintenance
- Transportation



**DIRECTOR OF
SPECIAL SERVICES**

- **Direct Services**
PreK-12 special education
- **Related Services**
Speech/language, occupational therapy, physical therapy, vision, school psychology
- **Nursing/Health**
- **English Language Development (ELD)**

DIRECTOR OF FINANCE

- **Business Services**
Budgeting, accounting, purchasing, payables, payroll, insurances, food services

SUPERINTENDENT OF SCHOOLS

GOVERNING BOARD

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Amy Krauss, President

Carole Siegler, Vice President

Amy Bhola, Member

Eileen Jackson, Member

Doug Hadley, Member

ADMINISTRATIVE STAFF

Dr. Mary Kamerzell, Superintendent

Dr. Mary Jo Conery, Associate Superintendent

Dr. Denise Bartlett, Assistant Superintendent

Lisa Taetle, Director of Finance

Sandra Thompson, Controller

Dr. Erin Matyjasik, Director of Special Services

FINANCIAL SECTION

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Independent Auditor's Report

Governing Board
Catalina Foothills Unified School District No. 16

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 Catalina Foothills Unified School District No. 16 (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 Catalina Foothills Unified School District No. 16, 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 Catalina Foothills Unified School District No. 16 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Financial Statements and Schedules information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on other work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2021, on our consideration of Catalina Foothills Unified School District No. 16'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 Catalina Foothills Unified School District No. 16'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 Catalina Foothills Unified School District No. 16's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.

Tucson, Arizona

December 14, 2021

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

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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

As management of the Catalina Foothills Unified School District No. 16 (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 \$1.2 million which represents a less than four percent increase from the prior fiscal year.
- General revenues accounted for \$44.4 million in revenue, or 82 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$9.8 million or 18 percent of total current fiscal year revenues.
- The District had approximately \$53.0 million in expenses related to governmental activities, a decrease of two percent from the prior fiscal year.
- Among major funds, the General Fund had \$34.7 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$34.5 million in expenditures. The General Fund's fund balance increased from \$9.6 million at the prior fiscal year end, to \$9.9 million at the end of the current fiscal year.
- The Unrestricted Capital Outlay Fund's fund balance increased from \$8.6 million in the prior year to \$8.7 million at the end of the current fiscal year.
- The Bond Building Fund's fund balance decreased from \$3.2 million in the prior year to \$1.0 million at the end of the current fiscal year primarily due to the utilization of bond proceeds received in the prior 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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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, Unrestricted Capital Outlay, and Bond Building Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$35.6 million at the current fiscal year end.

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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	\$ 30,909,151	\$ 31,271,969
Capital assets, net	78,978,065	80,005,919
Total assets	<u>109,887,216</u>	<u>111,277,888</u>
Deferred outflows	<u>7,640,789</u>	<u>4,776,334</u>
Current liabilities	3,741,384	3,849,807
Long-term liabilities	77,735,675	75,552,866
Total liabilities	<u>81,477,059</u>	<u>79,402,673</u>
Deferred inflows	<u>407,474</u>	<u>2,216,138</u>
Net position:		
Net investment in capital assets	45,076,637	45,103,807
Restricted	15,676,919	14,072,235
Unrestricted	<u>(25,110,084)</u>	<u>(24,740,631)</u>
Total net position	<u>\$ 35,643,472</u>	<u>\$ 34,435,411</u>

At the end of the current fiscal year, the District reported a negative unrestricted net position of \$25.1 million as a result of an unfunded pension liability. Positive net position was reported in the other two categories. The same situation held true for the prior 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 issuance of \$2.8 million in bonds and \$130,736 of bond premium.
- The principal retirement of \$5.8 million of bonds and \$367,559 of bond premium.
- The principal retirement of \$653,578 in capital lease obligations.
- The increase of \$6.1 million in pension liabilities.
- The addition of \$2.3 million in capital assets through school improvements and purchases of vehicles, furniture, and equipment.
- The depreciation of \$3.3 million of capital assets.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

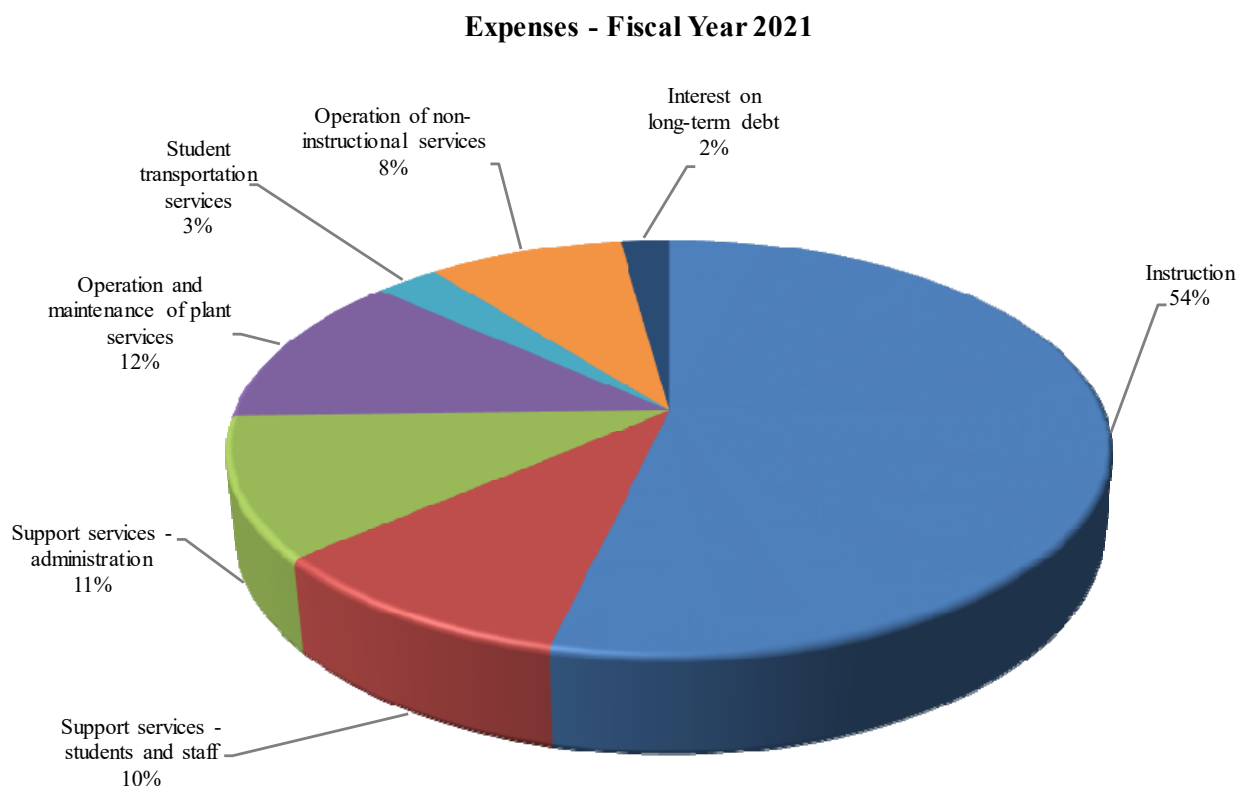
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$54.2 million. The total cost of all programs and services was \$53.0 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Revenues:		
Program revenues:		
Charges for services	\$ 3,661,890	\$ 6,158,870
Operating grants and contributions	5,929,720	3,716,977
Capital grants and contributions	224,759	85,151
General revenues:		
Property taxes	29,334,733	28,065,889
Investment income	158,240	422,322
Unrestricted county aid	565,002	552,059
Unrestricted state aid	14,357,439	15,078,716
Total revenues	<u>54,231,783</u>	<u>54,079,984</u>
Expenses:		
Instruction	28,431,299	26,370,783
Support services - students and staff	5,351,967	6,211,089
Support services - administration	5,757,680	5,631,434
Operation and maintenance of plant services	6,380,374	5,854,957
Student transportation services	1,482,261	1,744,651
Operation of non-instructional services	4,510,934	6,919,856
Interest on long-term debt	1,109,207	1,158,717
Total expenses	<u>53,023,722</u>	<u>53,891,487</u>
Changes in net position	1,208,061	188,497
Net position, beginning, as restated	34,435,411	34,246,914
Net position, ending	<u><u>\$ 35,643,472</u></u>	<u><u>\$ 34,435,411</u></u>

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- The decrease of \$2.5 million in charges for services was primarily due to fewer CARE and Enrichment programs, resulting from the COVID-19 pandemic.
- The increase of \$2.2 million in operating grants and contributions was due to COVID related grants received by school districts.
- The increase of \$2.1 million in instructional expenses related to teacher salary increases and increased employee benefits costs.
- The decrease of \$2.4 million in operation of non-instructional services expenses related to fewer CARE and Enrichment programs, resulting from the COVID-19 pandemic.

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.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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 Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 28,431,299	\$ (25,526,011)	\$ 26,370,783	\$ (23,003,954)
Support services - students and staff	5,351,967	(4,334,182)	6,211,089	(4,549,705)
Support services - administration	5,757,680	(5,749,490)	5,631,434	(5,622,151)
Operation and maintenance of plant services	6,380,374	(4,357,399)	5,854,957	(5,511,304)
Student transportation services	1,482,261	(1,471,205)	1,744,651	(1,679,556)
Operation of non-instructional services	4,510,934	(659,859)	6,919,856	(2,472,430)
Interest on long-term debt	1,109,207	(1,109,207)	1,158,717	(1,091,389)
Total	<u>\$ 53,023,722</u>	<u>\$ (43,207,353)</u>	<u>\$ 53,891,487</u>	<u>\$ (43,930,489)</u>

- The cost of all governmental activities this year was \$53.0 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$9.8 million.
- Net cost of governmental activities of \$43.2 million was financed by general revenues, which are made up of primarily property taxes of \$29.3 million and state and county aid of \$14.9 million. Investment earnings accounted for \$158,240 of funding.

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 \$26.5 million, a decrease of \$289,294.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 37 percent of the total fund balance. The entire \$9.9 million of the General Fund's fund balance is unassigned.

The fund balance increased \$260,409 in the General Fund to \$9.9 million as of fiscal year end. General Fund revenues decreased \$487,407 and General Fund expenditures increased \$539,692.

The Unrestricted Capital Outlay Fund's fund balance increased \$131,504 to \$8.7 million. Unrestricted Capital Outlay Fund revenues increased \$278,902 and Unrestricted Capital Outlay Fund expenditures increased \$255,070.

The Bond Building Fund's fund balance decreased \$2.2 million to \$1.0 million at fiscal year-end due to the utilization of bond proceeds in prior year. The Bond Building Fund revenues decreased \$41,404 and expenditures decreased \$2.4 million due to fewer renovation projects.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$224,447 decrease, or less than one percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant favorable variance of \$1.8 million in instruction was a result of unexpected budget balance carryforward.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$128.0 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$2.2 million from the prior fiscal year, primarily due to continued building improvement projects. Total depreciation expense for the current fiscal year was \$3.3 million.

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

	As of June 30, 2021	As of June 30, 2020
Capital assets - non-depreciable	\$ 4,242,931	\$ 4,991,988
Capital assets - depreciable, net	74,735,134	75,013,931
Total	<u>\$ 78,978,065</u>	<u>\$ 80,005,919</u>

The estimated cost to complete current construction projects is \$1.6 million.

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

Debt Administration. At year end, the District had \$35.7 million in long-term debt outstanding, \$3.8 million due within one year. Long-term debt decreased by \$3.9 million.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 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 \$205.7 million and the Class B debt limit is \$137.1 million, which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 7 through 9.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

- Fiscal year 2020-21 budget balance carry forward (estimated \$2,801,150).
- District student population (estimated 4,885).

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 six percent to \$37.4 million in fiscal year 2021-22. Increased payroll and employee benefit costs is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2021-22 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Catalina Foothills Unified School District No. 16, 2101 East River Road, Tucson, Arizona 85718-6597.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 26,188,362
Property taxes receivable	854,066
Accounts receivable	48,973
Due from governmental entities	3,817,750
Total current assets	<u>30,909,151</u>
Noncurrent assets:	
Capital assets not being depreciated	4,242,931
Capital assets, net of accumulated depreciation	74,735,134
Total noncurrent assets	<u>78,978,065</u>
Total assets	<u><u>109,887,216</u></u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	145,583
Pension plan items	7,495,206
Total deferred outflows of resources	<u><u>7,640,789</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,406,586
Accrued payroll and employee benefits	2,334,798
Compensated absences payable	403,010
Obligations under capital leases	654,277
Bonds payable	3,190,000
Total current liabilities	<u>7,988,671</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	73,488,388
Total noncurrent liabilities	<u>73,488,388</u>
Total liabilities	<u><u>81,477,059</u></u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred charge on refunding	32,621
Pension plan items	374,853
Total deferred inflows of resources	<u><u>407,474</u></u>
<u>NET POSITION</u>	
Net investment in capital assets	45,076,637
Restricted for:	
Instruction	3,986,568
Food service	245,787
Non-instructional purposes	1,962,186
Debt service	680,935
Capital outlay	8,801,443
Unrestricted	(25,110,084)
Total net position	<u><u>\$ 35,643,472</u></u>

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 28,431,299	\$ 875,598	\$ 1,990,362	\$ 39,328	\$ (25,526,011)
Support services - students and staff	5,351,967	67,406	950,379		(4,334,182)
Support services - administration	5,757,680		8,190		(5,749,490)
Operation and maintenance of plant services	6,380,374	175,820	1,661,724	185,431	(4,357,399)
Student transportation services	1,482,261		11,056		(1,471,205)
Operation of non-instructional services	4,510,934	2,543,066	1,308,009		(659,859)
Interest on long-term debt	1,109,207				(1,109,207)
Total governmental activities	<u>\$ 53,023,722</u>	<u>\$ 3,661,890</u>	<u>\$ 5,929,720</u>	<u>\$ 224,759</u>	<u>(43,207,353)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	22,682,575
Property taxes, levied for debt service	4,449,598
Property taxes, levied for capital outlay	2,202,560
Investment income	158,240
Unrestricted county aid	565,002
Unrestricted state aid	14,357,439
Total general revenues	<u>44,415,414</u>

Changes in net position 1,208,061

Net position, beginning of year 34,435,411

Net position, end of year \$ 35,643,472

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

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FUND FINANCIAL STATEMENTS

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General</u>	<u>Unrestricted Capital Outlay</u>	<u>Bond Building</u>
<u>ASSETS</u>			
Cash and investments	\$ 9,188,804	\$ 8,527,344	\$ 1,459,934
Property taxes receivable	705,298	60,120	
Accounts receivable			
Due from governmental entities	3,020,968	174,471	
Due from other funds	194,326		
Total assets	<u><u>\$ 13,109,396</u></u>	<u><u>\$ 8,761,935</u></u>	<u><u>\$ 1,459,934</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 710,226	\$ 6,263	\$ 428,397
Due to other funds			
Accrued payroll and employee benefits	1,939,859		
Total liabilities	<u><u>2,650,085</u></u>	<u><u>6,263</u></u>	<u><u>428,397</u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	591,642	42,195	
Unavailable revenues - intergovernmental			
Total deferred inflows of resources	<u><u>591,642</u></u>	<u><u>42,195</u></u>	
Fund balances (deficits):			
Restricted		8,713,477	1,031,537
Unassigned	9,867,669		
Total fund balances	<u><u>9,867,669</u></u>	<u><u>8,713,477</u></u>	<u><u>1,031,537</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 13,109,396</u></u>	<u><u>\$ 8,761,935</u></u>	<u><u>\$ 1,459,934</u></u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 7,012,280	\$ 26,188,362
88,648	854,066
48,973	48,973
622,311	3,817,750
	194,326
<u>\$ 7,772,212</u>	<u>\$ 31,103,477</u>

\$ 261,700	\$ 1,406,586
194,326	194,326
394,939	2,334,798
<u>850,965</u>	<u>3,935,710</u>

67,664	701,501
1,876	1,876
<u>69,540</u>	<u>703,377</u>

6,853,583	16,598,597
(1,876)	9,865,793
<u>6,851,707</u>	<u>26,464,390</u>

<u>\$ 7,772,212</u>	<u>\$ 31,103,477</u>
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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total governmental fund balances **\$ 26,464,390**

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	\$ 128,045,155	
Less accumulated depreciation	<u>(49,067,090)</u>	78,978,065

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

Property taxes	701,501	
Intergovernmental	<u>1,876</u>	703,377

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. 112,962

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	7,495,206	
Deferred inflows of resources related to pensions	<u>(374,853)</u>	7,120,353

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

Compensated absences payable	(523,311)	
Obligations under capital leases	(674,834)	
Net pension liability	(41,521,273)	
Bonds payable	<u>(35,016,257)</u>	<u>(77,735,675)</u>

Net position of governmental activities **\$ 35,643,472**

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>Unrestricted Capital Outlay</u>	<u>Bond Building</u>
Revenues:			
Other local	\$ 1,108,097	\$ 93,749	\$ 5,113
Property taxes	22,648,197	2,176,098	
State aid and grants	10,851,923	606,898	
Federal aid, grants and reimbursements	90,655		
Total revenues	<u>34,698,872</u>	<u>2,876,745</u>	<u>5,113</u>
Expenditures:			
Current -			
Instruction	19,773,735		
Support services - students and staff	3,762,005		
Support services - administration	5,083,734		
Operation and maintenance of plant services	4,251,462		
Student transportation services	689,552		
Operation of non-instructional services	679,665		
Capital outlay	262,154	2,098,767	2,153,875
Debt service -			
Principal retirement		653,578	
Interest and fiscal charges		2,743	
Bond issuance costs			
Total expenditures	<u>34,502,307</u>	<u>2,755,088</u>	<u>2,153,875</u>
Excess (deficiency) of revenues over expenditures	<u>196,565</u>	<u>121,657</u>	<u>(2,148,762)</u>
Other financing sources (uses):			
Transfers in	82,708		
Transfers out			(5,104)
Capital lease agreements		38,084	
Issuance of refunding bonds			
Premium on sale of bonds			
Payment to refunded bond escrow agent			
Insurance recoveries	8,613		
Total other financing sources (uses)	<u>91,321</u>	<u>38,084</u>	<u>(5,104)</u>
Changes in fund balances	<u>287,886</u>	<u>159,741</u>	<u>(2,153,866)</u>
Fund balances, beginning of year	9,607,260	8,581,973	3,185,403
Increase (decrease) in reserve for prepaid items	(27,477)	(28,237)	
Fund balances, end of year	<u>\$ 9,867,669</u>	<u>\$ 8,713,477</u>	<u>\$ 1,031,537</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 3,724,070	\$ 4,931,029
4,447,671	29,271,966
3,980,339	15,439,160
4,440,251	4,530,906
<u>16,592,331</u>	<u>54,173,061</u>
5,132,089	24,905,824
1,206,011	4,968,016
15,050	5,098,784
1,900,039	6,151,501
13,038	702,590
2,020,559	2,700,224
413,843	4,928,639
3,045,000	3,698,578
1,320,320	1,323,063
50,855	50,855
<u>15,116,804</u>	<u>54,528,074</u>
<u>1,475,527</u>	<u>(355,013)</u>
5,104	87,812
(82,708)	(87,812)
	38,084
2,800,000	2,800,000
130,736	130,736
(2,856,000)	(2,856,000)
	8,613
<u>(2,868)</u>	<u>121,433</u>
<u>1,472,659</u>	<u>(233,580)</u>
5,379,048	26,753,684
	(55,714)
<u>\$ 6,851,707</u>	<u>\$ 26,464,390</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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 **\$ (233,580)**

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	\$ 2,293,000	
Less current year depreciation	<u>(3,320,854)</u>	(1,027,854)

Issuance of long-term debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Position.

Issuance of school improvement bonds	(2,930,736)	
Obligations under capital leases	<u>(38,084)</u>	(2,968,820)

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

Property taxes	62,767	
Intergovernmental	<u>(27,868)</u>	34,899

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	653,578	
Bond principal retirement	<u>5,845,000</u>	6,498,578

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	2,988,640	
Pension expense	<u>(4,325,924)</u>	(1,337,284)

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	(55,714)	
Deferred bond items on issuance of refunding debt	(32,621)	
Amortization of deferred bond items	302,477	
Compensated absences	<u>27,980</u>	<u>242,122</u>

Changes in net position in governmental activities **\$ 1,208,061**

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Catalina Foothills Unified School District No. 16 (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 financial activity 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.

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 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 in 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.

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 the 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.

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

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

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

E. Investment Income

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

F. Receivables and Payables

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real and personal property taxes on or before the third Monday in August, 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; and construction in progress, are reported in the government-wide financial statements.

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

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

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

Land improvements	5 – 20 years
Buildings and improvements	5 – 70 years
Vehicles, furniture and equipment	5 – 30 years

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Deferred Outflows/Inflows of Resources

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

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

K. Compensated Absences

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

L. Pensions

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

M. Long-term Obligations

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

N. Interfund Activity

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

O. Net Position Flow Assumption

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

P. Estimates

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

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 are legally or contractually required to be maintained intact.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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. 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. 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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	General Fund	Unrestricted Capital Outlay Fund	Bond Building Fund	Non-Major Governmental Funds
Restricted:				
Debt service	\$	\$	\$	\$ 613,271
Capital projects		8,713,477		45,771
Bond building projects			1,031,537	
Voter approved initiatives				712,340
Federal and state projects				2,082,293
Food service				245,787
Civic center				135,130
Community school				1,743,229
Extracurricular activities				452,901
Gifts and donations				441,672
Student activities				221,705
Other purposes				159,484
Unassigned	9,867,669			(1,876)
Total fund balances	<u>\$ 9,867,669</u>	<u>\$ 8,713,477</u>	<u>\$1,031,537</u>	<u>\$ 6,851,707</u>

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balances – At year end, the Other Federal Projects Fund, a non-major governmental fund, reported a deficit of \$1,876 in fund balance.

The deficit 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 deficit.

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 \$1.2 million, and the bank balance was \$1.8 million. At year end, \$1.2 million of the District's deposits were covered by collateral held by the pledging financial institution's trust department or agent but not in the District's name.

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

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

The State Treasurer's pools are external investment pools, the Local Government Investment Pool (Pool 5) and Local Government Investment Pool-Government (Pool 7), with no regulatory oversight. The pools as an investment company are not registered with the Securities and Exchange Commission. The activity and performance of the pools are reviewed monthly by the State Board of Investment. The fair value of each participant's position in the State Treasurer investment pools approximates the value of the participant's shares in the pool and the participants' shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	47 days	\$ 23,120,226
State Treasurer's investment pool 7	62 days	1,894,277
Total		<u>\$ 25,014,503</u>

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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. At 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. The State Treasurer's Local Government Investment Pool 7 was rated AAA by Moody's at year end.

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

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	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:			
Due from federal government	\$		\$ 295,369
Due from state government	3,003,307	\$ 173,451	255,246
Due from county government	17,661	1,020	
Due from other districts			71,696
Net due from governmental entities	<u>\$3,020,968</u>	<u>\$ 174,471</u>	<u>\$ 622,311</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 3,236,013	\$	\$	\$ 3,236,013
Construction in progress	1,755,975	1,680,366	2,429,423	1,006,918
Total capital assets, not being depreciated	4,991,988	1,680,366	2,429,423	4,242,931
Capital assets, being depreciated:				
Land improvements	10,028,129	1,137,736		11,165,865
Buildings and improvements	103,325,449	1,691,824		105,017,273
Vehicles, furniture and equipment	7,464,284	212,497	57,695	7,619,086
Total capital assets being depreciated	120,817,862	3,042,057	57,695	123,802,224
Less accumulated depreciation for:				
Land improvements	(7,010,516)	(426,056)		(7,436,572)
Buildings and improvements	(33,995,253)	(2,344,087)		(36,339,340)
Vehicles, furniture and equipment	(4,798,162)	(550,711)	(57,695)	(5,291,178)
Total accumulated depreciation	(45,803,931)	(3,320,854)	(57,695)	(49,067,090)
Total capital assets, being depreciated, net	75,013,931	(278,797)		74,735,134
Governmental activities capital assets, net	\$ 80,005,919	\$ 1,401,569	\$ 2,429,423	\$ 78,978,065

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,298,877
Support services – students and staff	7,038
Support services – administration	38,097
Operation and maintenance of plant services	17,864
Student transportation services	295,105
Operation of non-instructional services	1,663,873
Total depreciation expense – governmental activities	<u>\$ 3,320,854</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for the construction of building improvements. At year end, the District had spent \$1.0 million on the projects and had estimated remaining contractual commitments of \$1.6 million. These projects are being funded primarily with bond proceeds.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – OBLIGATIONS UNDER LEASES

Capital Leases – The District has acquired computers and a vehicle under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund are used to pay the capital lease obligations. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	<u>Governmental Activities</u>
Asset:	
Vehicles, furniture and equipment	\$ 38,084
Less: Accumulated depreciation	<u>9,521</u>
Total	<u><u>\$ 28,563</u></u>

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

Year Ending June 30:	<u>Governmental Activities</u>
2022	\$ 656,321
2023	11,157
2024	<u>11,157</u>
Total minimum lease payments	678,635
Less: amount representing interest	<u>3,801</u>
Present value of minimum lease payments	<u><u>\$ 674,834</u></u>
Due within one year	<u><u>\$ 654,277</u></u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – OBLIGATIONS UNDER LEASES

Operating Leases – The District leases copiers under the provisions of long-term lease agreements classified as operating leases for accounting purposes. Rental expenditures under the terms of the operating leases totaled \$200,412 for the current fiscal year. The operating leases have remaining noncancelable lease terms from one to three years and provide renewal options. The future minimum rental payments required under the operating leases at year end were as follows:

Year Ending June 30:		
	2022	\$ 186,215
	2023	184,700
	2024	15,392
Total minimum payments required		<u>\$ 386,307</u>

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. The District's legal debt limit is \$205.7 million, and the available margin is \$171.4 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2021	Due Within One Year
Governmental activities:					
General obligation bonds:					
School Improvement Bond, Projects of 2009, Series C	\$ 6,075,000	2.5-4.0%	7/1/22-27	\$ 5,500,000	\$ 450,000
School Improvement Bond, Projects of 2015, Series A	7,500,000	2.0-4.0%	7/1/22-32	7,150,000	175,000
Refunding Bonds, Series 2016	7,360,000	3.0%	7/1/22-22	700,000	700,000
School Improvement Bond, Projects of 2015, Series B	9,185,000	3.0-5.0%	7/1/22-35	8,995,000	125,000
School Improvement Bond, Projects of 2015, Series C	4,395,000	2.51-4.00%	7/1/22-35	4,195,000	275,000
Refunding Bonds, Series 2020	3,840,000	5.00%	7/1/22-25	3,840,000	925,000
Private placement general obligation bonds					
Refunding Bonds, Series 2021	2,800,000	2.66%	07/1/22-26	2,800,000	540,000
Total				<u>\$ 33,180,000</u>	<u>\$ 3,190,000</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE

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

Year ending June 30:	Governmental Activities			
	General Obligation Bonds		Private Placement General Obligation Bonds	
	Principal	Interest	Principal	Interest
2022	\$ 2,650,000	\$ 1,130,200	\$ 540,000	\$ 74,480
2023	2,225,000	1,033,450	630,000	60,116
2024	2,565,000	951,350	525,000	43,358
2025	2,705,000	860,800	490,000	29,393
2026	2,345,000	762,250	615,000	8,180
2027-31	11,575,000	2,448,402		
2032-35	6,315,000	579,950		
Total	<u>\$ 30,380,000</u>	<u>\$ 7,766,402</u>	<u>\$ 2,800,000</u>	<u>\$ 215,527</u>

Refunding Bonds – During the year ended June 30, 2021, the District issued \$2.8 million in refunding bonds, with an effective interest rate of 2.66 percent, to refund \$2.8 million of outstanding general obligation bonds, with an average interest rate of four percent. The net proceeds of \$2.9 million, which includes \$130,736 of bond premium, (after payment of \$50,855 in underwriting fees, insurance, and other issuance costs) were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded general obligation bonds. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The net carrying amount of the old debt exceeded the reacquisition by \$32,621. This amount is reported as deferred charges and amortized over the new debt's life. This refunding was undertaken to reduce total debt service payments over the next five years by \$175,129 and resulted in an economic gain of \$168,397.

Defeased Debt – In the current year, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$2.8 million of defeased bonds are still outstanding.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 35,275,000	\$	\$ 4,895,000	\$30,380,000	\$ 2,650,000
Private placement general obligation bonds	950,000	2,800,000	950,000	2,800,000	540,000
Premium	2,073,080	130,736	367,559	1,836,257	
Total bonds payable	38,298,080	2,930,736	6,212,559	35,016,257	3,190,000
Obligations under capital leases	1,290,328	38,804	653,578	674,834	654,277
Net pension liability	35,413,167	6,108,106		41,521,273	
Compensated absences payable	551,291	375,031	403,011	523,311	403,010
Governmental activity long-term liabilities	\$ 75,552,866	\$ 9,452,677	\$ 7,269,148	\$77,735,675	\$ 4,247,287

NOTE 10 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds – At year end, several non-major governmental funds had negative cash balances of \$194,326 in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers – Transfers between funds were used to (1) move investment income earned of \$5,104 in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund, a non-major governmental fund, (2) to move federal grant funds of \$35,466 restricted for indirect costs, and (3) to move cash balances of \$47,242 remaining in discontinued funds to the General Fund.

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – CONTINGENT LIABILITIES

Lawsuits – The District is a party to a number of various types of lawsuits, many of which normally occur in governmental operations. The ultimate outcome of the actions is not determinable; however, District management believes that the outcome of these proceedings, either individually or in the aggregate, will not have a materially adverse effect on the accompanying financial statements.

Arbitrage – Under the Tax Reform Act of 1986, interest earned on the debt proceeds in excess of interest expense or expenditure prior to the disbursement of the proceeds must be rebated to the Internal Revenue Service (IRS). Management believes there is no tax arbitrage rebate liability at year end.

NOTE 12 – RISK MANAGEMENT

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

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

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

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

The District continues to carry commercial insurance for employee dental coverage. Settled claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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.

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – PENSIONS

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 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 \$3.0 million.

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)
\$ 41,521,273	0.240	(0.004)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – PENSIONS

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2021 was \$4.3 million.

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	\$ 375,632	\$
Net difference between projected and actual earnings on pension investments	4,004,775	
Changes in proportion and differences between contributions and proportionate share of contributions	126,159	374,853
Contributions subsequent to the measurement date	2,988,640	
Total	<u>\$ 7,495,206</u>	<u>\$ 374,853</u>

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 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	\$	394,027
2023		1,050,460
2024		1,448,570
2025		1,238,656

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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:

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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	\$ 56,779,777	\$ 41,521,273	\$ 28,765,947

Contributions payable. The District's accrued payroll and employee benefits included \$275,245 of outstanding pension contribution amounts payable to ASRS for the year ended June 30, 2021.

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

REQUIRED SUPPLEMENTARY INFORMATION

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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Non-GAAP	Variance with
	Original	Final	Actual	Final Budget
				Positive
				(Negative)
Revenues:				
Other local	\$	\$	\$ 604,728	\$ 604,728
Property taxes			22,648,197	22,648,197
State aid and grants			10,851,923	10,851,923
Federal aid, grants and reimbursements			90,655	90,655
Total revenues			<u>34,195,503</u>	<u>34,195,503</u>
Expenditures:				
Current -				
Instruction	20,665,447	21,454,606	19,612,027	1,842,579
Support services - students and staff	4,295,780	4,188,843	3,718,062	470,781
Support services - administration	4,782,000	5,155,061	4,758,509	396,552
Operation and maintenance of plant services	4,404,030	3,879,609	4,186,082	(306,473)
Student transportation services	1,482,592	727,733	682,983	44,750
Operation of non-instructional services	25,000	24,550	625,049	(600,499)
Total expenditures	<u>35,654,849</u>	<u>35,430,402</u>	<u>33,582,712</u>	<u>1,847,690</u>
Changes in fund balances	<u>(35,654,849)</u>	<u>(35,430,402)</u>	<u>612,791</u>	<u>36,043,193</u>
Fund balances, beginning of year			7,406,074	7,406,074
Increase (decrease) in reserve for prepaid items			(27,477)	(27,477)
Fund balances (deficits), end of year	<u>\$ (35,654,849)</u>	<u>\$ (35,430,402)</u>	<u>\$ 7,991,388</u>	<u>\$ 43,421,790</u>

See accompanying notes to this schedule.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
District's proportion of the net pension (assets) liability	0.24%	0.24%	0.24%	0.23%
District's proportionate share of the net pension (assets) liability	\$ 41,521,273	\$ 35,413,167	\$ 33,555,233	\$ 35,855,999
District's covered payroll	\$ 25,891,441	\$ 25,272,862	\$ 23,648,431	\$ 21,777,403
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	160.37%	140.12%	141.89%	164.65%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 2,988,640	\$ 2,964,570	\$ 2,825,506	\$ 2,577,679
Contributions in relation to the actuarially determined contribution	<u>2,988,640</u>	<u>2,964,570</u>	<u>2,825,506</u>	<u>2,577,679</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 25,653,554	\$ 25,891,441	\$ 25,272,862	\$ 23,648,431
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%

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

See accompanying notes to this schedule.

<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2016	June 30, 2015	June 30, 2014
0.23%	0.24%	0.24%
\$ 37,200,173	\$ 36,700,116	\$ 34,326,151
\$ 21,404,498	\$ 21,673,838	\$ 20,890,131
173.80%	169.33%	164.32%
67.06%	68.35%	69.49%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 2,347,604	\$ 2,322,388	\$ 2,360,281
<u>2,347,604</u>	<u>2,322,388</u>	<u>2,360,281</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 21,777,403	\$ 21,404,498	\$ 21,673,838
10.78%	10.85%	10.89%

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 34,502,307	\$ 9,867,669
Activity budgeted as special revenue funds	(629,930)	(1,131,453)
Employee insurance account	<u>(289,665)</u>	<u>(744,828)</u>
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	<u>\$ 33,582,712</u>	<u>\$ 7,991,388</u>

NOTE 2 – PENSION PLAN SCHEDULES

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

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

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

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GOVERNMENTAL FUNDS

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>ASSETS</u>			
Cash and investments	\$ 6,374,222	\$ 592,287	\$ 45,771
Property taxes receivable		88,648	
Accounts receivable	48,973		
Due from governmental entities	613,039		9,272
Total assets	<u>\$ 7,036,234</u>	<u>\$ 680,935</u>	<u>\$ 55,043</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 252,428	\$	\$ 9,272
Due to other funds	194,326		
Accrued payroll and employee benefits	394,939		
Total liabilities	<u>841,693</u>		<u>9,272</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		67,664	
Unavailable revenues - intergovernmental	1,876		
Total deferred inflows of resources	<u>1,876</u>	<u>67,664</u>	
Fund balances (deficits):			
Restricted	6,194,541	613,271	45,771
Unassigned	(1,876)		
Total fund balances	<u>6,192,665</u>	<u>613,271</u>	<u>45,771</u>
Total liabilities, deferred inflows of resources			
and fund balances	<u>\$ 7,036,234</u>	<u>\$ 680,935</u>	<u>\$ 55,043</u>

Total Non-Major
Governmental
Funds

\$	7,012,280
	88,648
	48,973
	622,311
\$	<u>7,772,212</u>

\$	261,700
	194,326
	<u>394,939</u>
	<u>850,965</u>

	67,664
	<u>1,876</u>
	<u>69,540</u>

	6,853,583
	<u>(1,876)</u>
	<u>6,851,707</u>

\$	<u>7,772,212</u>
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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>Debt Service</u>	<u>Capital Projects</u>
Revenues:			
Other local	\$ 3,722,687	\$ 735	\$ 648
Property taxes		4,447,671	
State aid and grants	3,794,908		185,431
Federal aid, grants and reimbursements	4,440,251		
Total revenues	<u>11,957,846</u>	<u>4,448,406</u>	<u>186,079</u>
Expenditures:			
Current -			
Instruction	5,132,089		
Support services - students and staff	1,206,011		
Support services - administration	15,050		
Operation and maintenance of plant services	1,900,039		
Student transportation services	13,038		
Operation of non-instructional services	2,020,559		
Capital outlay	152,896		260,947
Debt service -			
Principal retirement		3,045,000	
Interest and fiscal charges		1,320,320	
Bond issuance costs		50,855	
Total expenditures	<u>10,439,682</u>	<u>4,416,175</u>	<u>260,947</u>
Excess (deficiency) of revenues over expenditures	<u>1,518,164</u>	<u>32,231</u>	<u>(74,868)</u>
Other financing sources (uses):			
Transfers in		5,104	
Transfers out	(35,466)		(47,242)
Issuance of refunding bonds		2,800,000	
Premium on sale of bonds		130,736	
Payment to refunded bond escrow agent		(2,856,000)	
Total other financing sources (uses)	<u>(35,466)</u>	<u>79,840</u>	<u>(47,242)</u>
Changes in fund balances	<u>1,482,698</u>	<u>112,071</u>	<u>(122,110)</u>
Fund balances, beginning of year	4,709,967	501,200	167,881
Fund balances, end of year	<u>\$ 6,192,665</u>	<u>\$ 613,271</u>	<u>\$ 45,771</u>

Total Non-Major
Governmental
Funds

\$	3,724,070
	4,447,671
	3,980,339
	4,440,251
	<u>16,592,331</u>

5,132,089
1,206,011
15,050
1,900,039
13,038
2,020,559
413,843

3,045,000
1,320,320
50,855

<u>15,116,804</u>

<u>1,475,527</u>

5,104
(82,708)
2,800,000
130,736
(2,856,000)
<u>(2,868)</u>

<u>1,472,659</u>

5,379,048

\$	<u>6,851,707</u>
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SPECIAL REVENUE FUNDS

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

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

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

English Language Learner - to account for monies received to provide for the incremental cost of instruction to English language learners.

Student Success - to account for student success monies.

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

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

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

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

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.

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.

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.

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.

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

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

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

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 753,288	\$ 130,605	\$ 28,293
Accounts receivable			
Due from governmental entities			
Total assets	<u>\$ 753,288</u>	<u>\$ 130,605</u>	<u>\$ 28,293</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits	155,974	15,579	
Total liabilities	<u>155,974</u>	<u>15,579</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	597,314	115,026	28,293
Unassigned			
Total fund balances	<u>597,314</u>	<u>115,026</u>	<u>28,293</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 753,288</u>	<u>\$ 130,605</u>	<u>\$ 28,293</u>

English Language Learner	Title I Grants	Professional Development and Technology Grants	Limited English & Immigrant Students	Special Education Grants	Vocational Education
\$	\$	\$	\$	\$	\$
13,804	50,782	20,819	11,223	91,978	6,328
<u>\$ 13,804</u>	<u>\$ 50,782</u>	<u>\$ 20,819</u>	<u>\$ 11,223</u>	<u>\$ 91,978</u>	<u>\$ 6,328</u>
\$	\$	\$	\$	\$	\$
7,222	24,575	9,918	11,223	4,098	
6,582	26,207	10,901		66,833	6,328
<u>13,804</u>	<u>50,782</u>	<u>20,819</u>	<u>11,223</u>	<u>21,047</u>	
				<u>91,978</u>	<u>6,328</u>
<u>\$ 13,804</u>	<u>\$ 50,782</u>	<u>\$ 20,819</u>	<u>\$ 11,223</u>	<u>\$ 91,978</u>	<u>\$ 6,328</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>E-Rate</u>	<u>Other Federal Projects</u>	<u>State Vocational Education</u>
<u>ASSETS</u>			
Cash and investments	\$	\$	\$
Accounts receivable			
Due from governmental entities	36,016	32,732	7,789
Total assets	<u>\$ 36,016</u>	<u>\$ 32,732</u>	<u>\$ 7,789</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	15,140	25,178	7,789
Accrued payroll and employee benefits		7,554	
Total liabilities	<u>15,140</u>	<u>32,732</u>	<u>7,789</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental		1,876	
Fund balances (deficits):			
Restricted	20,876		
Unassigned		(1,876)	
Total fund balances	<u>20,876</u>	<u>(1,876)</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 36,016</u>	<u>\$ 32,732</u>	<u>\$ 7,789</u>

<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$ 168,370	\$ 1,846,886	\$ 267,960	\$ 132,816 2,314	\$ 1,813,926 43,463	\$ 455,910
	238,185	31,687			
<u>\$ 168,370</u>	<u>\$ 2,085,071</u>	<u>\$ 299,647</u>	<u>\$ 135,130</u>	<u>\$ 1,857,389</u>	<u>\$ 455,910</u>
\$	\$ 143,666	\$ 53,860	\$	\$ 50,804	\$
13,393	34,965			63,356	3,009
<u>13,393</u>	<u>178,631</u>	<u>53,860</u>		<u>114,160</u>	<u>3,009</u>
154,977	1,906,440	245,787	135,130	1,743,229	452,901
<u>154,977</u>	<u>1,906,440</u>	<u>245,787</u>	<u>135,130</u>	<u>1,743,229</u>	<u>452,901</u>
<u>\$ 168,370</u>	<u>\$ 2,085,071</u>	<u>\$ 299,647</u>	<u>\$ 135,130</u>	<u>\$ 1,857,389</u>	<u>\$ 455,910</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Gifts and Donations</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>
<u>ASSETS</u>			
Cash and investments	\$ 441,672	\$ 32,160	\$ 83,827
Accounts receivable			
Due from governmental entities			
Total assets	<u>\$ 441,672</u>	<u>\$ 32,160</u>	<u>\$ 83,827</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Total liabilities	<u></u>	<u></u>	<u></u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	441,672	32,160	83,827
Unassigned			
Total fund balances	<u>441,672</u>	<u>32,160</u>	<u>83,827</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 441,672</u>	<u>\$ 32,160</u>	<u>\$ 83,827</u>

Career Technical Education	Student Activities	Totals
\$	\$ 218,509	\$ 6,374,222
	3,196	48,973
71,696		613,039
<u>\$ 71,696</u>	<u>\$ 221,705</u>	<u>\$ 7,036,234</u>

\$	\$	\$ 252,428
20,120		194,326
<u>36,372</u>	<u></u>	<u>394,939</u>
<u>56,492</u>	<u></u>	<u>841,693</u>

		<u>1,876</u>
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15,204	221,705	6,194,541
		(1,876)
<u>15,204</u>	<u>221,705</u>	<u>6,192,665</u>

<u>\$ 71,696</u>	<u>\$ 221,705</u>	<u>\$ 7,036,234</u>
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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
Revenues:			
Other local	\$ 8,232	\$ 393	\$ 22
State aid and grants	2,673,775	224,843	
Federal aid, grants and reimbursements			
Total revenues	<u>2,682,007</u>	<u>225,236</u>	<u>22</u>
Expenditures:			
Current -			
Instruction	2,606,031	103,970	
Support services - students and staff	143,153	100,892	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,749,184</u>	<u>204,862</u>	
Excess (deficiency) of revenues over expenditures	<u>(67,177)</u>	<u>20,374</u>	<u>22</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(67,177)</u>	<u>20,374</u>	<u>22</u>
Fund balances (deficits), beginning of year	664,491	94,652	28,271
Fund balances, end of year	<u>\$ 597,314</u>	<u>\$ 115,026</u>	<u>\$ 28,293</u>

English Language Learner	Title I Grants	Professional Development and Technology Grants	Limited English & Immigrant Students	Special Education Grants	Vocational Education
\$	\$	\$	\$	\$	\$
122,755					
	260,561	64,592	22,313	858,170	42,078
122,755	260,561	64,592	22,313	858,170	42,078
122,755	231,194		10,184	508,169	14,905
		56,317	1,011	317,385	25,914
		6,242			
	7,089			4,654	
			10,754	11,489	
122,755	238,283	62,559	21,949	841,697	40,819
	22,278	2,033	364	16,473	1,259
	(7,744)	(2,033)	(364)	(16,473)	(1,259)
	(7,744)	(2,033)	(364)	(16,473)	(1,259)
	14,534				
	(14,534)				
\$	\$	\$	\$	\$	\$

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	E-Rate	Other Federal Projects	State Vocational Education
Revenues:			
Other local	\$ 40	\$	\$
State aid and grants			66,496
Federal aid, grants and reimbursements	250,636	2,002,839	
Total revenues	<u>250,676</u>	<u>2,002,839</u>	<u>66,496</u>
Expenditures:			
Current -			
Instruction		103,952	51,134
Support services - students and staff		17,734	15,362
Support services - administration		2,360	
Operation and maintenance of plant services	229,800	1,484,883	
Student transportation services			
Operation of non-instructional services		388,030	
Capital outlay		163	
Total expenditures	<u>229,800</u>	<u>1,997,122</u>	<u>66,496</u>
Excess (deficiency) of revenues over expenditures	<u>20,876</u>	<u>5,717</u>	
Other financing sources (uses):			
Transfers out		(7,593)	
Total other financing sources (uses)		<u>(7,593)</u>	
Changes in fund balances	<u>20,876</u>	<u>(1,876)</u>	
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ 20,876</u>	<u>\$ (1,876)</u>	<u>\$</u>

College Credit Exam Incentives	Results-based Funding	Food Service	Civic Center	Community School	Extracurricular Activities Fees Tax Credit
\$ 97,277	\$ 608,852	\$ 71,821	\$ 14,251	\$ 2,462,397	\$ 276,482
		939,062			
<u>97,277</u>	<u>608,852</u>	<u>1,010,883</u>	<u>14,251</u>	<u>2,462,397</u>	<u>276,482</u>
58,450	609,565			16,421	286,675
	270,682				6,652
				1,873	
				167,277	8,253
		795,879	16,351	806,075	14,224
	16,922			2,935	12,030
<u>58,450</u>	<u>897,169</u>	<u>795,879</u>	<u>16,351</u>	<u>994,581</u>	<u>327,834</u>
<u>38,827</u>	<u>(288,317)</u>	<u>215,004</u>	<u>(2,100)</u>	<u>1,467,816</u>	<u>(51,352)</u>
<u>38,827</u>	<u>(288,317)</u>	<u>215,004</u>	<u>(2,100)</u>	<u>1,467,816</u>	<u>(51,352)</u>
116,150	2,194,757	30,783	137,230	275,413	504,253
<u>\$ 154,977</u>	<u>\$ 1,906,440</u>	<u>\$ 245,787</u>	<u>\$ 135,130</u>	<u>\$ 1,743,229</u>	<u>\$ 452,901</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Gifts and Donations	Textbooks	Litigation Recovery
Revenues:			
Other local	\$ 283,323	\$ 8,182	\$ 530
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>283,323</u>	<u>8,182</u>	<u>530</u>
Expenditures:			
Current -			
Instruction	28,719	1,307	
Support services - students and staff	151,398	946	
Support services - administration	4,575		
Operation and maintenance of plant services	2,611		
Student transportation services	1,295		
Operation of non-instructional services			
Capital outlay	35,439		
Total expenditures	<u>224,037</u>	<u>2,253</u>	
Excess (deficiency) of revenues over expenditures	<u>59,286</u>	<u>5,929</u>	<u>530</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>59,286</u>	<u>5,929</u>	<u>530</u>
Fund balances (deficits), beginning of year	382,386	26,231	83,297
Fund balances, end of year	<u>\$ 441,672</u>	<u>\$ 32,160</u>	<u>\$ 83,827</u>

<u>Insurance Refund</u>	<u>Career Technical Education</u>	<u>Arizona Industry Credentials Incentive</u>	<u>Student Activities</u>	<u>Totals</u>
\$	\$ 528,489	\$ 910	\$ 68,525	\$ 3,722,687
				3,794,908
				4,440,251
	<u>528,489</u>	<u>910</u>	<u>68,525</u>	<u>11,957,846</u>
	377,629	910	119	5,132,089
	76,792		21,773	1,206,011
				15,050
14	7,201			1,900,039
				13,038
				2,020,559
	<u>62,997</u>		<u>167</u>	<u>152,896</u>
<u>14</u>	<u>524,619</u>	<u>910</u>	<u>22,059</u>	<u>10,439,682</u>
<u>(14)</u>	<u>3,870</u>		<u>46,466</u>	<u>1,518,164</u>
				(35,466)
				(35,466)
<u>(14)</u>	<u>3,870</u>		<u>46,466</u>	<u>1,482,698</u>
14	11,334		175,239	4,709,967
<u>\$</u>	<u>\$ 15,204</u>	<u>\$</u>	<u>\$ 221,705</u>	<u>\$ 6,192,665</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 8,232	\$ 8,232
State aid and grants		2,673,775	2,673,775
Federal aid, grants and reimbursements			
Total revenues		<u>2,682,007</u>	<u>2,682,007</u>
Expenditures:			
Current -			
Instruction	3,461,354	2,606,031	855,323
Support services - students and staff	204,986	143,153	61,833
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>3,666,340</u>	<u>2,749,184</u>	<u>917,156</u>
Excess (deficiency) of revenues over expenditures	<u>(3,666,340)</u>	<u>(67,177)</u>	<u>3,599,163</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(3,666,340)</u>	<u>(67,177)</u>	<u>3,599,163</u>
Fund balances (deficits), beginning of year		664,491	664,491
Fund balances (deficits), end of year	<u>\$ (3,666,340)</u>	<u>\$ 597,314</u>	<u>\$ 4,263,654</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 393 224,843	\$ 393 224,843	\$	\$ 22	\$ 22
	225,236	225,236		22	22
189,579	103,970 100,892	85,609 (100,892)			
189,579	204,862	(15,283)			
(189,579)	20,374	209,953		22	22
(189,579)	20,374	209,953		22	22
	94,652	94,652		28,271	28,271
\$ (189,579)	\$ 115,026	\$ 304,605	\$	\$ 28,293	\$ 28,293

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	English Language Learner		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		122,755	122,755
Federal aid, grants and reimbursements			
Total revenues		<u>122,755</u>	<u>122,755</u>
Expenditures:			
Current -			
Instruction	132,061	122,755	9,306
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>132,061</u>	<u>122,755</u>	<u>9,306</u>
Excess (deficiency) of revenues over expenditures	<u>(132,061)</u>		<u>132,061</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(132,061)</u>		<u>132,061</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (132,061)</u>	<u>\$</u>	<u>\$ 132,061</u>

Student Success			Title I Grants		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
				260,561	260,561
				260,561	260,561
	97	(97)	254,901	231,194	23,707
				7,089	(7,089)
	97	(97)	254,901	238,283	16,618
	(97)	(97)	(254,901)	22,278	277,179
				(7,744)	(7,744)
				(7,744)	(7,744)
	(97)	(97)	(254,901)	14,534	269,435
	97	97		(14,534)	(14,534)
\$	\$	\$	\$ (254,901)	\$	\$ 254,901

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		64,592	64,592
Total revenues		<u>64,592</u>	<u>64,592</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	76,889	56,317	20,572
Support services - administration		6,242	(6,242)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>76,889</u>	<u>62,559</u>	<u>14,330</u>
Excess (deficiency) of revenues over expenditures	<u>(76,889)</u>	<u>2,033</u>	<u>78,922</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(2,033)	(2,033)
Insurance recoveries			
Total other financing sources (uses)		<u>(2,033)</u>	<u>(2,033)</u>
Changes in fund balances	<u>(76,889)</u>		<u>76,889</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (76,889)</u>	<u>\$</u>	<u>\$ 76,889</u>

Limited English & Immigrant Students			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	22,313	22,313		858,170	858,170
	22,313	22,313		858,170	858,170
58,043	10,184 1,011	47,859 (1,011)	1,111,318	508,169 317,385	603,149 (317,385)
				4,654	(4,654)
	10,754	(10,754)		11,489	(11,489)
58,043	21,949	36,094	1,111,318	841,697	269,621
(58,043)	364	58,407	(1,111,318)	16,473	1,127,791
	(364)	(364)		(16,473)	(16,473)
	(364)	(364)		(16,473)	(16,473)
(58,043)		58,043	(1,111,318)		1,111,318
\$ (58,043)	\$	\$ 58,043	\$ (1,111,318)	\$	\$ 1,111,318

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		42,078	42,078
Total revenues		<u>42,078</u>	<u>42,078</u>
Expenditures:			
Current -			
Instruction		14,905	(14,905)
Support services - students and staff	42,602	25,914	16,688
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>42,602</u>	<u>40,819</u>	<u>1,783</u>
Excess (deficiency) of revenues over expenditures	<u>(42,602)</u>	<u>1,259</u>	<u>43,861</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(1,259)	(1,259)
Insurance recoveries			
Total other financing sources (uses)		<u>(1,259)</u>	<u>(1,259)</u>
Changes in fund balances	<u>(42,602)</u>		<u>42,602</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (42,602)</u>	<u>\$</u>	<u>\$ 42,602</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 40	\$ 40
				250,636	250,636
				250,676	250,676
			235,607	229,800	5,807
			235,607	229,800	5,807
			(235,607)	20,876	256,483
			(235,607)	20,876	256,483
	301	301			
\$	\$ 301	\$ 301	\$ (235,607)	\$ 20,876	\$ 256,483

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		2,002,839	2,002,839
Total revenues		<u>2,002,839</u>	<u>2,002,839</u>
Expenditures:			
Current -			
Instruction		103,952	(103,952)
Support services - students and staff		17,734	(17,734)
Support services - administration		2,360	(2,360)
Operation and maintenance of plant services	2,376,816	1,484,883	891,933
Student transportation services			
Operation of non-instructional services		388,030	(388,030)
Capital outlay		163	(163)
Total expenditures	<u>2,376,816</u>	<u>1,997,122</u>	<u>379,694</u>
Excess (deficiency) of revenues over expenditures	<u>(2,376,816)</u>	<u>5,717</u>	<u>2,382,533</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(7,593)	(7,593)
Insurance recoveries			
Total other financing sources (uses)		<u>(7,593)</u>	<u>(7,593)</u>
Changes in fund balances	<u>(2,376,816)</u>	<u>(1,876)</u>	<u>2,374,940</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (2,376,816)</u>	<u>\$ (1,876)</u>	<u>\$ 2,374,940</u>

State Vocational Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	66,496	66,496		97,277	97,277
	66,496	66,496		97,277	97,277
67,101	51,134 15,362	15,967 (15,362)	168,294	58,450	109,844
67,101	66,496	605	168,294	58,450	109,844
(67,101)		67,101	(168,294)	38,827	207,121
(67,101)		67,101	(168,294)	38,827	207,121
				116,150	116,150
\$ (67,101)	\$	\$ 67,101	\$ (168,294)	\$ 154,977	\$ 323,271

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Results-based Funding		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		608,852	608,852
Federal aid, grants and reimbursements			
Total revenues		<u>608,852</u>	<u>608,852</u>
Expenditures:			
Current -			
Instruction	2,336,571	609,565	1,727,006
Support services - students and staff		270,682	(270,682)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		16,922	(16,922)
Total expenditures	<u>2,336,571</u>	<u>897,169</u>	<u>1,439,402</u>
Excess (deficiency) of revenues over expenditures	<u>(2,336,571)</u>	<u>(288,317)</u>	<u>2,048,254</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(2,336,571)</u>	<u>(288,317)</u>	<u>2,048,254</u>
Fund balances (deficits), beginning of year		2,194,757	2,194,757
Fund balances (deficits), end of year	<u>\$ (2,336,571)</u>	<u>\$ 1,906,440</u>	<u>\$ 4,243,011</u>

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 172,500	\$ 172,500	\$	\$ 71,821	\$ 71,821
				939,062	939,062
	<u>172,500</u>	<u>172,500</u>		<u>1,010,883</u>	<u>1,010,883</u>
	668	(668)			
	1,006	(1,006)			
350,000	6,569	343,431	500,000	795,879	(295,879)
	<u>238,311</u>	<u>(238,311)</u>			
<u>350,000</u>	<u>246,554</u>	<u>103,446</u>	<u>500,000</u>	<u>795,879</u>	<u>(295,879)</u>
<u>(350,000)</u>	<u>(74,054)</u>	<u>275,946</u>	<u>(500,000)</u>	<u>215,004</u>	<u>715,004</u>
	47,242	47,242			
	<u>47,242</u>	<u>47,242</u>			
<u>(350,000)</u>	<u>(26,812)</u>	<u>323,188</u>	<u>(500,000)</u>	<u>215,004</u>	<u>715,004</u>
	745,353	745,353		30,783	30,783
<u>\$ (350,000)</u>	<u>\$ 718,541</u>	<u>\$ 1,068,541</u>	<u>\$ (500,000)</u>	<u>\$ 245,787</u>	<u>\$ 745,787</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Civic Center		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 14,251	\$ 14,251
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		14,251	14,251
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	20,000	16,351	3,649
Capital outlay			
Total expenditures	20,000	16,351	3,649
Excess (deficiency) of revenues over expenditures	(20,000)	(2,100)	17,900
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(20,000)	(2,100)	17,900
Fund balances (deficits), beginning of year		137,230	137,230
Fund balances (deficits), end of year	\$ (20,000)	\$ 135,130	\$ 155,130

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 2,462,397	\$ 2,462,397	\$	\$ 330,588	\$ 330,588
	<u>2,462,397</u>	<u>2,462,397</u>		<u>330,588</u>	<u>330,588</u>
	16,421	(16,421)	315,000	161,611	153,389
	1,873	(1,873)		42,949	(42,949)
	167,277	(167,277)		93	(93)
				48,038	(48,038)
1,000,000	806,075	193,925		54,616	(54,616)
	2,935	(2,935)		19,666	(19,666)
<u>1,000,000</u>	<u>994,581</u>	<u>5,419</u>	<u>315,000</u>	<u>326,973</u>	<u>(11,973)</u>
<u>(1,000,000)</u>	<u>1,467,816</u>	<u>2,467,816</u>	<u>(315,000)</u>	<u>3,615</u>	<u>318,615</u>
<u>(1,000,000)</u>	<u>1,467,816</u>	<u>2,467,816</u>	<u>(315,000)</u>	<u>3,615</u>	<u>318,615</u>
	275,413	275,413		371,795	371,795
<u>\$ (1,000,000)</u>	<u>\$ 1,743,229</u>	<u>\$ 2,743,229</u>	<u>\$ (315,000)</u>	<u>\$ 375,410</u>	<u>\$ 690,410</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 276,482	\$ 276,482
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>276,482</u>	<u>276,482</u>
Expenditures:			
Current -			
Instruction	350,000	286,675	63,325
Support services - students and staff		6,652	(6,652)
Support services - administration			
Operation and maintenance of plant services		8,253	(8,253)
Student transportation services			
Operation of non-instructional services		14,224	(14,224)
Capital outlay		12,030	(12,030)
Total expenditures	<u>350,000</u>	<u>327,834</u>	<u>22,166</u>
Excess (deficiency) of revenues over expenditures	<u>(350,000)</u>	<u>(51,352)</u>	<u>298,648</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(350,000)</u>	<u>(51,352)</u>	<u>298,648</u>
Fund balances (deficits), beginning of year		504,253	504,253
Fund balances (deficits), end of year	<u>\$ (350,000)</u>	<u>\$ 452,901</u>	<u>\$ 802,901</u>

Gifts and Donations			Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 283,323	\$ 283,323	\$	\$ 265	\$ 265
	<u>283,323</u>	<u>283,323</u>		<u>265</u>	<u>265</u>
310,000	28,719	(28,719)			
	151,398	158,602		326	(326)
	4,575	(4,575)			
	2,611	(2,611)	35,000	16,336	18,664
	1,295	(1,295)			
	<u>35,439</u>	<u>(35,439)</u>		<u>4,177</u>	<u>(4,177)</u>
<u>310,000</u>	<u>224,037</u>	<u>85,963</u>	<u>35,000</u>	<u>20,839</u>	<u>14,161</u>
<u>(310,000)</u>	<u>59,286</u>	<u>369,286</u>	<u>(35,000)</u>	<u>(20,574)</u>	<u>14,426</u>
				8,613	8,613
				<u>8,613</u>	<u>8,613</u>
<u>(310,000)</u>	<u>59,286</u>	<u>369,286</u>	<u>(35,000)</u>	<u>(11,961)</u>	<u>23,039</u>
	382,386	382,386		46,734	46,734
<u>\$ (310,000)</u>	<u>\$ 441,672</u>	<u>\$ 751,672</u>	<u>\$ (35,000)</u>	<u>\$ 34,773</u>	<u>\$ 69,773</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Textbooks		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 8,182	\$ 8,182
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		8,182	8,182
Expenditures:			
Current -			
Instruction	5,000	1,307	3,693
Support services - students and staff		946	(946)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	5,000	2,253	2,747
Excess (deficiency) of revenues over expenditures	(5,000)	5,929	10,929
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(5,000)	5,929	10,929
Fund balances (deficits), beginning of year		26,231	26,231
Fund balances (deficits), end of year	\$ (5,000)	\$ 32,160	\$ 37,160

Litigation Recovery			Indirect Costs		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 530	\$ 530	\$	\$ 1	\$ 1
	530	530		1	1
			24,000	35,467	(11,467)
			24,000	35,467	(11,467)
	530	530	(24,000)	(35,466)	(11,466)
				35,466	35,466
				35,466	35,466
	530	530	(24,000)		24,000
	83,297	83,297			
\$	\$ 83,827	\$ 83,827	\$ (24,000)	\$	\$ 24,000

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Refund		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services		14	(14)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures		14	(14)
Excess (deficiency) of revenues over expenditures		(14)	(14)
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances		(14)	(14)
Fund balances (deficits), beginning of year		14	14
Fund balances (deficits), end of year	\$	\$	\$

Advertisement			Career Technical Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 15	\$ 15	\$	\$ 528,489	\$ 528,489
	15	15		528,489	528,489
			522,000	377,629 76,792	144,371 (76,792)
				7,201	(7,201)
				62,997	(62,997)
			522,000	524,619	(2,619)
	15	15	(522,000)	3,870	525,870
	15	15	(522,000)	3,870	525,870
	2,413	2,413		11,334	11,334
\$	\$ 2,428	\$ 2,428	\$ (522,000)	\$ 15,204	\$ 537,204

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Arizona Industry Credentials Incentive		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		910	910
Federal aid, grants and reimbursements			
Total revenues		<u>910</u>	<u>910</u>
Expenditures:			
Current -			
Instruction	910	910	
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>910</u>	<u>910</u>	
Excess (deficiency) of revenues over expenditures	<u>(910)</u>		<u>910</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(910)</u>		<u>910</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (910)</u>	<u>\$</u>	<u>\$ 910</u>

Student Activities			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 68,525	\$ 68,525	\$	\$ 4,226,056	\$ 4,226,056
				3,794,908	3,794,908
				4,440,251	4,440,251
	68,525	68,525		12,461,215	12,461,215
	119	(119)	8,972,132	5,293,797	3,678,335
18,429	21,773	(3,344)	652,906	1,249,954	(597,048)
			24,000	50,610	(26,610)
			2,647,423	1,965,419	682,004
			350,000	19,607	330,393
			1,520,000	2,075,175	(555,175)
	167	(167)		415,050	(415,050)
18,429	22,059	(3,630)	14,166,461	11,069,612	3,096,849
(18,429)	46,466	64,895	(14,166,461)	1,391,603	15,558,064
				82,708	82,708
				(35,466)	(35,466)
				8,613	8,613
				55,855	55,855
(18,429)	46,466	64,895	(14,166,461)	1,447,458	15,613,919
	175,239	175,239		5,876,660	5,876,660
\$ (18,429)	\$ 221,705	\$ 240,134	\$ (14,166,461)	\$ 7,324,118	\$ 21,490,579

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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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Debt Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 735	\$ 735
Property taxes		4,447,671	4,447,671
Total revenues		<u>4,448,406</u>	<u>4,448,406</u>
Expenditures:			
Debt service -			
Principal retirement	3,045,000	3,045,000	
Interest and fiscal charges	1,369,750	1,320,320	49,430
Bond issuance costs		50,855	(50,855)
Total expenditures	<u>4,414,750</u>	<u>4,416,175</u>	<u>(1,425)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,414,750)</u>	<u>32,231</u>	<u>4,446,981</u>
Other financing sources (uses):			
Transfers in		5,104	5,104
Issuance of refunding bonds		2,800,000	2,800,000
Premium on sale of bonds		130,736	130,736
Payment to refunded bond escrow agent		(2,856,000)	(2,856,000)
Total other financing sources (uses)		<u>79,840</u>	<u>79,840</u>
Changes in fund balances	<u>(4,414,750)</u>	<u>112,071</u>	<u>4,526,821</u>
Fund balances, beginning of year		501,200	501,200
Fund balances (deficits), end of year	<u>\$ (4,414,750)</u>	<u>\$ 613,271</u>	<u>\$ 5,028,021</u>

CAPITAL PROJECTS FUNDS

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.

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

Condemnation - to account for monies received from proceeds from sales by condemnation or right-of-way settlements.

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2021

	<u>Adjacent Ways</u>	<u>Condemnation</u>	<u>Energy and Water Savings</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,155	\$ 97	\$ 44,469
Due from governmental entities			
Total assets	<u>\$ 1,155</u>	<u>\$ 97</u>	<u>\$ 44,469</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Total liabilities	<u></u>	<u></u>	<u></u>
Fund balances:			
Restricted	1,155	97	44,469
Total fund balances	<u>1,155</u>	<u>97</u>	<u>44,469</u>
Total liabilities and fund balances	<u>\$ 1,155</u>	<u>\$ 97</u>	<u>\$ 44,469</u>

Building Renewal Grant	Totals
\$ 50	\$ 45,771
9,272	9,272
<u>\$ 9,322</u>	<u>\$ 55,043</u>

\$ 9,272	\$ 9,272
<u>9,272</u>	<u>9,272</u>

50	45,771
<u>50</u>	<u>45,771</u>
<u>\$ 9,322</u>	<u>\$ 55,043</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Adjacent Ways</u>	<u>Condemnation</u>	<u>Energy and Water Savings</u>
Revenues:			
Other local	\$ 220	\$ 97	\$ 281
State aid and grants			
Total revenues	<u>220</u>	<u>97</u>	<u>281</u>
Expenditures:			
Capital outlay	<u>69,845</u>		
Total expenditures	<u>69,845</u>		
Excess (deficiency) of revenues over expenditures	<u>(69,625)</u>	<u>97</u>	<u>281</u>
Other financing sources (uses):			
Transfers out		<u>(47,242)</u>	
Total other financing sources (uses)		<u>(47,242)</u>	
Changes in fund balances	<u>(69,625)</u>	<u>(47,145)</u>	<u>281</u>
Fund balances, beginning of year	70,780	47,242	44,188
Fund balances, end of year	<u>\$ 1,155</u>	<u>\$ 97</u>	<u>\$ 44,469</u>

Building Renewal Grant	Totals
\$ 50	\$ 648
185,431	185,431
<u>185,481</u>	<u>186,079</u>
191,102	260,947
<u>191,102</u>	<u>260,947</u>
<u>(5,621)</u>	<u>(74,868)</u>
	(47,242)
	<u>(47,242)</u>
<u>(5,621)</u>	<u>(122,110)</u>
5,671	167,881
<u>\$ 50</u>	<u>\$ 45,771</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 93,749	\$ 93,749
Property taxes		2,176,098	2,176,098
State aid and grants		606,898	606,898
Total revenues		<u>2,876,745</u>	<u>2,876,745</u>
Expenditures:			
Capital outlay	6,575,856	1,975,391	4,600,465
Debt service -			
Principal retirement	653,578	653,578	
Interest and fiscal charges	2,743	2,743	
Total expenditures	<u>7,232,177</u>	<u>2,631,712</u>	<u>4,600,465</u>
Excess (deficiency) of revenues over expenditures	<u>(7,232,177)</u>	<u>245,033</u>	<u>7,477,210</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(7,232,177)</u>	<u>245,033</u>	<u>7,477,210</u>
Fund balances, beginning of year		8,496,681	8,496,681
Increase (decrease) in reserve for prepaid items		(28,237)	(28,237)
Fund balances (deficits), end of year	<u>\$ (7,232,177)</u>	<u>\$ 8,713,477</u>	<u>\$ 15,945,654</u>

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 220	\$ 220	\$	\$ 5,113	\$ 5,113
	220	220		5,113	5,113
69,845	69,845		3,241,964	2,153,875	1,088,089
69,845	69,845		3,241,964	2,153,875	1,088,089
(69,845)	(69,625)	220	(3,241,964)	(2,148,762)	1,093,202
				(5,104)	(5,104)
				(5,104)	(5,104)
(69,845)	(69,625)	220	(3,241,964)	(2,153,866)	1,088,098
	70,780	70,780		3,185,403	3,185,403
\$ (69,845)	\$ 1,155	\$ 71,000	\$ (3,241,964)	\$ 1,031,537	\$ 4,273,501

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Condemnation		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 97	\$ 97
Property taxes			
State aid and grants			
Total revenues		<u>97</u>	<u>97</u>
Expenditures:			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures			
Excess (deficiency) of revenues over expenditures		<u>97</u>	<u>97</u>
Other financing sources (uses):			
Transfers out		(47,242)	(47,242)
Total other financing sources (uses)		<u>(47,242)</u>	<u>(47,242)</u>
Changes in fund balances		<u>(47,145)</u>	<u>(47,145)</u>
Fund balances, beginning of year		47,242	47,242
Increase (decrease) in reserve for prepaid items			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 97</u>	<u>\$ 97</u>

Energy and Water Savings			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 281	\$ 281	\$	\$ 50	\$ 50
				185,431	185,431
	281	281		185,481	185,481
44,343		44,343	188,099	191,102	(3,003)
44,343		44,343	188,099	191,102	(3,003)
(44,343)	281	44,624	(188,099)	(5,621)	182,478
(44,343)	281	44,624	(188,099)	(5,621)	182,478
	44,188	44,188		5,671	5,671
\$ (44,343)	\$ 44,469	\$ 88,812	\$ (188,099)	\$ 50	\$ 188,149

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 99,510	\$ 99,510
Property taxes		2,176,098	2,176,098
State aid and grants		792,329	792,329
Total revenues		<u>3,067,937</u>	<u>3,067,937</u>
Expenditures:			
Capital outlay	10,120,107	4,390,213	5,729,894
Debt service -			
Principal retirement	653,578	653,578	
Interest and fiscal charges	2,743	2,743	
Total expenditures	<u>10,776,428</u>	<u>5,046,534</u>	<u>5,729,894</u>
Excess (deficiency) of revenues over expenditures	<u>(10,776,428)</u>	<u>(1,978,597)</u>	<u>8,797,831</u>
Other financing sources (uses):			
Transfers out		(52,346)	(52,346)
Total other financing sources (uses)		<u>(52,346)</u>	<u>(52,346)</u>
Changes in fund balances	<u>(10,776,428)</u>	<u>(2,030,943)</u>	<u>8,745,485</u>
Fund balances, beginning of year		11,849,965	11,849,965
Increase (decrease) in reserve for prepaid items		(28,237)	(28,237)
Fund balances (deficits), end of year	<u>\$ (10,776,428)</u>	<u>\$ 9,790,785</u>	<u>\$ 20,567,213</u>

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader evaluate the District's current levels of outstanding debt as well as assess the District's ability 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 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NET POSITION BY COMPONENT
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>
Net Position:					
Net investment in capital assets	\$ 45,076,637	\$ 45,103,807	\$ 42,923,747	\$ 44,049,130	\$ 43,907,650
Restricted	15,676,919	14,072,235	14,669,630	13,830,242	12,790,848
Unrestricted	(25,110,084)	(24,740,631)	(24,663,730)	(27,643,030)	(35,011,585)
Total net position	<u>\$ 35,643,472</u>	<u>\$ 34,435,411</u>	<u>\$ 32,929,647</u>	<u>\$ 30,236,342</u>	<u>\$ 21,686,913</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position:					
Net investment in capital assets	\$ 40,217,126	\$ 42,828,165	\$ 43,381,053	\$ 41,201,148	\$ 44,662,361
Restricted	14,208,596	14,422,369	15,607,395	16,754,678	14,252,186
Unrestricted	(38,122,345)	(35,593,736)	3,302,247	7,014,598	10,678,991
Total net position	<u>\$ 16,303,377</u>	<u>\$ 21,656,798</u>	<u>\$ 62,290,695</u>	<u>\$ 64,970,424</u>	<u>\$ 69,593,538</u>

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

Note: Negative unrestricted net position was due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 in fiscal year 2014-15.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
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>
Expenses					
Instruction	\$ 28,431,299	\$ 26,370,783	\$ 25,203,094	\$ 21,491,831	\$ 21,927,938
Support services - students and staff	5,351,967	6,211,089	5,636,336	4,782,289	5,106,814
Support services - administration	5,757,680	5,631,434	5,439,361	4,416,534	4,772,574
Operation and maintenance of plant services	6,380,374	5,854,957	5,245,151	4,737,093	4,701,355
Student transportation services	1,482,261	1,744,651	2,687,879	2,145,328	1,861,775
Operation of non-instructional services	4,510,934	6,919,856	6,381,273	5,746,203	5,202,421
Interest on long-term debt	1,109,207	1,158,717	1,384,250	1,078,097	1,143,968
Total expenses	<u>53,023,722</u>	<u>53,891,487</u>	<u>51,977,344</u>	<u>44,397,375</u>	<u>44,716,845</u>
Program Revenues					
Charges for services:					
Instruction	875,598	1,353,125	2,326,410	740,484	4,532,575
Operation of non-instructional services	2,543,066	3,995,844	4,948,311	4,744,055	1,839,152
Other activities	243,226	809,901	951,967	1,283,976	170,829
Operating grants and contributions	5,929,720	3,716,977	3,339,373	3,748,238	2,434,196
Capital grants and contributions	224,759	85,151	837,618	352,975	30,047
Total program revenues	<u>9,816,369</u>	<u>9,960,998</u>	<u>12,403,679</u>	<u>10,869,728</u>	<u>9,006,799</u>
Net (Expense)/Revenue	<u><u>\$ (43,207,353)</u></u>	<u><u>\$ (43,930,489)</u></u>	<u><u>\$ (39,573,665)</u></u>	<u><u>\$ (33,527,647)</u></u>	<u><u>\$ (35,710,046)</u></u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Expenses					
Instruction	\$ 25,637,978	\$ 21,163,312	\$ 20,964,259	\$ 22,650,491	\$ 20,621,130
Support services - students and staff	5,285,127	4,799,037	5,014,881	5,289,050	5,045,674
Support services - administration	4,932,269	4,544,420	4,682,728	4,674,775	4,398,001
Operation and maintenance of plant services	4,689,680	4,611,702	4,588,399	4,617,584	4,223,337
Student transportation services	1,869,972	1,734,626	1,755,654	2,016,367	1,622,756
Operation of non-instructional services	4,623,477	4,339,557	4,330,692	4,347,959	4,199,927
Interest on long-term debt	1,184,554	1,276,782	1,247,451	1,324,417	1,497,045
Total expenses	<u>48,223,057</u>	<u>42,469,436</u>	<u>42,584,064</u>	<u>44,920,643</u>	<u>41,607,870</u>
Program Revenues					
Charges for services:					
Instruction	3,681,911	3,634,111	3,540,709	3,502,710	368,973
Operation of non-instructional services	1,863,125	1,626,390	1,923,626	1,754,179	5,045,114
Other activities	114,066	111,487	97,653	43,900	105,503
Operating grants and contributions	2,593,115	2,425,393	2,256,504	2,363,864	2,462,107
Capital grants and contributions	94,534	37,046	22,286	27,220	45,925
Total program revenues	<u>8,346,751</u>	<u>7,834,427</u>	<u>7,840,778</u>	<u>7,691,873</u>	<u>8,027,622</u>
Net (Expense)/Revenue	<u>\$ (39,876,306)</u>	<u>\$ (34,635,009)</u>	<u>\$ (34,743,286)</u>	<u>\$ (37,228,770)</u>	<u>\$ (33,580,248)</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Net (Expense)/Revenue	\$ (43,207,353)	\$ (43,930,489)	\$ (39,573,665)	\$ (33,527,647)	\$ (35,710,046)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	22,682,575	21,982,015	21,864,569	22,360,179	24,032,623
Property taxes, levied for debt service	4,449,598	4,285,559	3,396,997	4,028,144	3,970,289
Property taxes, levied for capital outlay	2,202,560	1,798,315	2,575,927	2,304,444	2,007,519
Investment income	158,240	422,322	519,343	263,957	141,050
Unrestricted county aid	565,002	552,059	446,883	411,165	346,465
Unrestricted state aid	14,357,439	15,078,716	13,463,251	11,735,761	10,595,636
Total general revenues	<u>44,415,414</u>	<u>44,118,986</u>	<u>42,266,970</u>	<u>41,103,650</u>	<u>41,093,582</u>
Changes in Net Position	<u>\$ 1,208,061</u>	<u>\$ 188,497</u>	<u>\$ 2,693,305</u>	<u>\$ 7,576,003</u>	<u>\$ 5,383,536</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Net (Expense)/Revenue	\$ (39,876,306)	\$ (34,635,009)	\$ (34,743,286)	\$ (37,228,770)	\$ (33,580,248)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	18,137,386	16,024,482	18,165,220	19,869,578	14,926,825
Property taxes, levied for debt service	3,761,655	3,723,102	1,381,319	15,013	4,069,308
Property taxes, levied for capital outlay	2,033,886	1,984,462	2,009,288	2,275,167	2,654,224
Investment income	174,944	70,532	90,492	187,789	95,892
Unrestricted county aid	325,033	365,064	421,934	416,385	384,084
Unrestricted state aid	10,089,981	9,337,926	9,995,010	9,839,838	8,772,994
Unrestricted federal aid		15,288	294	1,886	19,055
Total general revenues	<u>34,522,885</u>	<u>31,520,856</u>	<u>32,063,557</u>	<u>32,605,656</u>	<u>30,922,382</u>
Changes in Net Position	<u>\$ (5,353,421)</u>	<u>\$ (3,114,153)</u>	<u>\$ (2,679,729)</u>	<u>\$ (4,623,114)</u>	<u>\$ (2,657,866)</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
General Fund:					
Nondisposable	\$	\$ 27,477	\$	\$ 473,759	\$ 468,136
Unassigned	9,867,669	9,579,783	7,165,221	5,850,789	2,274,537
Total General Fund	<u>\$ 9,867,669</u>	<u>\$ 9,607,260</u>	<u>\$ 7,165,221</u>	<u>\$ 6,324,548</u>	<u>\$ 2,742,673</u>
All Other Governmental Funds:					
Nondisposable	\$	\$ 28,237	\$	\$	\$
Restricted	16,598,597	17,132,721	17,461,903	22,393,191	16,023,595
Unassigned	(1,876)	(14,534)	(2,081)	(92,747)	(43,206)
Total all other governmental funds	<u>\$ 16,596,721</u>	<u>\$ 17,146,424</u>	<u>\$ 17,459,822</u>	<u>\$ 22,300,444</u>	<u>\$ 15,980,389</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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:					
Nonspendable	\$ 421,759	\$ 2,299,132	\$ 2,036,635	\$ 2,145,470	\$ 2,114,044
Unassigned	(1,845,258)	(219,008)	2,745,767	3,028,069	5,874,999
Total General Fund	<u>\$ (1,423,499)</u>	<u>\$ 2,080,124</u>	<u>\$ 4,782,402</u>	<u>\$ 5,173,539</u>	<u>\$ 7,989,043</u>
All Other Governmental Funds:					
Restricted	\$ 20,936,511	\$ 19,819,749	\$ 16,524,110	\$ 19,953,619	\$ 20,132,582
Unassigned			(8,516)		
Total all other governmental funds	<u>\$ 20,936,511</u>	<u>\$ 19,819,749</u>	<u>\$ 16,515,594</u>	<u>\$ 19,953,619</u>	<u>\$ 20,132,582</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GOVERNMENTAL FUNDS REVENUES
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>
Federal sources:					
Federal grants	\$ 3,591,844	\$ 1,336,598	\$ 1,337,842	\$ 1,525,523	\$ 1,323,118
National School Lunch Program	939,062	451,582	383,152	339,559	368,617
Total federal sources	<u>4,530,906</u>	<u>1,788,180</u>	<u>1,720,994</u>	<u>1,865,082</u>	<u>1,691,735</u>
State sources:					
State equalization assistance	11,458,821	11,903,856	10,399,308	9,189,755	8,425,060
State grants	896,290	1,411,706	1,035,932	1,101,360	85,645
School Facilities Board	185,431		803,902	341,088	11,602
Other revenues	2,898,618	3,174,860	3,063,943	2,564,566	2,170,576
Total state sources	<u>15,439,160</u>	<u>16,490,422</u>	<u>15,303,085</u>	<u>13,196,769</u>	<u>10,692,883</u>
Local sources:					
Property taxes	29,271,966	27,991,656	27,805,615	28,614,530	29,840,255
County aid	565,002	552,059	446,883	411,165	346,465
Food service sales	70,628	816,429	956,474	875,572	894,984
Investment income	158,240	422,322	519,343	263,957	141,050
Other revenues	4,137,159	5,861,530	7,914,550	6,611,033	6,322,833
Total local sources	<u>34,202,995</u>	<u>35,643,996</u>	<u>37,642,865</u>	<u>36,776,257</u>	<u>37,545,587</u>
Total revenues	<u><u>\$ 54,173,061</u></u>	<u><u>\$ 53,922,598</u></u>	<u><u>\$ 54,666,944</u></u>	<u><u>\$ 51,838,108</u></u>	<u><u>\$ 49,930,205</u></u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Federal sources:					
Federal grants	\$ 1,355,382	\$ 1,295,836	\$ 1,262,795	\$ 1,399,543	\$ 1,417,409
National School Lunch Program	428,583	337,873	294,921	295,408	257,244
Total federal sources	<u>1,783,965</u>	<u>1,633,709</u>	<u>1,557,716</u>	<u>1,694,951</u>	<u>1,674,653</u>
State sources:					
State equalization assistance	7,708,855	7,211,829	7,951,799	8,121,930	7,276,382
State grants	106,931	92,994	105,930	90,145	102,611
School Facilities Board	60,943	208,565			
Other revenues	2,381,126	1,917,532	2,043,211	1,717,908	1,496,612
Total state sources	<u>10,257,855</u>	<u>9,430,920</u>	<u>10,100,940</u>	<u>9,929,983</u>	<u>8,875,605</u>
Local sources:					
Property taxes	23,955,426	21,968,537	21,440,523	22,308,346	21,379,360
County aid	325,033	365,064	421,934	416,385	384,084
Food service sales	757,111	822,683	968,769	975,154	1,118,926
Investment income	174,944	70,532	90,492	187,789	98,706
Other revenues	5,594,640	5,300,329	5,211,791	4,933,509	5,147,673
Total local sources	<u>30,807,154</u>	<u>28,527,145</u>	<u>28,133,509</u>	<u>28,821,183</u>	<u>28,128,749</u>
Total revenues	<u><u>\$ 42,848,974</u></u>	<u><u>\$ 39,591,774</u></u>	<u><u>\$ 39,792,165</u></u>	<u><u>\$ 40,446,117</u></u>	<u><u>\$ 38,679,007</u></u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
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>
Expenditures:					
Current -					
Instruction	\$ 24,905,824	\$ 23,055,958	\$ 22,504,227	\$ 19,570,378	\$ 19,157,525
Support services - students and staff	4,968,016	5,986,632	5,677,634	4,843,130	4,870,465
Support services - administration	5,098,784	5,034,795	4,533,653	4,069,582	4,546,771
Operation and maintenance of plant services	6,151,501	5,641,622	4,491,062	4,558,954	4,519,129
Student transportation services	702,590	1,046,579	1,315,201	1,256,011	1,243,463
Operation of non-instructional services	2,700,224	5,494,576	5,384,679	4,985,190	4,409,677
Capital outlay	4,928,639	6,696,870	11,747,153	7,743,316	6,971,694
Debt service -					
Interest and fiscal charges	1,323,063	3,743,812	1,505,461	1,194,093	1,226,714
Principal retirement	3,698,578	1,295,373	3,905,013	3,403,084	3,821,094
Bond issuance costs	50,855	202,482		166,609	
Total expenditures	<u>\$ 54,528,074</u>	<u>\$ 58,198,699</u>	<u>\$ 61,064,083</u>	<u>\$ 51,790,347</u>	<u>\$ 50,766,532</u>
Expenditures for capitalized assets	\$ 2,293,000	\$ 4,580,215	\$ 6,084,178	\$ 4,624,341	\$ 3,635,230
Debt service as a percentage of noncapital expenditures	10%	9%	10%	10%	11%

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Expenditures:					
Current -					
Instruction	\$ 19,311,509	\$ 18,199,947	\$ 17,312,203	\$ 17,038,992	\$ 17,505,082
Support services - students and staff	4,745,055	4,471,270	4,618,540	4,515,459	4,721,980
Support services - administration	4,500,439	4,284,106	4,340,549	4,038,860	4,120,032
Operation and maintenance of plant services	4,476,971	4,394,740	4,368,808	4,300,139	4,060,585
Student transportation services	1,082,502	1,131,005	1,142,843	1,119,930	1,089,702
Operation of non-instructional services	4,004,967	3,720,883	3,719,865	3,709,238	3,667,500
Capital outlay	11,641,992	4,230,227	3,710,129	6,969,617	5,421,230
Debt service -					
Interest and fiscal charges	1,267,301	1,314,402	1,254,497	1,336,909	1,509,539
Principal retirement	3,150,606	3,755,980	3,045,058	3,467,546	3,962,471
Bond issuance costs	256,864	115,535			
Total expenditures	<u>\$ 54,438,206</u>	<u>\$ 45,618,095</u>	<u>\$ 43,512,492</u>	<u>\$ 46,496,690</u>	<u>\$ 46,058,121</u>
Expenditures for capitalized assets	\$ 6,487,415	\$ 1,091,582	\$ 469,370	\$ 577,464	\$ 2,822,744
Debt service as a percentage of noncapital expenditures	9%	11%	10%	10%	13%

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Excess (deficiency) of revenues over expenditures	\$ (355,013)	\$ (4,276,101)	\$ (6,397,139)	\$ 47,761	\$ (836,327)
Other financing sources (uses):					
Issuance of refunding bonds	2,800,000	3,840,000			
Issuance of school improvement bonds		4,395,000		9,185,000	
Premium on sale of bonds	130,736	926,705		650,224	
Capital lease agreements	38,084		2,857,492		
Transfers in	87,812	65,806	182,375	102,056	71,292
Transfers out	(87,812)	(65,806)	(182,375)	(102,056)	(71,292)
Payment to refunded bond escrow agent	(2,856,000)	(4,187,063)			
Insurance recoveries	8,613	57,119	13,457	13,322	
Total other financing sources (uses)	<u>121,433</u>	<u>5,031,761</u>	<u>2,870,949</u>	<u>9,848,546</u>	
Changes in fund balances	<u>\$ (233,580)</u>	<u>\$ 755,660</u>	<u>\$ (3,526,190)</u>	<u>\$ 9,896,307</u>	<u>\$ (836,327)</u>

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ (11,589,232)	\$ (6,026,321)	\$ (3,720,327)	\$ (6,050,573)	\$ (7,379,114)
Other financing sources (uses):					
Issuance of refunding bonds	7,360,000				
Issuance of school improvement bonds	7,500,000	6,075,000			
Premium on sale of bonds	772,688	290,701			
Capital lease agreements	3,063,762			3,024,680	
Transfers in	280,539	233,032	23,858	4,759,455	27,848
Transfers out	(280,539)	(233,032)	(23,858)	(4,759,455)	(27,848)
Payment to refunded bond escrow agent	(7,616,706)				
Total other financing sources (uses)	<u>11,079,744</u>	<u>6,365,701</u>		<u>3,024,680</u>	
Changes in fund balances	<u>\$ (509,488)</u>	<u>\$ 339,380</u>	<u>\$ (3,720,327)</u>	<u>\$ (3,025,893)</u>	<u>\$ (7,379,114)</u>

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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	\$ 69,473,960	\$ 69,823,940	\$ 68,520,723	\$ 69,004,115	\$ 69,043,427
Agricultural and Vacant	13,913,895	14,031,759	14,376,996	16,282,101	17,092,680
Residential (Owner Occupied)	431,043,273	424,172,636	407,611,942	394,398,509	385,303,207
Residential (Rental)	137,451,151	123,791,848	122,304,787	120,685,941	117,952,583
Historical Property	977,478	957,045	809,194	587,850	479,914
Total	<u>\$ 652,859,757</u>	<u>\$ 632,777,228</u>	<u>\$ 613,623,642</u>	<u>\$ 600,958,516</u>	<u>\$ 589,871,811</u>
Gross Full Cash Value	\$ 6,608,453,355	\$ 6,315,357,174	\$ 6,095,913,499	\$ 5,912,401,878	\$ 5,843,239,702
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Total Direct Rate	5.59	4.99	5.42	5.67	5.99

<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	\$ 65,364,064	\$ 67,574,587	\$ 67,471,833	\$ 68,892,346	\$ 69,212,450
Agricultural and Vacant	18,817,444	20,170,277	19,317,556	21,702,419	24,513,613
Residential (Owner Occupied)	372,022,934	362,355,188	394,401,017	428,263,724	475,415,304
Residential (Rental)	116,138,866	105,121,410	67,217,317	64,358,482	55,394,475
Historical Property	475,805	456,764	397,248	299,468	198,742
Certain Government Property Improvements					7,539
Total	<u>\$ 572,819,113</u>	<u>\$ 555,678,226</u>	<u>\$ 548,804,971</u>	<u>\$ 583,516,439</u>	<u>\$ 624,742,123</u>
Gross Full Cash Value	\$ 5,705,341,292	\$ 5,357,684,940	\$ 5,261,361,840	\$ 5,516,662,678	\$ 5,937,324,187
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	11%	11%
Total Direct Rate	5.00	4.71	4.83	4.75	4.21

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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	\$ 75,772,302	\$ 76,200,642	\$ 72,391,528	\$ 69,926,380	\$ 70,290,001
Agricultural and Vacant	14,977,902	14,925,350	15,217,419	16,742,819	17,585,484
Residential (Owner Occupied)	445,304,663	433,504,768	413,867,479	400,357,880	396,475,854
Residential (Rental)	148,491,842	130,698,731	130,700,750	125,355,743	121,293,050
Historical Property	<u>1,033,571</u>	<u>1,018,513</u>	<u>841,624</u>	<u>626,491</u>	<u>511,036</u>
Total	<u>\$ 685,580,280</u>	<u>\$ 656,348,004</u>	<u>\$ 633,018,800</u>	<u>\$ 613,009,313</u>	<u>\$ 606,155,425</u>
Gross Full Cash Value	\$ 6,608,453,355	\$ 6,315,357,174	\$ 6,095,913,499	\$ 5,912,401,878	\$ 5,843,239,702
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	6,139,465,534	5,915,950,757	5,910,187,933	5,710,262,864	5,634,582,615
Total Direct Rate	5.59	4.99	5.42	5.67	5.99

<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	\$ 65,902,707	\$ 68,278,351	\$ 68,629,109	\$ 70,045,912	\$ 72,277,957
Agricultural and Vacant	19,333,541	20,413,779	19,522,282	21,966,125	26,625,317
Residential (Owner Occupied)	385,365,305	363,273,388	394,486,812	428,411,338	476,065,464
Residential (Rental)	120,392,716	106,010,257	67,317,139	64,620,873	55,538,529
Historical Property	489,487	457,581	399,444	299,772	203,273
Certain Government Property Improvements	<u></u>	<u></u>	<u></u>	<u></u>	<u>7,539</u>
Total	<u>\$ 591,483,756</u>	<u>\$ 558,433,356</u>	<u>\$ 550,354,786</u>	<u>\$ 585,344,020</u>	<u>\$ 630,718,079</u>
Gross Full Cash Value	\$ 5,705,341,292	\$ 5,357,684,940	\$ 5,261,361,840	\$ 5,516,662,678	\$ 5,937,324,187
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	11%	11%
Estimated Net Full Cash Value	5,462,348,868	5,102,360,953	5,015,761,306	5,371,584,691	5,799,349,292
Total Direct Rate	5.00	4.71	4.83	4.75	4.21

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Overlapping Rates								District Direct Rates		
	State		County	Flood	Community	Fire	Central	City of			
	Equalization	County	Free	Control	College	District	Arizona	Tucson	Primary	Secondary	Total
			Library	District	District	Assistance	Water				
2021	0.44	4.44	0.54	0.33	1.34	0.04	0.14	12.91	3.71	1.87	5.59
2020	0.46	4.69	0.54	0.33	1.38	0.04	0.14	12.62	3.69	1.31	4.99
2019	0.47	4.76	0.52	0.33	1.40	0.04	0.14	13.14	3.98	1.44	5.42
2018	0.49	5.16	0.51	0.31	1.39	0.05	0.14	13.76	4.12	1.55	5.67
2017	0.50	4.99	0.52	0.33	1.37	0.05	0.14	13.94	4.44	1.55	5.99
2016	0.51	5.09	0.52	0.31	1.37	0.05	0.14	13.03	3.46	1.54	5.00
2015	0.51	4.28	0.44	0.30	1.33	0.05	0.14	12.50	3.13	1.58	4.71
2014	0.51	4.45	0.38	0.26	1.29	0.05	0.14	14.25	3.66	1.16	4.83
2013	0.47	3.42	0.35	0.26	1.17	0.04	0.10	12.56	3.88	0.87	4.75
2012	0.43	3.42	0.35	0.26	1.19	0.04	0.10	11.19	2.67	1.54	4.21

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Taxpayer	2021			2012	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
SGC Tucson Property LLC	\$ 10,347,166	1.58 %		\$ 9,691,929	1.54 %
LVC Hotel LLC	6,959,729	1.07			
TWC II Tucson LLC	6,089,934	0.93		6,200,000	0.98
Unisource Energy Corp.	6,062,932	0.93		3,961,631	0.63
Southwest Gas Corporation	3,602,303	0.55			
N A Legends-90 LP	2,597,237	0.40			
Plaza Colonial Development LP	2,281,282	0.35		2,432,910	0.39
United Insurance Company of America	1,799,098	0.28		2,576,772	0.41
LDK Tucson LLC	1,797,879	0.28			
Sunrise Campbell Investors LLC/River Center Pads LLC	1,547,910	0.24			
Ventana Canyon Hotel Associates				7,009,389	1.11
Qwest Corporation				2,112,487	0.33
Ventana 20/20 LP				1,820,026	0.29
Bel Tucson Holdings LLC				2,108,499	0.33
Reseda Ventana LLC				1,961,542	0.31
Total	<u>\$ 43,085,470</u>	<u>6.60 %</u>		<u>\$ 39,875,185</u>	<u>6.34 %</u>

Source: The source of this information is the Pima 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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	\$ 29,092,386	\$ 28,726,854	98.74 %	\$	\$ 28,726,854	98.74 %
2020	27,835,703	27,338,888	98.22	344,257	27,683,145	99.45
2019	27,598,098	27,231,638	98.67	352,961	27,584,599	99.95
2018	28,395,219	28,030,556	98.72	349,332	28,379,888	99.95
2017	29,951,685	29,553,552	98.67	323,313	29,876,865	99.75
2016	23,942,805	23,315,943	97.38	594,452	23,910,395	99.86
2015	21,837,884	21,321,988	97.64	479,336	21,801,324	99.83
2014	21,600,641	21,035,018	97.38	527,050	21,562,068	99.82
2013	22,260,269	21,681,906	97.40	546,577	22,228,483	99.86
2012	21,468,379	20,842,992	97.09	604,033	21,447,025	99.90

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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	Per	Capital	Total	Percentage of	Per	Percentage of	
				Estimated Actual Value (Full Cash Value)				Estimated Actual Value (Full Cash Value)			Personal Income
2021	\$ 35,016,257	\$ 680,935	\$ 34,335,322	0.52 %	\$ 1,030	\$ 674,834	\$ 35,691,091	0.54 %	\$ 1,071	0.07 %	
2020	38,298,080	582,147	37,715,933	0.60	1,141	1,290,328	39,588,408	0.63	1,197	0.08	
2019	36,284,447	397,108	35,887,339	0.59	1,088	2,109,140	38,393,587	0.63	1,164	0.08	
2018	39,047,330	813,936	38,233,394	0.65	1,183	551,661	39,598,991	0.67	1,225	0.09	
2017	32,219,774	616,218	31,603,556	0.54	1,001	2,067,668	34,287,442	0.59	1,086	0.09	
2016	35,164,192	515,266	34,648,926	0.61	1,097	3,063,762	38,227,954	0.67	1,211	0.10	
2015	29,760,923	250,340	29,510,583	0.55	703	400,606	30,161,529	0.56	718	0.08	
2014	26,017,842		26,017,842	0.49	635	1,571,586	27,589,428	0.52	673	0.08	
2013	28,289,888	1,979,711	26,310,177	0.48	642	2,351,644	30,641,532	0.56	747	0.09	
2012	30,519,888	4,845,076	25,674,812	0.43	686	564,510	31,084,398	0.52	831	0.09	

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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:			
Pima County	\$ 174,910,000	7.14 %	\$ 12,488,574
Pima County Community College District	-	7.14	None
Hidden Valley Fire District	-	34.28	None
Northwest Fire District	31,930,000	0.06	19,158
Subtotal, Overlapping Debt			<u>12,507,732</u>
Direct:			
Catalina Foothills Unified School District No. 16			<u>35,691,091</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 48,198,823</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		5.26 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 1,405	
As a Percentage of Net Limited Assessed Valuation		7.18 %
As a Percentage of Gross Full Cash Value		0.71 %

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

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

Net full cash assessed valuation	\$ 685,580,280
Debt limit (20% of assessed value)	137,116,056
Debt applicable to limit	<u>34,305,917</u>
Legal debt margin	<u><u>\$ 102,810,139</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2021:

Net full cash assessed valuation	\$ 685,580,280
Debt limit (30% of assessed value)	205,674,084
Debt applicable to limit	<u>34,305,917</u>
Legal debt margin	<u><u>\$ 171,368,167</u></u>

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 205,674,084	\$ 196,904,401	\$ 189,905,640	\$ 183,902,794	\$ 181,846,628
Total net debt applicable to limit	<u>\$ 34,305,917</u>	<u>\$ 37,374,954</u>	<u>\$ 35,499,954</u>	<u>\$ 38,110,000</u>	<u>\$ 31,265,000</u>
Legal debt margin	<u><u>\$ 171,368,167</u></u>	<u><u>\$ 159,529,447</u></u>	<u><u>\$ 154,405,686</u></u>	<u><u>\$ 145,792,794</u></u>	<u><u>\$ 150,581,628</u></u>
Total net debt applicable to the limit as a percentage of debt limit	17%	19%	19%	21%	17%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 177,445,127	\$ 167,530,007	\$ 165,106,436	\$ 175,603,206	\$ 189,215,424
Total net debt applicable to limit	<u>\$ 34,090,000</u>	<u>\$ 29,340,000</u>	<u>\$ 25,850,000</u>	<u>\$ 28,115,000</u>	<u>\$ 30,345,000</u>
Legal debt margin	<u><u>\$ 143,355,127</u></u>	<u><u>\$ 138,190,007</u></u>	<u><u>\$ 139,256,436</u></u>	<u><u>\$ 147,488,206</u></u>	<u><u>\$ 158,870,424</u></u>
Total net debt applicable to the limit as a percentage of debt limit	19%	18%	16%	16%	16%

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.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

Year	Population		Personal Income (thousands)		Per Capita Income	Unemployment Rate	Estimated District Population
2020	1,052,375	\$	51,331,920	\$	48,373	7.4 %	33,330
2019	1,044,675		47,604,994		45,456	4.0	33,069
2018	1,034,201		45,748,033		44,028	4.5	32,979
2017	1,026,099		42,585,356		41,637	4.5	32,332
2016	1,013,103		38,922,402		38,536	4.9	31,574
2015	1,009,371		37,198,714		37,031	5.6	31,574
2014	1,007,162		36,935,363		37,063	6.2	42,000
2013	992,394		36,058,871		36,335	6.9	41,000
2012	989,569		34,596,360		34,961	6.7	41,000
2011	986,081		34,360,759		34,987	7.2	37,400

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Employer	2021			2012		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
University of Arizona	10,846	2.34	%	10,681	2.39	%
Raytheon Missile Systems	9,600	2.07		10,500	2.35	
Davis Monthan AFB	8,580	1.85		8,566	1.91	
State of Arizona	8,500	1.83		9,061	2.02	
Tucson Unified School District	7,700	1.66		6,674	1.49	
Pima County	7,060	1.52		6,170	1.38	
Banner University of Arizona Health Network	6,272	1.35		5,594	1.25	
U.S. Customs and Border Protection	5,739	1.24		6,000	1.34	
Freeport-McMoran Mining	5,530	1.19		5,068	1.13	
Wal-Mart Stores, Inc.	5,500	1.19		7,300	1.63	
Fort Huachuca				6,198	1.38	
City of Tucson				4,541	1.01	
Carondelet Health Network				4,635	1.04	
Tohono O'odham Nation				4,350	0.97	
Fry's Food Stores				3,100	0.69	
Tucson Medical Center				2,904	0.65	
Total	75,327	16.24	%	101,342	22.63	%
Total employment	464,100			447,600		

Source: The information was obtained from the Arizona Daily Star and Pima County.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Supervisory					
Superintendents	1	1	1	1	1
Associate superintendents	1	1	1	1	1
Assistant superintendents	1	1	1	1	1
Consultants/supervisors of instruction	4	4	4	10	10
Principals	8	8	8	8	8
Assistant principals	7	7	7	5	6
Total supervisory	<u>22</u>	<u>22</u>	<u>22</u>	<u>26</u>	<u>27</u>
Instruction					
Teachers	305	306	302	308	305
Other professionals (instructional)	7	8	8		
Aides	68	68	76	85	86
Total instruction	<u>380</u>	<u>382</u>	<u>386</u>	<u>393</u>	<u>391</u>
Student Services					
Nurses	4	4	5	5	5
Counselors/advisors/school psychologists	15	15	15	15	13
Technicians	20	20	21	35	30
Total student services	<u>39</u>	<u>39</u>	<u>41</u>	<u>55</u>	<u>48</u>
Support and Administration					
Service workers	67	68	68	24	29
Other classified	10	10	15	68	61
Total support and administration	<u>77</u>	<u>78</u>	<u>83</u>	<u>92</u>	<u>90</u>
Total	<u><u>518</u></u>	<u><u>521</u></u>	<u><u>532</u></u>	<u><u>566</u></u>	<u><u>556</u></u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
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>
Supervisory					
Superintendents	1	1			
Associate superintendents	1	1			
Assistant superintendents	1	1			
Consultants/supervisors of instruction	10	9	8	6	8
Principals	7	7	7	7	7
Assistant principals	6	6	6	5	4
Total supervisory	<u>26</u>	<u>25</u>	<u>21</u>	<u>18</u>	<u>19</u>
Instruction					
Teachers	277	281	272	280	278
Other professionals (instructional)					
Aides	<u>88</u>	<u>87</u>	<u>87</u>	<u>92</u>	<u>83</u>
Total instruction	<u>365</u>	<u>368</u>	<u>359</u>	<u>372</u>	<u>361</u>
Student Services					
Nurses	5	5			
Counselors/advisors/school psychologists	13	13			
Technicians	<u>31</u>	<u>30</u>	<u>30</u>	<u>28</u>	<u>28</u>
Total student services	<u>49</u>	<u>48</u>	<u>30</u>	<u>28</u>	<u>28</u>
Support and Administration					
Service workers	48	51	54	58	64
Other classified	<u>63</u>	<u>62</u>	<u>59</u>	<u>62</u>	<u>61</u>
Total support and administration	<u>111</u>	<u>113</u>	<u>113</u>	<u>120</u>	<u>125</u>
Total	<u><u>551</u></u>	<u><u>554</u></u>	<u><u>523</u></u>	<u><u>538</u></u>	<u><u>533</u></u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Free/Reduced Students
2021	4,874	\$ 44,526,939	\$ 9,136	(0.39) %	\$ 53,023,722	\$ 10,879	1.82 %	380	12.8	11.9 %
2020	5,044	46,260,162	9,171	4.61	53,891,487	10,684	2.94	382	13.2	11.9
2019	5,008	43,906,456	8,767	10.85	51,977,344	10,379	16.11	386	13.0	12.0
2018	4,967	39,283,245	7,909	(1.13)	44,397,375	8,938	(3.17)	393	12.6	12.0
2017	4,844	38,747,030	7,999	(0.42)	44,716,845	9,231	(9.15)	391	12.4	13.0
2016	4,746	38,121,443	8,032	6.23	48,223,057	10,161	14.55	365	13.0	12.6
2015	4,788	36,201,951	7,561	2.48	42,469,436	8,870	0.23	368	13.0	12.6
2014	4,812	35,502,808	7,378	1.78	42,584,064	8,850	(5.63)	359	13.4	12.0
2013	4,790	34,722,618	7,249	(0.66)	44,920,643	9,378	8.62	372	12.9	11.6
2012	4,819	35,164,881	7,297	1.20	41,607,870	8,634	(0.54)	361	13.3	11.0

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<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>
<u>Schools</u>										
Elementary										
Buildings	44	44	44	44	44	44	44	44	44	44
Square feet	259,687	259,687	259,687	259,687	259,687	259,687	259,687	259,687	257,800	257,800
Capacity	2,500	2,500	2,500	2,500	2,500	2,000	2,000	2,000	2,000	2,000
Enrollment	1,992	2,162	2,089	2,168	2,085	2,003	1,932	1,958	1,914	1,913
Middle										
Buildings	18	18	18	18	18	18	18	18	18	18
Square feet	171,287	171,287	171,287	171,287	171,287	171,287	171,287	171,287	171,287	171,287
Capacity	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,217	1,294	1,315	1,328	1,275	1,215	1,220	1,210	1,216	1,182
High										
Buildings	8	8	8	8	8	8	8	8	8	8
Square feet	349,971	349,971	349,971	349,971	349,971	349,971	349,971	349,971	349,971	349,971
Capacity	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Enrollment	1,753	1,750	1,729	1,691	1,677	1,628	1,631	1,671	1,817	1,817
Other										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	32,217	32,217	32,217	32,217	32,217	32,217	12,100	12,100	12,100	12,100
Capacity	270	270	270	270	270	270	80	80	80	80
Enrollment	8	8	8	8	8	7	6	6	7	11
<u>Administrative</u>										
Buildings	7	7	7	7	7	7	7	7	7	7
Square feet	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,932	15,932
<u>Athletics</u>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	3	3	3	3	3	3	3	3	3	3
Running tracks	3	3	3	3	3	3	3	3	3	3
Baseball	3	3	3	3	3	3	3	3	3	3
Softball	3	3	3	2	2	2	2	2	2	2
Playgrounds	10	10	10	10	10	10	10	10	10	10
Multi-purpose	4	4	4	4	4	4	4	4	4	4
Ropes field	1	1	1	1	1	1	1	1	1	1

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

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