
TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TOLLESON, ARIZONA

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

Issued by:
Business and Finance Department

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TABLE OF CONTENTS

<u>INTRODUCTORY SECTION</u>	<u>Page</u>
Letter of Transmittal	1
ASBO Certificate of Excellence	7
GFOA Certificate of Achievement	8
Organizational Chart	9
List of Principal Officials	10
 <u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR’S REPORT	13
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)	19
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	32
Statement of Activities	33
Fund Financial Statements:	
Balance Sheet - Governmental Funds	36
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	39
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	42
Statement of Net Position – Proprietary Funds	43
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	44

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TABLE OF CONTENTS

<u>FINANCIAL SECTION</u>	<u>Page</u>
BASIC FINANCIAL STATEMENTS	
Statement of Cash Flows – Proprietary Funds	45
Notes to Financial Statements	46
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	70
Title IV Grants Fund	71
Other Federal Projects Fund	72
Food Service Fund	73
Pension Schedules	74
Notes to Required Supplementary Information	76
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Governmental Funds:	
Combining Balance Sheet - All Non-Major Governmental Funds - By Fund Type	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Non-Major Governmental Funds - By Fund Type	81
Special Revenue Funds:	
Combining Balance Sheet	84

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TABLE OF CONTENTS

FINANCIAL SECTION

Page

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Special Revenue Funds:

Combining Statement of Revenues, Expenditures and Changes in Fund Balances 90

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual 96

Debt Service Fund:

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual 116

Capital Projects Funds:

Combining Balance Sheet 118

Combining Statement of Revenues, Expenditures and Changes in Fund Balances 120

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual 122

STATISTICAL SECTION

Financial Trends:

Net Position by Component 129

Expenses, Program Revenues, and Net (Expense)/Revenue 130

General Revenues and Total Changes in Net Position 132

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TABLE OF CONTENTS

<u>STATISTICAL SECTION</u>	<u>Page</u>
Fund Balances - Governmental Funds	134
Governmental Funds Revenues	136
Governmental Funds Expenditures and Debt Service Ratio	138
Other Financing Sources and Uses and Net Changes in Fund Balances - Governmental Funds	140
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	141
Net Full Cash Assessed Value of Taxable Property by Class	142
Property Tax Assessment Ratios	143
Direct and Overlapping Property Tax Rates	144
Principal Property Taxpayers	145
Property Tax Levies and Collections	146
Debt Capacity:	
Outstanding Debt by Type	147
Direct and Overlapping Governmental Activities Debt	148
Direct and Overlapping General Bonded Debt Ratios	148
Legal Debt Margin Information	149
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	150
Principal Employers	151

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

TABLE OF CONTENTS

<u>STATISTICAL SECTION</u>	<u>Page</u>
Operating Information:	
Full-Time Equivalent District Employees by Type	152
Operating Statistics	154
Capital Assets Information	155

INTRODUCTORY SECTION

(This page intentionally left blank)



Tolleson Elementary School District No. 17

9261 W. Van Buren • Tolleson, AZ 85353
(623) 533-3900 • FAX (623) 533-3934

The Governing Board

Anthony J. Aponte
Roberta A. Garcia
Tida M. Garcia
Adriana G. Morado
Belinda Quezada

December 30, 2021

Superintendent

Dr. Lupita Hightower

Citizens and Governing Board
Tolleson Elementary School District No. 17
9261 West Van Buren Street
Tolleson, Arizona 85353

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Tolleson Elementary School District No. 17 (District) for the fiscal year ended June 30, 2021.

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

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

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

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

PROFILE OF THE DISTRICT

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade 8, with a fiscal year 2020-21 un-weighted average daily membership of 2,615. The projected enrollment for fiscal year 2021-22 is 2,510 including preschool students.

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

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools in accordance with Board established policies. The Board, through its policies also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls. The Board and administration evaluate the effects of the District's policies and revise them as necessary. There were no significant revisions of the District's financial policies that would impact the current period's financial statements.

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

The Tolleson Elementary School District No. 17 is located 14 miles west of downtown Phoenix. The City of Tolleson, a portion of southwest Phoenix and the northeast section of the City of Avondale are included within the area served by the District. The District encompasses an area of approximately 6.25 square miles.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The economy of the cities of Tolleson and Avondale and of Maricopa County, in general, is a mixture of farming, commercial enterprises, light manufacturing and food processing. The largest employers represented by major firms in the Tolleson area are Banner Health Systems, Wal-Mart Stores, Frys/Kroger Food and Drugs Stores, Wells Fargo Company, Amazon.com, Inc. In recent years, the City of Tolleson has been successful in attracting businesses to locate their warehouse facilities in the City due to the freeway, railroad and airline accessibility. This has been and will continue to be a positive contributing factor to the District's potential economic growth for many years to come.

In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and two state universities.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2019 population was estimated at 4.485 million is still expected to reach 6.0 million by 2030 with a growth rate of 5.34% in the past year according to the most recent United States census data (2017).

Maricopa County continues to have a very wide range of economic sectors supporting its potential growth. Maricopa County has, for some time, enjoyed an unemployment rate that was somewhat lower than the national average, however, the current rate of unemployment is fluctuating between 8.5% in May 2020 to 7.9% in October 2020 (source: <https://www.azeconomy.org/data/maricopa-county/>). This downturn is expected to be temporary as the nation, the state, the county are addressing the COVID-19 pandemic.

Service is the largest employment sector in the County, partly fueled by the tourism industry, which as most service industries, have had the most decline during the pandemic. The County still has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category.

Long-term Financial Planning. In November of 2018, the District's voters approved a continuation of a November 2012 seven year \$750,000 per year capital override. The funds will be used to provide 21st Century classroom technology, refurbish schools, and purchase transportation equipment and to provide instructional materials.

In November 2017 the District's voters approved \$24 million in general obligation bonds. The funds have been used to construct a gym, add additional classroom buildings, purchase new school buses, upgrade fire alarms and security systems, replace worn tile and carpets, replace furniture and equipment, weather proof building exteriors, and replace HVAC units. The average age of District school buildings is 18 years.

In November of 2020 voters renewed a 15% M&O (Maintenance and Operations) override generating over \$2.0 million in additional revenues, and a continuation of that M&O Override was approved by voters in November 2020. The M&O Override helps maintain full day Kindergarten, Art, Technology, Physical Education (PE) and various band classes to include Mariachi, Marching and Concert bands, Latin Jazz and Jazz Music instruction. Additionally, the override allows continuation of support services to include a Social Worker, four Counselors, Alternative Education programs and expanded Athletic programs.

Tolleson Elementary School District's Response to COVID-19 pandemic

The District's capital and M&O overrides have been strongly supported by local businesses and taxpayers. This allowed the District to lease purchase both Apple and Microsoft computers to achieve a 1:1 student to laptop ratio for grade levels K through 8th and student to iPads to support Special Education students and Science, Technology, Engineering and Math (STEM) program. Teachers and support staff all received new Microsoft Surface Pros equipped with built-in cameras, built-in microphones and detachable keyboards, preloaded with Office 365 platform and Microsoft Suite.

In the early part of 2020, it was becoming evident that a pandemic would possibly require the districts in Arizona to close schools to suppress the outbreak. Arizona governmental leadership provided guidance from both the Governor's office with Executive Orders to support districts in responding to the pandemic and assure that the financial fluctuations would be addressed through CARES funding provide through the Federal Government to the State and to the school districts.

The District received \$1.3 million from the Governor's Emergency Education Relief (GEER) funding source under the CARES Act. The District also received an allocation of \$608,000 for Elementary and Secondary School Emergency Relief Funds (ESSER I); \$2,503,995 for ESSER II; and \$5,667,838 for ESSER III. The District has also submitted applications for reimbursement for specific COVID-19 related expenses: Personal Protection Equipment (PPE) to include masks, face shields, gowns, booties, technology support from various agencies to include the Arizona Department of Military and Emergency Affairs (AZDEMA).

The District closed schools mid-March 2020 and remained closed through the rest of the school year following recommendations based on health metrics available through the county and state health departments. Instruction has continued virtually; teachers, students and parents had the technology distributed and training provided to support distance learning.

The District has implemented a robust mitigation plan to stop the spread of the virus through offering community forums for question and answers and providing extensive communication methods using social media in addition to the usual links for resources on the District website. The District additionally submitted the District mitigation plan for review to an external independent team of medical experts and received Healthy Verify Certification that the protocols and procedures established were in compliance with high standards recommended by the Center for Disease Control (CDC), the Maricopa County Health Department, and with the Arizona State Health Department.

The District continued to provide in-person instruction to families most in need through learning labs at the four campuses, and the choice of distance learning to all the families when schools were closed due to outbreaks in the community.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials (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 24th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

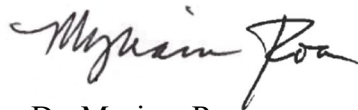
Acknowledgments. The preparation of the annual comprehensive financial report on a timely basis was made possible by the dedicated service of the entire staff of the business and finance department. Each member of the department has our sincere appreciation for the contributions made in the preparation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

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Lupita Hightower'.

Dr. Lupita Hightower
Superintendent

A handwritten signature in blue ink, appearing to read 'Myriam Roa'.

Dr. Myriam Roa
Executive Director of Business Services



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Tolleson Elementary School District 17

**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

**Tolleson Elementary School District No. 17
Arizona**

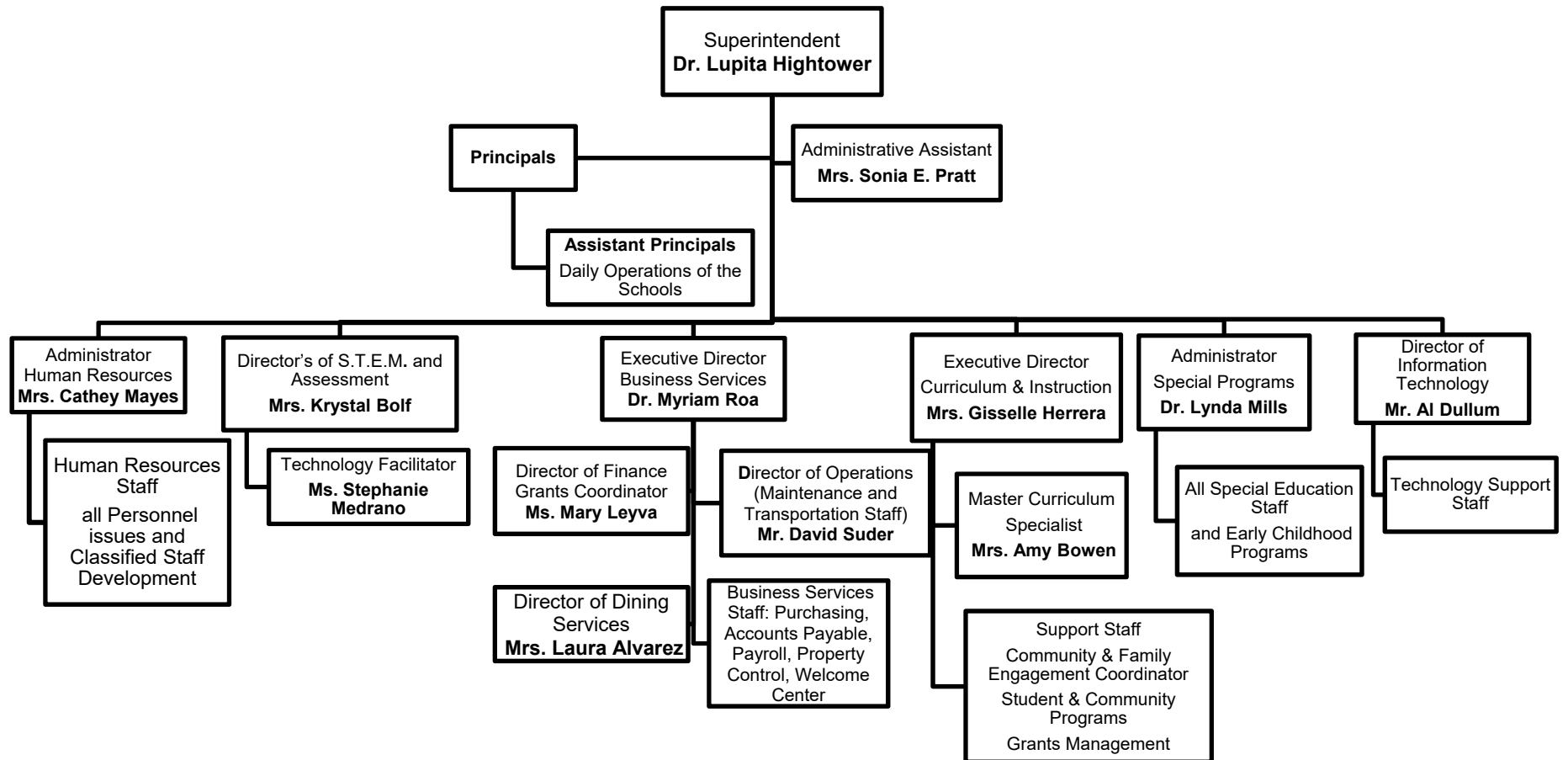
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Tolleson Elementary School District No. 17
Organizational Chart 2020-21
As of June 30, 2021



June 30, 2021

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17

LIST OF PRINCIPAL OFFICIALS

(As of June 30, 2021)

GOVERNING BOARD

Belinda Quezada, President

Anthony J. Aponte, Vice President

Roberta A. Garcia, Member

Tida M. Garcia, Member

Adriana G. Morado, Member

ADMINISTRATIVE STAFF

Dr. Lupita Hightower, Superintendent

Dr. Lynda Mills, Administrator of Special Programs

Mrs. Cathey Mayes, Administrator of Human Resources

Dr. Myriam Roa, Executive Director of Business Services

Mrs. Gisselle Herrera, Executive Director of Curriculum & Instruction

Mrs. Krystal Bolf, Director of S.T.E.M. and Assessment

Mr. Al Dullum, Director of Information Technology

FINANCIAL SECTION

(This page intentionally left blank)

Independent Auditor's Report

Governing Board
Tolleson Elementary School District No. 17

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 Tolleson Elementary School District No. 17 (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 Tolleson Elementary School District No. 17, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows 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 Tolleson Elementary School District No. 17 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, 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 30, 2021, on our consideration of Tolleson Elementary School District No. 17'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 Tolleson Elementary School District No. 17'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 Tolleson Elementary School District No. 17's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 30, 2021

(This page intentionally left blank)

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

(This page intentionally left blank)

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

As management of the Tolleson Elementary School District No. 17 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$2.3 million which represents an eight percent increase from the prior fiscal year primarily due to a decrease in instruction expenses as a result of a decrease in student enrollment.
- General revenues accounted for \$23.8 million in revenue, or 63 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$13.7 million or 37 percent of total current fiscal year revenues.
- The District had approximately \$35.3 in expenses related to governmental activities, a decrease of nine percent from the prior fiscal year primarily due to a decrease in instruction expenses as a result of a decrease in student enrollment.
- Among major funds, the General Fund had \$17.6 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$17.6 million in expenditures. The General Fund's fund balance increase from \$2.2 million at the prior fiscal year end to \$3.1 million at the end of the current fiscal year was primarily due to a decrease in expenditures due to a decrease in student enrollment.
- Net position for the Internal Service Fund decreased \$265,543 from the prior fiscal year. Operating expenses of \$2.3 million exceeded operating revenues of \$2.1 million at the end of the current fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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, 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 can be divided into two categories: governmental funds and proprietary 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.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

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.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Title IV Grants, Other Federal Projects, Food Service, Debt Service, 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.

Proprietary fund. The District maintains one type of proprietary fund. The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service fund to account for its employee benefit fund. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements.

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

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 \$31.3 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 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 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	\$ 22,018,801	\$ 20,580,713
Capital assets, net	61,850,584	62,304,927
Total assets	<u>83,869,385</u>	<u>82,885,640</u>
Deferred outflows	<u>4,693,094</u>	<u>2,879,525</u>
Current and other liabilities	2,095,323	2,258,780
Long-term liabilities	55,172,708	53,142,700
Total liabilities	<u>57,268,031</u>	<u>55,401,480</u>
Deferred inflows	<u>7,170</u>	<u>1,391,336</u>
Net position:		
Net investment in capital assets	42,330,785	43,995,004
Restricted	7,248,459	4,006,211
Unrestricted	(18,291,966)	(19,028,866)
Total net position	<u>\$ 31,287,278</u>	<u>\$ 28,972,349</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position while unrestricted net position reported a deficit of \$18.3 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's financial position is the product of several financial transactions including the net results 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.

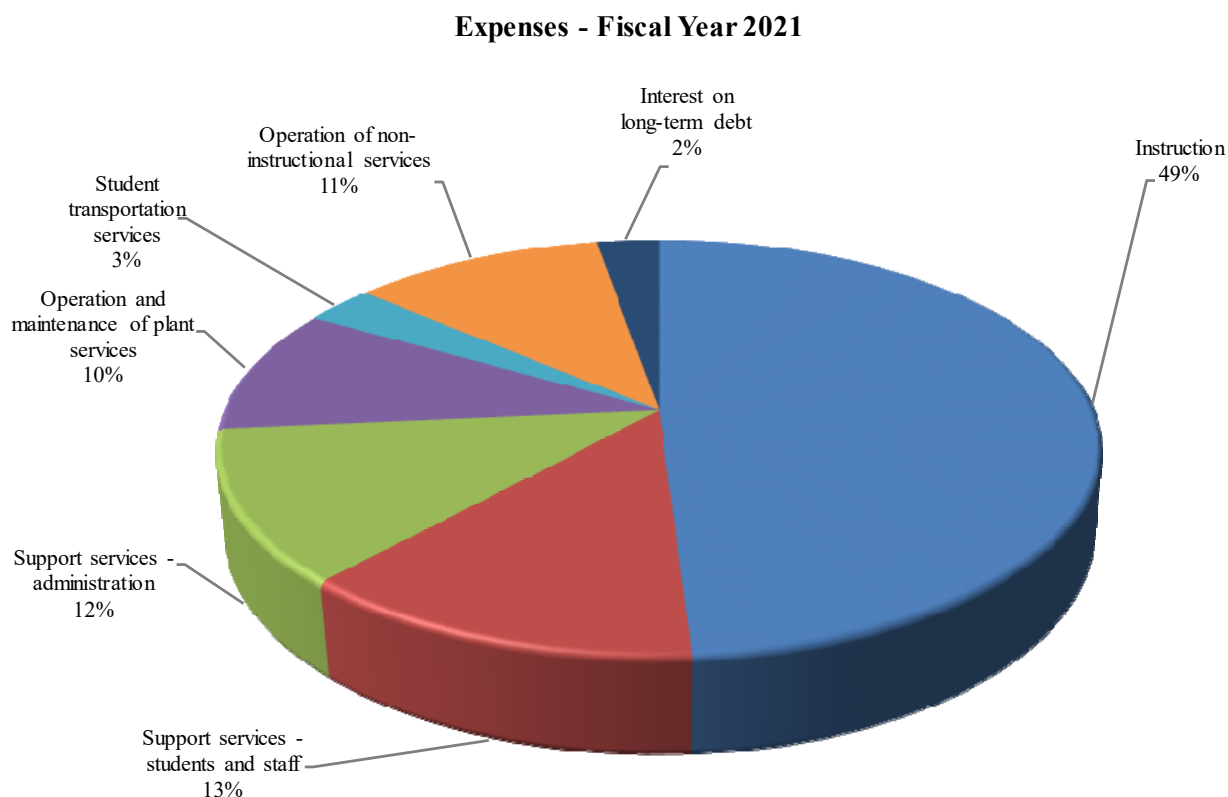
- The increase of \$4.2 million in pension liabilities.
- Accumulated depreciation increased \$1.9 million.

Changes in net position. The District's total revenues for the current fiscal year were \$37.6 million. The total cost of all programs and services was \$35.3 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Revenues:		
Program revenues:		
Charges for services	\$ 672,653	\$ 1,130,775
Operating grants and contributions	12,531,962	6,331,748
Capital grants and contributions	532,779	517,052
General revenues:		
Property taxes	9,874,188	9,882,999
Investment income	166,404	237,783
Unrestricted county aid	1,168,151	1,169,623
Unrestricted state aid	12,516,053	13,792,206
Unrestricted federal aid	112,559	170,215
Total revenues	<u>37,574,749</u>	<u>33,232,401</u>
Expenses:		
Instruction	17,277,242	19,988,221
Support services - students and staff	4,492,414	4,520,994
Support services - administration	4,167,697	4,515,054
Operation and maintenance of plant services	3,444,627	3,469,885
Student transportation services	1,052,657	1,592,043
Operation of non-instructional services	3,871,164	3,708,914
Interest on long-term debt	954,019	811,646
Total expenses	<u>35,259,820</u>	<u>38,606,757</u>
Changes in net position	2,314,929	(5,374,356)
Net position, beginning, as restated	28,972,349	34,346,705
Net position, ending	<u><u>\$ 31,287,278</u></u>	<u><u>\$ 28,972,349</u></u>

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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.

- An increase of \$6.2 million in operating grants and contributions due to increased grant funding related to the COVID-19 pandemic.
- A decrease of \$1.3 million in unrestricted state aid and a decrease of \$2.7 million of instruction expenses due to a decrease in student enrollment.

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.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 17,277,242	\$ (14,329,242)	\$ 19,988,221	\$ (17,303,051)
Support services - students and staff	4,492,414	(3,195,054)	4,520,994	(3,659,240)
Support services - administration	4,167,697	(4,059,799)	4,515,054	(4,468,240)
Operation and maintenance of plant services	3,444,627	(1,476,720)	3,469,885	(3,151,851)
Student transportation services	1,052,657	(1,028,367)	1,592,043	(1,590,402)
Operation of non-instructional services	3,871,164	3,520,775	3,708,914	357,248
Interest on long-term debt	954,019	(954,019)	811,646	(811,646)
Total	<u>\$ 35,259,820</u>	<u>\$ (21,522,426)</u>	<u>\$ 38,606,757</u>	<u>\$ (30,627,182)</u>

- The cost of all governmental activities this year was \$35.3 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$13.7 million.
- Net cost of governmental activities of \$21.5 million was financed by general revenues, which are made up of primarily property taxes of \$9.9 million and state and county aid of \$13.7 million.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$16.4 million, an increase of \$1.1 million due primarily to an increase in federal aid as a result of the COVID-19 pandemic.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 19 percent of the total fund balance. The entire \$3.1 million of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$946,951 in the General Fund to \$3.1 million as of fiscal year end. General Fund revenues decreased \$1.3 million, or seven percent. General Fund expenditures decreased \$1.8 million, or nine percent. The decrease in both revenues and expenditures are primarily due to a decrease in student enrollment.

The fund balance of the Title IV Grants Fund increased \$122,374 due to the timing of grant reimbursements.

The fund balance of the Food Service Fund increased \$3.1 million primarily due to an increase in federal aid as a result of the COVID-19 pandemic.

The fund balance of the Debt Service Fund decreased by \$127,460 primarily due to a decrease in property tax revenues.

The fund balance of the Bond Building Fund decreased by \$2.7 million primarily due to the utilization of prior years' bond proceeds.

Proprietary Fund. Unrestricted net position of the Internal Service Fund at the end of the fiscal year amounted to \$768,492. The decrease of \$265,543 from the prior fiscal year was primarily due to operating expenses exceeding operating revenues.

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 \$1.3 million decrease, or seven percent, due to the receipt of the Enrollment Stabilization Grant. 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 variances are summarized as follows:

- The favorable variance of \$649,469 in instruction expenditures was due to the temporary and sporadic closure of schools initially in the fall of 2020.
- The favorable variance of \$196,875 in operation and maintenance of plant services expenditures was due to the use of state and federal funds to offset operational costs.

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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 \$84.2 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$1.4 million primarily due to building renovations and land improvements. Total depreciation expense for the year was \$1.9 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	\$ 7,890,616	\$ 7,939,749
Capital assets - depreciable, net	53,959,968	54,365,178
Total	<u>\$ 61,850,584</u>	<u>\$ 62,304,927</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 \$27.9 million in long-term debt outstanding, \$2.3 million due within one year. Long-term debt decreased by \$2.2 million due to the payment of debt obligations.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$50.2 million and the Class B debt limit is \$33.4 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 8 through 10.

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 2021-22 budget balance carry forward of \$476,136.
- District student population (estimated 2,510).

**TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

Budgeted expenditures in the General Fund increased three percent to \$18.7 million in fiscal year 2021-22 due to an increase in state aid. 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, Tolleson Elementary School District No. 17, 9261 West Van Buren Street, Tolleson, Arizona 85353.

BASIC FINANCIAL STATEMENTS

(This page intentionally left blank)

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 16,416,637
Property taxes receivable	223,471
Due from governmental entities	4,805,518
Prepaid items	467,773
Inventory	105,402
Total current assets	<u>22,018,801</u>
Noncurrent assets:	
Capital assets not being depreciated	7,890,616
Capital assets, net of accumulated depreciation	<u>53,959,968</u>
Total noncurrent assets	<u>61,850,584</u>
Total assets	<u>83,869,385</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension plan items	<u>4,693,094</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,189,989
Accrued payroll and employee benefits	380,791
Compensated absences payable	75,000
Accrued interest payable	521,194
Unearned revenues	3,349
Obligations under capital leases	711,052
Bonds payable	1,615,000
Total current liabilities	<u>4,496,375</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>52,771,656</u>
Total noncurrent liabilities	<u>52,771,656</u>
Total liabilities	<u>57,268,031</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	<u>7,170</u>
<u>NET POSITION</u>	
Net investment in capital assets	42,330,785
Restricted for:	
Instruction	1,160,519
Food service	3,963,708
Non-instructional purposes	542,320
Debt service	248,344
Capital outlay	1,333,568
Unrestricted	<u>(18,291,966)</u>
Total net position	<u>\$ 31,287,278</u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 17,277,242	\$ 651,808	\$ 2,143,325	\$ 152,867	\$ (14,329,242)
Support services - students and staff	4,492,414		1,297,360		(3,195,054)
Support services - administration	4,167,697		107,898		(4,059,799)
Operation and maintenance of plant services	3,444,627	20,845	1,567,150	379,912	(1,476,720)
Student transportation services	1,052,657		24,290		(1,028,367)
Operation of non-instructional services	3,871,164		7,391,939		3,520,775
Interest on long-term debt	954,019				(954,019)
Total governmental activities	<u>\$ 35,259,820</u>	<u>\$ 672,653</u>	<u>\$ 12,531,962</u>	<u>\$ 532,779</u>	<u>(21,522,426)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	5,727,941
Property taxes, levied for debt service	2,430,261
Property taxes, levied for capital outlay	1,715,986
Investment income	166,404
Unrestricted county aid	1,168,151
Unrestricted state aid	12,516,053
Unrestricted federal aid	112,559
Total general revenues	<u>23,837,355</u>

Changes in net position 2,314,929

Net position, beginning of year 28,972,349

Net position, end of year \$ 31,287,278

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

(This page intentionally left blank)

FUND FINANCIAL STATEMENTS

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General</u>	<u>Title IV Grants</u>	<u>Other Federal Projects</u>
<u>ASSETS</u>			
Cash and investments	\$	\$	\$
Property taxes receivable	156,748		
Due from governmental entities	3,193,986	494,872	531,909
Due from other funds	376,746		
Inventory			
Total assets	<u>\$ 3,727,480</u>	<u>\$ 494,872</u>	<u>\$ 531,909</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 250,607	\$ 9,816	\$
Due to other funds		336,529	533,626
Accrued payroll and employee benefits	203,550	148,527	
Unearned revenues			
Bonds payable			
Bond interest payable			
Total liabilities	<u>454,157</u>	<u>494,872</u>	<u>533,626</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	134,514		
Unavailable revenues - intergovernmental		264,183	531,909
Total deferred inflows of resources	<u>134,514</u>	<u>264,183</u>	<u>531,909</u>
Fund balances (deficits):			
Nonspendable			
Restricted			
Unassigned	3,138,809	(264,183)	(533,626)
Total fund balances	<u>3,138,809</u>	<u>(264,183)</u>	<u>(533,626)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,727,480</u>	<u>\$ 494,872</u>	<u>\$ 531,909</u>

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

<u>Food Service</u>	<u>Debt Service</u>	<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 3,700,721	\$ 2,333,383	\$ 7,739,856	\$ 2,341,958	\$ 16,115,918
	51,155		15,568	223,471
327,258			257,493	4,805,518
			674,983	1,051,729
105,402				105,402
<u>\$ 4,133,381</u>	<u>\$ 2,384,538</u>	<u>\$ 7,739,856</u>	<u>\$ 3,290,002</u>	<u>\$ 22,302,038</u>
\$ 159,734	\$	\$ 693,481	\$ 76,351	\$ 1,189,989
			181,574	1,051,729
9,939			18,775	380,791
			3,349	3,349
	1,615,000			1,615,000
	521,194			521,194
<u>169,673</u>	<u>2,136,194</u>	<u>693,481</u>	<u>280,049</u>	<u>4,762,052</u>
	42,788		13,072	190,374
			155,264	951,356
	<u>42,788</u>		<u>168,336</u>	<u>1,141,730</u>
105,402				105,402
3,858,306	205,556	7,046,375	2,996,881	14,107,118
			(155,264)	2,185,736
<u>3,963,708</u>	<u>205,556</u>	<u>7,046,375</u>	<u>2,841,617</u>	<u>16,398,256</u>
<u>\$ 4,133,381</u>	<u>\$ 2,384,538</u>	<u>\$ 7,739,856</u>	<u>\$ 3,290,002</u>	<u>\$ 22,302,038</u>

(This page intentionally left blank)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total governmental fund balances	\$ 16,398,256
---	----------------------

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	\$ 84,151,955	
Less accumulated depreciation	<u>(22,301,371)</u>	61,850,584

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

Property taxes	190,374	
Intergovernmental	<u>951,356</u>	1,141,730

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	4,693,094	
Deferred inflows of resources related to pensions	<u>(7,170)</u>	4,685,924

The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.

768,492

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

Compensated absences payable	(767,473)	
Obligations under capital leases	(1,332,951)	
Net pension liability	(26,506,110)	
Bonds payable	<u>(24,951,174)</u>	<u>(53,557,708)</u>

Net position of governmental activities	\$ <u>31,287,278</u>
--	-----------------------------

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	<u>General</u>	<u>Title IV Grants</u>	<u>Other Federal Projects</u>
Revenues:			
Other local	\$ 1,088,533	\$	\$
Property taxes	5,673,399		
State aid and grants	10,772,275		
Federal aid, grants and reimbursements	<u>112,559</u>	<u>815,509</u>	<u>1,393,757</u>
Total revenues	<u>17,646,766</u>	<u>815,509</u>	<u>1,393,757</u>
Expenditures:			
Current -			
Instruction	9,880,119	436,131	198,326
Support services - students and staff	2,764,866	211,390	1,867
Support services - administration	3,030,075	6,476	57,353
Operation and maintenance of plant services	1,441,819		1,398,587
Student transportation services	421,221	16,000	7,441
Operation of non-instructional services	75,992		
Capital outlay	3,080	60	117,574
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>17,617,172</u>	<u>670,057</u>	<u>1,781,148</u>
Excess (deficiency) of revenues over expenditures	<u>29,594</u>	<u>145,452</u>	<u>(387,391)</u>
Other financing sources (uses):			
Transfers in	917,357		
Transfers out		(23,078)	
Total other financing sources (uses)	<u>917,357</u>	<u>(23,078)</u>	
Changes in fund balances	<u>946,951</u>	<u>122,374</u>	<u>(387,391)</u>
Fund balances (deficits), beginning of year	2,191,858	(386,557)	(146,235)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 3,138,809</u>	<u>\$ (264,183)</u>	<u>\$ (533,626)</u>

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

<u>Food Service</u>	<u>Debt Service</u>	<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 36,511	\$ 8,689	\$ 111,654	\$ 788,248	\$ 2,033,635
	2,411,835		1,710,236	9,795,470
			3,345,158	14,117,433
7,391,939			1,368,185	11,081,949
<u>7,428,450</u>	<u>2,420,524</u>	<u>111,654</u>	<u>7,211,827</u>	<u>37,028,487</u>
			3,662,135	14,176,711
			1,203,969	4,182,092
67			47,008	3,140,979
3,866			10,907	2,855,179
			4,575	449,237
3,585,828			146,233	3,808,053
32,865		1,983,444	1,893,027	4,030,050
	1,615,000	692,051		2,307,051
	1,044,638	55,377		1,100,015
<u>3,622,626</u>	<u>2,659,638</u>	<u>2,730,872</u>	<u>6,967,854</u>	<u>36,049,367</u>
<u>3,805,824</u>	<u>(239,114)</u>	<u>(2,619,218)</u>	<u>243,973</u>	<u>979,120</u>
	111,654			1,029,011
<u>(853,800)</u>		<u>(111,654)</u>	<u>(40,479)</u>	<u>(1,029,011)</u>
<u>(853,800)</u>	<u>111,654</u>	<u>(111,654)</u>	<u>(40,479)</u>	
<u>2,952,024</u>	<u>(127,460)</u>	<u>(2,730,872)</u>	<u>203,494</u>	<u>979,120</u>
906,282	333,016	9,777,247	2,638,123	15,313,734
105,402				105,402
<u>\$ 3,963,708</u>	<u>\$ 205,556</u>	<u>\$ 7,046,375</u>	<u>\$ 2,841,617</u>	<u>\$ 16,398,256</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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 **\$ 979,120**

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	\$ 1,425,716	
Less current year depreciation	<u>(1,880,059)</u>	(454,343)

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

Property taxes	78,718	
Intergovernmental	<u>463,848</u>	542,566

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	692,051	
Bond principal retirement	<u>1,615,000</u>	2,307,051

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

Current year pension contributions	1,848,829	
Pension expense	<u>(2,891,014)</u>	(1,042,185)

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.

Inventory	105,402	
Amortization of deferred bond items	145,996	
Compensated absences	<u>(3,135)</u>	248,263

The Internal Service Fund is used by management to charge the cost of insurance to the individual funds. The changes in net position of the Internal Service Fund is reported with governmental activities in the Statement of Activities.

(265,543)

Changes in net position in governmental activities **\$ 2,314,929**

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 300,719
Prepaid items	467,773
Total current assets	<u>768,492</u>
Total assets	<u><u>768,492</u></u>
<u>NET POSITION</u>	
Unrestricted	768,492
Total net position	<u><u>\$ 768,492</u></u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Activities: Internal Service Funds
Operating revenues:	
Contributions	\$ 2,051,616
Total operating revenues	<u>2,051,616</u>
Operating expenses:	
Premiums	<u>2,320,855</u>
Total operating expenses	<u>2,320,855</u>
Operating income (loss)	<u>(269,239)</u>
Nonoperating revenues (expenses):	
Investment income	<u>3,696</u>
Total nonoperating revenues (expenses)	<u>3,696</u>
Changes in net position	<u>(265,543)</u>
Total net position, beginning of year	1,034,035
Total net position, end of year	<u><u>\$ 768,492</u></u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Governmental Activities: Internal Service Funds</u>
<u>Increase/Decrease in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received from contributions	\$ 2,051,616
Cash payments to suppliers for goods and services	<u>(2,214,218)</u>
Net cash provided by/used for operating activities	<u>(162,602)</u>
 Cash flows from investing activities:	
Investment income	<u>3,696</u>
Net cash provided by/used for investing activities	<u>3,696</u>
Net increase/decrease in cash and cash equivalents	<u>(158,906)</u>
Cash and cash equivalents, beginning of year	<u>459,625</u>
Cash and cash equivalents, end of year	<u><u>\$ 300,719</u></u>
 <u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>	
Operating income/loss	\$ (269,239)
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Changes in assets and liabilities:	
Increase/decrease in prepaid items	<u>106,637</u>
Total adjustments	<u>106,637</u>
Net cash provided by/used for operating activities	<u><u>\$ (162,602)</u></u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Tolleson Elementary School District No. 17 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The District reports the following major governmental funds:

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

Title IV Grants Fund – The Title IV Grants Fund accounts for financial assistance received for chemical abuse awareness programs and expanding projects that benefit educational and health needs of the communities.

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

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

Additionally, the District reports the following fund type:

Proprietary Fund – The Proprietary Fund is an internal service fund that accounts for activities related to the District's insurance program.

The Proprietary Fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting and are presented in a single column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for health and welfare benefits and charges to District departments for goods and services. Operating expenses for internal service funds include the cost of goods and services and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Cash and Investments

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at year end were cash and investments held by the County Treasurer.

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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.

G. Property Tax Calendar

The County Treasurer is responsible for collecting property taxes for all governmental entities within the county. The county levies real 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. Inventory

All inventories are valued at cost using the average cost method. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenses when consumed on the government-wide financial statements and as expenditures when purchased on the fund financial statements.

I. 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.

J. 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 – 60 years
Buildings and improvements	5 – 100 years
Vehicles, furniture and equipment	5 – 25 years

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

K. 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.

L. Compensated Absences

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

M. 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.

N. 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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.

O. 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 and after nonoperating revenues/expenses in proprietary funds.

P. Net Position Flow Assumption

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

Q. Estimates

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

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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. The District does not have a formal policy or procedures for the utilization of committed fund balance, accordingly, no committed fund balance amounts are reported.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Governing Board or the Executive Director of Business Services, who has been delegated that authority by 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	General Fund	Title IV Grants Fund	Other Federal Projects Fund	Food Service Fund	Debt Service Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:							
Nonspendable							
Inventory	\$	\$	\$	\$ 105,402	\$	\$	\$
Restricted:							
Debt service					205,556		
Capital projects							1,320,496
Bond building projects						7,046,375	
Voter approved initiatives							765,309
Federal and state projects							236,160
Food service				3,858,306			
Civic center							63,401
Community school							339,741
Extracurricular activities							110,512
Gifts and donations							108,443
Student activities							26,039
Other purposes							26,780
Unassigned	3,138,809	(264,183)	(533,626)				(155,264)
Total fund balances	<u>\$ 3,138,809</u>	<u>\$ (264,183)</u>	<u>\$ (533,626)</u>	<u>\$ 3,963,708</u>	<u>\$ 205,556</u>	<u>\$ 7,046,375</u>	<u>\$ 2,841,617</u>

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Major Funds:	
Title IV Grants	\$ 264,183
Other Federal Projects	533,626
Non-Major Governmental Funds:	
Title I Grants	42,496
Professional Development and Technology Grants	54,430
Limited English and Immigrant Students	10,681
Special Education Grants	47,657

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

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

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$26,039 and the bank balance was \$80,772. At year end, all of the District's deposits were covered by federal depository insurance.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	842 days	\$ 16,390,598

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – CASH AND INVESTMENTS

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

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

NOTE 5 – RECEIVABLES

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

	General Fund	Title IV Grants Fund	Other Federal Projects Fund	Food Service Fund	Non-Major Governmental Funds
Due from other governmental entities:					
Due from federal government	\$	\$ 494,872	\$ 531,909	\$ 327,258	\$ 184,742
Due from state government	3,193,986				72,751
Net due from governmental entities	<u>\$ 3,193,986</u>	<u>\$ 494,872</u>	<u>\$ 531,909</u>	<u>\$ 327,258</u>	<u>\$ 257,493</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 7,870,817	\$	\$	\$ 7,870,817
Construction in progress	68,932	19,799	68,932	19,799
Total capital assets, not being depreciated	<u>7,939,749</u>	<u>19,799</u>	<u>68,932</u>	<u>7,890,616</u>
Capital assets, being depreciated:				
Land improvements	5,225,362	460,212		5,685,574
Buildings and improvements	66,023,373	542,374		66,565,747
Vehicles, furniture and equipment	3,537,755	472,263		4,010,018
Total capital assets being depreciated	<u>74,786,490</u>	<u>1,474,849</u>		<u>76,261,339</u>
Less accumulated depreciation for:				
Land improvements	(2,095,882)	(227,874)		(2,323,756)
Buildings and improvements	(16,234,464)	(1,359,152)		(17,593,616)
Vehicles, furniture and equipment	(2,090,966)	(293,033)		(2,383,999)
Total accumulated depreciation	<u>(20,421,312)</u>	<u>(1,880,059)</u>		<u>(22,301,371)</u>
Total capital assets, being depreciated, net	54,365,178	(405,210)		53,959,968
Governmental activities capital assets, net	<u>\$62,304,927</u>	<u>\$ (385,411)</u>	<u>\$ 68,932</u>	<u>\$61,850,584</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 946,349
Support services – students and staff	18,693
Support services – administration	387,145
Operation and maintenance of plant services	385,146
Student transportation services	95,531
Operation of non-instructional services	47,195
Total depreciation expense – governmental activities	<u>\$1,880,059</u>

Construction Commitments – At year end, the District had contractual commitments related to capital projects for school renovations. At year end, the District had spent \$19,799 on the projects and had estimated remaining contractual commitments of \$1.6 million. These projects are being funded with bond funds.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT

The District has a \$2.0 million revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$2.0 million in unused line of credit. General Fund revenues will be used to repay the line of credit throughout the year. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	\$	\$ 2,048,000	\$ 2,048,000	\$

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

Capital Leases –The District has acquired technology equipment under the provisions of long-term lease agreements classified as capital lease. 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. Bond proceeds are used to pay the capital lease obligations.

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

Year Ending June 30:	Governmental Activities
2022	\$ 747,428
2023	638,752
Total minimum lease payments	1,386,180
Less: amount representing interest	53,229
Present value of minimum lease payments	\$ 1,332,951
Due within one year	\$ 711,052

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. The total amount originally authorized has been issued. 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 \$50.2 million and the available margin is \$24.8 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 Bonds, project of 2006, Series E (2011)	\$ 2,960,000	4.25%	7/1/21	\$ 475,000	\$ 475,000
School Improvement Bonds, Project of 2017, Series A (2018)	14,200,000	2.5-5.00%	7/1/21-37	13,525,000	325,000
School Improvement Bonds, project of 2017, Series B (2019)	7,970,000	4.0-5.0%	7/1/21-28	7,970,000	190,000
Refunding Bonds, Series 2019	2,990,000	3.0-5.0%	7/1/21-28	2,350,000	625,000
Total				<u>\$ 24,320,000</u>	<u>\$ 1,615,000</u>

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

Year ending June 30:	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2022	\$ 1,615,000	\$ 1,015,194
2023	1,850,000	954,125
2024	2,075,000	883,375
2025	2,300,000	790,750
2026	450,000	723,750
2027-31	4,480,000	3,178,500
2032-36	7,400,000	1,699,375
2037-38	4,150,000	247,625
Total	<u>\$ 24,320,000</u>	<u>\$ 9,492,694</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – 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	\$ 25,695,000	\$	\$ 1,375,000	\$ 24,320,000	\$ 1,615,000
Premium	2,392,170		145,996	2,246,174	
Total bonds payable	<u>28,087,170</u>		<u>1,520,996</u>	<u>26,566,174</u>	<u>1,615,000</u>
Obligations under capital leases	2,025,002		692,051	1,332,951	711,052
Net pension liability	22,266,190	4,239,920		26,506,110	
Compensated absences payable	<u>764,338</u>	<u>385,573</u>	<u>382,438</u>	<u>767,473</u>	<u>75,000</u>
Governmental activity long-term liabilities	<u>\$ 53,142,700</u>	<u>\$ 4,625,493</u>	<u>\$ 2,595,485</u>	<u>\$ 55,172,708</u>	<u>\$ 2,401,052</u>

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	General Fund	Non-Major Governmental Funds	Total Due to Other Funds
Title IV Grants Fund	\$	\$ 336,529	\$ 336,529
Other Federal Projects Fund	376,746	156,880	533,626
Non-Major Governmental Funds		181,574	181,574
Total Due from Other Funds	<u>\$ 376,746</u>	<u>\$ 674,983</u>	<u>\$ 1,051,729</u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund transfers:

	Transfers in		
	General	Debt	
Transfers out	Fund	Service	Total
		Fund	
Bond Building Fund	\$	\$ 111,654	\$ 111,654
Title IV Grants	23,078		23,078
Food Service Fund	853,800		853,800
Non-Major Governmental Funds	40,479		40,479
Total	<u>\$ 917,357</u>	<u>\$ 111,654</u>	<u>\$ 1,029,011</u>

Transfers between funds were used to (1) move investment income earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund and (2) to move federal grant funds restricted for indirect costs.

NOTE 12 – 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.

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.

NOTE 13 – 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – RISK MANAGEMENT

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's employees have health and accident insurance coverage with the Valley Schools Employee Benefit Trust (VSEBT). VSEBT 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 VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event.

NOTE 14 – 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

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

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2021 were \$1,848,829.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

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

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

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

Net Liability	District % Proportion	Increase (Decrease)
\$ 26,506,110	0.153	0.000

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2021 was \$2,891,014.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 239,794	\$
Net difference between projected and actual earnings on pension investments	2,556,545	
Changes in proportion and differences between contributions and proportionate share of contributions	47,926	7,170
Contributions subsequent to the measurement date	1,848,829	
Total	<u>\$ 4,693,094</u>	<u>\$ 7,170</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	\$ 341,098
2023	780,541
2024	924,730
2025	790,726

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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	100%	

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Rate	6.5%	7.5%	8.5%
Net liability	\$ 36,246,746	\$ 26,506,110	\$ 18,363,439

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$ 967,764	\$ 967,764	\$ 1,081,213	\$ 113,449
Property taxes	5,078,101	5,078,101	5,673,399	595,298
State aid and grants	9,641,962	9,641,962	10,772,275	1,130,313
Total revenues	<u>15,687,827</u>	<u>15,687,827</u>	<u>17,526,887</u>	<u>1,839,060</u>
Expenditures:				
Current -				
Instruction	10,913,613	10,498,364	9,848,895	649,469
Support services - students and staff	2,837,310	2,691,784	2,706,159	(14,375)
Support services - administration	2,671,442	2,545,614	2,520,114	25,500
Operation and maintenance of plant services	2,299,361	1,804,259	1,607,384	196,875
Student transportation services	618,015	454,115	421,221	32,894
Operation of non-instructional services	65,000	82,000	75,992	6,008
Total expenditures	<u>19,404,741</u>	<u>18,076,136</u>	<u>17,179,765</u>	<u>896,371</u>
Changes in fund balances	<u>(3,716,914)</u>	<u>(2,388,309)</u>	<u>347,122</u>	<u>2,735,431</u>
Fund balances, beginning of year			1,218,657	1,218,657
Increase (decrease) in reserve for prepaid items			221,745	221,745
Fund balances (deficits), end of year	<u>\$ (3,716,914)</u>	<u>\$ (2,388,309)</u>	<u>\$ 1,787,524</u>	<u>\$ 4,175,833</u>

See accompanying notes to this schedule.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TITLE IV GRANTS
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal aid, grants and reimbursements	\$ 303,478	\$ 303,478	\$ 815,509	\$ 512,031
Total revenues	<u>303,478</u>	<u>303,478</u>	<u>815,509</u>	<u>512,031</u>
Expenditures:				
Current -				
Instruction	50,823	527,546	436,131	91,415
Support services - students and staff			211,390	(211,390)
Support services - administration			6,476	(6,476)
Student transportation services			16,000	(16,000)
Capital outlay			60	(60)
Total expenditures	<u>50,823</u>	<u>527,546</u>	<u>670,057</u>	<u>(142,511)</u>
Excess (deficiency) of revenues over expenditures	<u>252,655</u>	<u>(224,068)</u>	<u>145,452</u>	<u>369,520</u>
Other financing sources (uses):				
Transfers out			(23,078)	(23,078)
Total other financing sources (uses)			<u>(23,078)</u>	<u>(23,078)</u>
Changes in fund balances	<u>252,655</u>	<u>(224,068)</u>	<u>122,374</u>	<u>346,442</u>
Fund balances (deficits), beginning of year			(386,557)	(386,557)
Fund balances (deficits), end of year	<u>\$ 252,655</u>	<u>\$ (224,068)</u>	<u>\$ (264,183)</u>	<u>\$ (40,115)</u>

See accompanying notes to this schedule.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OTHER FEDERAL PROJECTS
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal aid, grants and reimbursements	\$ 27,534	\$ 27,534	\$ 1,393,757	\$ 1,366,223
Total revenues	<u>27,534</u>	<u>27,534</u>	<u>1,393,757</u>	<u>1,366,223</u>
Expenditures:				
Current -				
Instruction			198,326	(198,326)
Support services - students and staff			1,867	(1,867)
Support services - administration			57,353	(57,353)
Operation and maintenance of plant services	350,000	1,914,967	1,398,587	516,380
Student transportation services			7,441	(7,441)
Capital outlay			117,574	(117,574)
Total expenditures	<u>350,000</u>	<u>1,914,967</u>	<u>1,781,148</u>	<u>133,819</u>
Changes in fund balances	<u>(322,466)</u>	<u>(1,887,433)</u>	<u>(387,391)</u>	<u>1,500,042</u>
Fund balances (deficits), beginning of year			(146,235)	(146,235)
Fund balances (deficits), end of year	<u>\$ (322,466)</u>	<u>\$ (1,887,433)</u>	<u>\$ (533,626)</u>	<u>\$ 1,353,807</u>

See accompanying notes to this schedule.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOOD SERVICE
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Other local	\$	\$	\$ 36,511	\$ 36,511
Federal aid, grants and reimbursements	2,955,184	2,955,184	7,391,939	4,436,755
Total revenues	<u>2,955,184</u>	<u>2,955,184</u>	<u>7,428,450</u>	<u>4,473,266</u>
Expenditures:				
Current -				
Support services - administration			67	(67)
Operation and maintenance of plant services			3,866	(3,866)
Operation of non-instructional services	4,209,342	4,215,330	3,585,828	629,502
Capital outlay			32,865	(32,865)
Total expenditures	<u>4,209,342</u>	<u>4,215,330</u>	<u>3,622,626</u>	<u>592,704</u>
Excess (deficiency) of revenues over expenditures	<u>(1,254,158)</u>	<u>(1,260,146)</u>	<u>3,805,824</u>	<u>5,065,970</u>
Other financing sources (uses):				
Transfers out			(853,800)	(853,800)
Total other financing sources (uses)			<u>(853,800)</u>	<u>(853,800)</u>
Changes in fund balances	<u>(1,254,158)</u>	<u>(1,260,146)</u>	<u>2,952,024</u>	<u>4,212,170</u>
Fund balances, beginning of year			906,282	906,282
Increase (decrease) in reserve for inventory			105,402	105,402
Fund balances (deficits), end of year	<u>\$ (1,254,158)</u>	<u>\$ (1,260,146)</u>	<u>\$ 3,963,708</u>	<u>\$ 5,223,854</u>

See accompanying notes to this schedule.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	0.15%	0.15%	0.15%	0.15%
District's proportionate share of the net pension (assets) liability	\$ 26,506,110	\$ 22,266,190	\$ 21,193,072	\$ 22,938,680
District's covered payroll	\$ 16,694,707	\$ 16,120,832	\$ 15,113,046	\$ 14,340,807
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	158.77%	138.12%	140.23%	159.95%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,848,829	\$ 1,911,544	\$ 1,802,309	\$ 1,647,322
Contributions in relation to the actuarially determined contribution	<u>1,848,829</u>	<u>1,911,544</u>	<u>1,802,309</u>	<u>1,647,322</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 15,869,777	\$ 16,694,707	\$ 16,120,832	\$ 15,113,046
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
0.13%	0.13%	0.12%
\$ 21,788,742	\$ 20,509,487	\$ 18,454,704
\$ 12,488,728	\$ 11,798,310	\$ 10,953,271
174.47%	173.83%	168.49%
67.06%	68.35%	69.49%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,545,939	\$ 1,355,027	\$ 1,284,832
<u>1,545,939</u>	<u>1,355,027</u>	<u>1,284,832</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 14,340,807	\$ 12,488,728	\$ 11,798,310
10.78%	10.85%	10.89%

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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 item.

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

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 17,617,172	\$ 3,138,809
Activity budgeted as special revenue funds	(659,152)	(1,351,285)
Current-year prepaid items	<u>221,745</u>	<u> </u>
Schedule of Revenues, Expenditures and Changes in		
Fund Balances – Budget and Actual – General Fund	<u>\$ 17,179,765</u>	<u>\$ 1,787,524</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**

(This page intentionally left blank)

GOVERNMENTAL FUNDS

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 974,895	\$ 1,367,063	\$ 2,341,958
Property taxes receivable		15,568	15,568
Due from governmental entities	257,493		257,493
Due from other funds	674,983		674,983
Total assets	<u><u>\$ 1,907,371</u></u>	<u><u>\$ 1,382,631</u></u>	<u><u>\$ 3,290,002</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 27,288	\$ 49,063	\$ 76,351
Due to other funds	181,574		181,574
Accrued payroll and employee benefits	18,775		18,775
Unearned revenues	3,349		3,349
Total liabilities	<u>230,986</u>	<u>49,063</u>	<u>280,049</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		13,072	13,072
Unavailable revenues - intergovernmental	155,264		155,264
Total deferred inflows of resources	<u>155,264</u>	<u>13,072</u>	<u>168,336</u>
Fund balances (deficits):			
Restricted	1,676,385	1,320,496	2,996,881
Unassigned	(155,264)		(155,264)
Total fund balances	<u>1,521,121</u>	<u>1,320,496</u>	<u>2,841,617</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 1,907,371</u></u>	<u><u>\$ 1,382,631</u></u>	<u><u>\$ 3,290,002</u></u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 676,411	\$ 111,837	\$ 788,248
Property taxes		1,710,236	1,710,236
State aid and grants	2,726,681	618,477	3,345,158
Federal aid, grants and reimbursements	1,368,185		1,368,185
Total revenues	<u>4,771,277</u>	<u>2,440,550</u>	<u>7,211,827</u>
Expenditures:			
Current -			
Instruction	3,662,135		3,662,135
Support services - students and staff	1,203,969		1,203,969
Support services - administration	47,008		47,008
Operation and maintenance of plant services	2,407	8,500	10,907
Student transportation services	1,942	2,633	4,575
Operation of non-instructional services	146,233		146,233
Capital outlay	5,204	1,887,823	1,893,027
Total expenditures	<u>5,068,898</u>	<u>1,898,956</u>	<u>6,967,854</u>
Excess (deficiency) of revenues over expenditures	<u>(297,621)</u>	<u>541,594</u>	<u>243,973</u>
Other financing sources (uses):			
Transfers out	(40,479)		(40,479)
Total other financing sources (uses)	<u>(40,479)</u>		<u>(40,479)</u>
Changes in fund balances	<u>(338,100)</u>	<u>541,594</u>	<u>203,494</u>
Fund balances, beginning of year	1,859,221	778,902	2,638,123
Fund balances, end of year	<u>\$ 1,521,121</u>	<u>\$ 1,320,496</u>	<u>\$ 2,841,617</u>

SPECIAL REVENUE FUNDS

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

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

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

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

Title I Grants Fund - 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.

Homeless Education - to account for financial assistance received for the education of homeless students.

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.

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

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

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

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.

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

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

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

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

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$	\$ 94,296	\$ 8
Due from governmental entities			
Due from other funds	581,959	93,024	
Total assets	<u>\$ 581,959</u>	<u>\$ 187,320</u>	<u>\$ 8</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits	3,970		
Unearned revenues			
Total liabilities	<u>3,970</u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	577,989	187,320	8
Unassigned			
Total fund balances	<u>577,989</u>	<u>187,320</u>	<u>8</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 581,959</u>	<u>\$ 187,320</u>	<u>\$ 8</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Special Education Grants</u>	<u>E-Rate</u>	<u>Results-based Funding</u>
\$ 42,496	\$ 54,430	\$ 10,681	\$ 47,657	\$ 203,170 29,478	\$ 2,513 999
<u>\$ 42,496</u>	<u>\$ 54,430</u>	<u>\$ 10,681</u>	<u>\$ 47,657</u>	<u>\$ 232,648</u>	<u>\$ 3,512</u>
\$ 42,496	\$ 39,625 14,805	\$ 10,585 96	\$ 16,703 30,954	\$	\$
<u>42,496</u>	<u>54,430</u>	<u>10,681</u>	<u>47,657</u>		
<u>42,496</u>	<u>54,430</u>	<u>10,681</u>	<u>47,657</u>		
<u>(42,496)</u>	<u>(54,430)</u>	<u>(10,681)</u>	<u>(47,657)</u>	232,648	3,512
<u>(42,496)</u>	<u>(54,430)</u>	<u>(10,681)</u>	<u>(47,657)</u>	<u>232,648</u>	<u>3,512</u>
<u>\$ 42,496</u>	<u>\$ 54,430</u>	<u>\$ 10,681</u>	<u>\$ 47,657</u>	<u>\$ 232,648</u>	<u>\$ 3,512</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Other State Projects</u>	<u>Civic Center</u>	<u>Community School</u>
<u>ASSETS</u>			
Cash and investments	\$	\$ 63,401	\$ 339,741
Due from governmental entities	71,752		
Due from other funds			
Total assets	<u>\$ 71,752</u>	<u>\$ 63,401</u>	<u>\$ 339,741</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	68,403		
Accrued payroll and employee benefits			
Unearned revenues	3,349		
Total liabilities	<u>71,752</u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted		63,401	339,741
Unassigned			
Total fund balances		<u>63,401</u>	<u>339,741</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 71,752</u>	<u>\$ 63,401</u>	<u>\$ 339,741</u>

<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>
\$ 110,512	\$ 108,443	\$ 1,492	\$ 16,810	\$ 2,789	\$ 5,681
<u>\$ 110,512</u>	<u>\$ 108,443</u>	<u>\$ 1,492</u>	<u>\$ 16,810</u>	<u>\$ 2,789</u>	<u>\$ 5,681</u>
\$	\$	\$	\$	\$	\$
110,512	108,443	1,492	16,810	2,789	5,681
<u>110,512</u>	<u>108,443</u>	<u>1,492</u>	<u>16,810</u>	<u>2,789</u>	<u>5,681</u>
<u>\$ 110,512</u>	<u>\$ 108,443</u>	<u>\$ 1,492</u>	<u>\$ 16,810</u>	<u>\$ 2,789</u>	<u>\$ 5,681</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Student Activities</u>	<u>Totals</u>
<u>ASSETS</u>		
Cash and investments	\$ 26,039	\$ 974,895
Due from governmental entities		257,493
Due from other funds		674,983
Total assets	<u>\$ 26,039</u>	<u>\$ 1,907,371</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>		
<u>AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$	\$ 27,288
Due to other funds		181,574
Accrued payroll and employee benefits		18,775
Unearned revenues		3,349
Total liabilities		<u>230,986</u>
Deferred inflows of resources:		
Unavailable revenues - intergovernmental		<u>155,264</u>
Fund balances (deficits):		
Restricted	26,039	1,676,385
Unassigned		(155,264)
Total fund balances	<u>26,039</u>	<u>1,521,121</u>
Total liabilities, deferred inflows of resources		
and fund balances	<u>\$ 26,039</u>	<u>\$ 1,907,371</u>

(This page intentionally left blank)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 7,934	\$ 1,027	\$
State aid and grants	1,384,548	120,665	
Federal aid, grants and reimbursements			
Total revenues	<u>1,392,482</u>	<u>121,692</u>	
Expenditures:			
Current -			
Instruction	2,082,478		
Support services - students and staff	98,933	46,672	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,181,411</u>	<u>46,672</u>	
Excess (deficiency) of revenues over expenditures	<u>(788,929)</u>	<u>75,020</u>	
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(788,929)</u>	<u>75,020</u>	
Fund balances (deficits), beginning of year	1,366,918	112,300	8
Fund balances (deficits), end of year	<u>\$ 577,989</u>	<u>\$ 187,320</u>	<u>\$ 8</u>

English Language Learner	Title I Grants	Professional Development and Technology Grants	Limited English and Immigrant Students	Special Education Grants	Homeless Education
\$	\$	\$	\$	\$	\$
216,653					
	737,039	99,882	23,532	384,845	4,977
216,653	737,039	99,882	23,532	384,845	4,977
216,653	174,674		20,829	393,608	
	573,276	80,557	12,083	22,252	
	3,745	36,104	90	359	
	1,362	532		474	
216,653	753,057	117,193	33,002	416,693	
	(16,018)	(17,311)	(9,470)	(31,848)	4,977
	(26,478)		(1,211)	(12,790)	
	(26,478)		(1,211)	(12,790)	
	(42,496)	(17,311)	(10,681)	(44,638)	4,977
		(37,119)		(3,019)	(4,977)
\$	\$ (42,496)	\$ (54,430)	\$ (10,681)	\$ (47,657)	\$

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	<u>E-Rate</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>
Revenues:			
Other local	\$ 1,485	\$	\$
State aid and grants		206,609	798,206
Federal aid, grants and reimbursements	117,910		
Total revenues	<u>119,395</u>	<u>206,609</u>	<u>798,206</u>
Expenditures:			
Current -			
Instruction		203,498	395,624
Support services - students and staff			350,591
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u></u>	<u>203,498</u>	<u>746,215</u>
Excess (deficiency) of revenues over expenditures	<u>119,395</u>	<u>3,111</u>	<u>51,991</u>
Other financing sources (uses):			
Transfers out	<u></u>	<u></u>	<u></u>
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>119,395</u>	<u>3,111</u>	<u>51,991</u>
Fund balances (deficits), beginning of year	113,253	401	(51,991)
Fund balances, end of year	<u>\$ 232,648</u>	<u>\$ 3,512</u>	<u>\$</u>

Civic Center	Community School	Extracurricular Activities Fees Tax Credit	Gifts and Donations	Fingerprint	Textbooks
\$ 6,408	\$ 620,230	\$ 14,773	\$ 17,491	\$ 100	\$ 753
<u>6,408</u>	<u>620,230</u>	<u>14,773</u>	<u>17,491</u>	<u>100</u>	<u>753</u>
10,000	162,191		2,580		
			10,606		
			6,468	242	
2,407			1,942		
	120,675		14,852		
	769		2,067		
<u>12,407</u>	<u>283,635</u>		<u>38,515</u>	<u>242</u>	
<u>(5,999)</u>	<u>336,595</u>	<u>14,773</u>	<u>(21,024)</u>	<u>(142)</u>	<u>753</u>
<u>(5,999)</u>	<u>336,595</u>	<u>14,773</u>	<u>(21,024)</u>	<u>(142)</u>	<u>753</u>
69,400	3,146	95,739	129,467	1,634	16,057
<u>\$ 63,401</u>	<u>\$ 339,741</u>	<u>\$ 110,512</u>	<u>\$ 108,443</u>	<u>\$ 1,492</u>	<u>\$ 16,810</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Insurance Refund</u>	<u>Grants and Gifts to Teachers</u>	<u>Student Activities</u>
Revenues:			
Other local	\$ 21	\$ 43	\$ 6,146
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>21</u>	<u>43</u>	<u>6,146</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	8,999		
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			10,706
Capital outlay			
Total expenditures	<u>8,999</u>	<u></u>	<u>10,706</u>
Excess (deficiency) of revenues over expenditures	<u>(8,978)</u>	<u>43</u>	<u>(4,560)</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>(8,978)</u>	<u>43</u>	<u>(4,560)</u>
Fund balances (deficits), beginning of year	11,767	5,638	30,599
Fund balances, end of year	<u>\$ 2,789</u>	<u>\$ 5,681</u>	<u>\$ 26,039</u>

Totals	
\$	676,411
	2,726,681
	1,368,185
	<u>4,771,277</u>

3,662,135
1,203,969
47,008
2,407
1,942
146,233
5,204
<u>5,068,898</u>

(297,621)

(40,479)
(40,479)

(338,100)

1,859,221

\$ 1,521,121

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$	\$ 7,934	\$ 7,934
State aid and grants	1,334,175	1,384,548	50,373
Federal aid, grants and reimbursements			
Total revenues	<u>1,334,175</u>	<u>1,392,482</u>	<u>58,307</u>
Expenditures:			
Current -			
Instruction	2,658,125	2,082,478	575,647
Support services - students and staff	93,340	98,933	(5,593)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>2,751,465</u>	<u>2,181,411</u>	<u>570,054</u>
Excess (deficiency) of revenues over expenditures	<u>(1,417,290)</u>	<u>(788,929)</u>	<u>628,361</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,417,290)</u>	<u>(788,929)</u>	<u>628,361</u>
Fund balances (deficits), beginning of year		1,366,918	1,366,918
Fund balances (deficits), end of year	<u>\$ (1,417,290)</u>	<u>\$ 577,989</u>	<u>\$ 1,995,279</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 59,457	\$ 1,027 120,665	\$ 1,027 61,208	\$	\$	\$
<u>59,457</u>	<u>121,692</u>	<u>62,235</u>			
130,000	46,672	83,328			
<u>130,000</u>	<u>46,672</u>	<u>83,328</u>			
<u>(70,543)</u>	<u>75,020</u>	<u>145,563</u>			
<u>(70,543)</u>	<u>75,020</u>	<u>145,563</u>			
	112,300	112,300		8	8
<u>\$ (70,543)</u>	<u>\$ 187,320</u>	<u>\$ 257,863</u>	<u>\$</u>	<u>\$ 8</u>	<u>\$ 8</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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		216,653	216,653
Federal aid, grants and reimbursements			
Total revenues		<u>216,653</u>	<u>216,653</u>
Expenditures:			
Current -			
Instruction	226,547	216,653	9,894
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>226,547</u>	<u>216,653</u>	<u>9,894</u>
Excess (deficiency) of revenues over expenditures	<u>(226,547)</u>		<u>226,547</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(226,547)</u>		<u>226,547</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ (226,547)</u>	<u>\$</u>	<u>\$ 226,547</u>

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
<u>631,938</u>	<u>737,039</u>	<u>105,101</u>	<u>45,715</u>	<u>99,882</u>	<u>54,167</u>
<u>631,938</u>	<u>737,039</u>	<u>105,101</u>	<u>45,715</u>	<u>99,882</u>	<u>54,167</u>
	174,674	(174,674)			
900,340	573,276	327,064	99,576	80,557	19,019
	3,745	(3,745)		36,104	(36,104)
	<u>1,362</u>	<u>(1,362)</u>		<u>532</u>	<u>(532)</u>
<u>900,340</u>	<u>753,057</u>	<u>147,283</u>	<u>99,576</u>	<u>117,193</u>	<u>(17,617)</u>
<u>(268,402)</u>	<u>(16,018)</u>	<u>252,384</u>	<u>(53,861)</u>	<u>(17,311)</u>	<u>36,550</u>
	<u>(26,478)</u>	<u>(26,478)</u>			
	<u>(26,478)</u>	<u>(26,478)</u>			
<u>(268,402)</u>	<u>(42,496)</u>	<u>225,906</u>	<u>(53,861)</u>	<u>(17,311)</u>	<u>36,550</u>
				(37,119)	(37,119)
<u>\$ (268,402)</u>	<u>\$ (42,496)</u>	<u>\$ 225,906</u>	<u>\$ (53,861)</u>	<u>\$ (54,430)</u>	<u>\$ (569)</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Limited English and Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	72,626	23,532	(49,094)
Total revenues	<u>72,626</u>	<u>23,532</u>	<u>(49,094)</u>
Expenditures:			
Current -			
Instruction	55,631	20,829	34,802
Support services - students and staff		12,083	(12,083)
Support services - administration		90	(90)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>55,631</u>	<u>33,002</u>	<u>22,629</u>
Excess (deficiency) of revenues over expenditures	<u>16,995</u>	<u>(9,470)</u>	<u>(26,465)</u>
Other financing sources (uses):			
Transfers in			
Transfers out		(1,211)	(1,211)
Total other financing sources (uses)		<u>(1,211)</u>	<u>(1,211)</u>
Changes in fund balances	<u>16,995</u>	<u>(10,681)</u>	<u>(27,676)</u>
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	<u>\$ 16,995</u>	<u>\$ (10,681)</u>	<u>\$ (27,676)</u>

Special Education Grants			Homeless Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
340,744	384,845	44,101	43,024	4,977	(38,047)
340,744	384,845	44,101	43,024	4,977	(38,047)
482,494	393,608	88,886			
	22,252	(22,252)			
	359	(359)			
	474	(474)			
482,494	416,693	65,801			
(141,750)	(31,848)	109,902	43,024	4,977	(38,047)
	(12,790)	(12,790)			
	(12,790)	(12,790)			
(141,750)	(44,638)	97,112	43,024	4,977	(38,047)
	(3,019)	(3,019)		(4,977)	(4,977)
\$ (141,750)	\$ (47,657)	\$ 94,093	\$ 43,024	\$	\$ (43,024)

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements	148,049	112,559	(35,490)
Total revenues	<u>148,049</u>	<u>112,559</u>	<u>(35,490)</u>
Expenditures:			
Current -			
Instruction		24,797	(24,797)
Support services - students and staff	206,000	57,645	148,355
Support services - administration		9,015	(9,015)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		3,080	(3,080)
Total expenditures	<u>206,000</u>	<u>94,537</u>	<u>111,463</u>
Excess (deficiency) of revenues over expenditures	<u>(57,951)</u>	<u>18,022</u>	<u>75,973</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(57,951)</u>	<u>18,022</u>	<u>75,973</u>
Fund balances (deficits), beginning of year		106,540	106,540
Fund balances (deficits), end of year	<u>\$ (57,951)</u>	<u>\$ 124,562</u>	<u>\$ 182,513</u>

E-Rate			Results-based Funding		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,485	\$ 1,485	\$	\$	\$
89,280	117,910	28,630	63,049	206,609	143,560
89,280	119,395	30,115	63,049	206,609	143,560
233,000		233,000	104,381	203,498	(99,117)
233,000		233,000	104,381	203,498	(99,117)
(143,720)	119,395	263,115	(41,332)	3,111	44,443
(143,720)	119,395	263,115	(41,332)	3,111	44,443
	113,253	113,253		401	401
\$ (143,720)	\$ 232,648	\$ 376,368	\$ (41,332)	\$ 3,512	\$ 44,844

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Other State Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants	202,885	798,206	595,321
Federal aid, grants and reimbursements			
Total revenues	<u>202,885</u>	<u>798,206</u>	<u>595,321</u>
Expenditures:			
Current -			
Instruction	452,000	395,624	56,376
Support services - students and staff		350,591	(350,591)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>452,000</u>	<u>746,215</u>	<u>(294,215)</u>
Excess (deficiency) of revenues over expenditures	<u>(249,115)</u>	<u>51,991</u>	<u>301,106</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(249,115)</u>	<u>51,991</u>	<u>301,106</u>
Fund balances (deficits), beginning of year		(51,991)	(51,991)
Fund balances (deficits), end of year	<u>\$ (249,115)</u>	<u>\$</u>	<u>\$ 249,115</u>

School Plant			Civic Center		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 3,527	\$ 1,458	\$ (2,069)	\$ 11,209	\$ 6,408	\$ (4,801)
<u>3,527</u>	<u>1,458</u>	<u>(2,069)</u>	<u>11,209</u>	<u>6,408</u>	<u>(4,801)</u>
	330	(330)	69,400	10,000	59,400
97,000	13,114	83,886		2,407	(2,407)
<u>97,000</u>	<u>13,444</u>	<u>83,556</u>	<u>69,400</u>	<u>12,407</u>	<u>56,993</u>
<u>(93,473)</u>	<u>(11,986)</u>	<u>81,487</u>	<u>(58,191)</u>	<u>(5,999)</u>	<u>52,192</u>
<u>(93,473)</u>	<u>(11,986)</u>	<u>81,487</u>	<u>(58,191)</u>	<u>(5,999)</u>	<u>52,192</u>
	97,534	97,534		69,400	69,400
<u>\$ (93,473)</u>	<u>\$ 85,548</u>	<u>\$ 179,021</u>	<u>\$ (58,191)</u>	<u>\$ 63,401</u>	<u>\$ 121,592</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Community School		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 780,302	\$ 620,230	\$ (160,072)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>780,302</u>	<u>620,230</u>	<u>(160,072)</u>
Expenditures:			
Current -			
Instruction	620,000	162,191	457,809
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		120,675	(120,675)
Capital outlay		769	(769)
Total expenditures	<u>620,000</u>	<u>283,635</u>	<u>336,365</u>
Excess (deficiency) of revenues over expenditures	<u>160,302</u>	<u>336,595</u>	<u>176,293</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>160,302</u>	<u>336,595</u>	<u>176,293</u>
Fund balances (deficits), beginning of year		3,146	3,146
Fund balances (deficits), end of year	<u>\$ 160,302</u>	<u>\$ 339,741</u>	<u>\$ 179,439</u>

Auxiliary Operations			Extracurricular Activities Fees Tax Credit		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 24,184	\$ 5,730	\$ (18,454)	\$ 16,523	\$ 14,773	\$ (1,750)
<u>24,184</u>	<u>5,730</u>	<u>(18,454)</u>	<u>16,523</u>	<u>14,773</u>	<u>(1,750)</u>
24,304	1,799	22,505	95,100		95,100
<u>24,304</u>	<u>1,799</u>	<u>22,505</u>	<u>95,100</u>		<u>95,100</u>
<u>(120)</u>	<u>3,931</u>	<u>4,051</u>	<u>(78,577)</u>	<u>14,773</u>	<u>93,350</u>
<u>(120)</u>	<u>3,931</u>	<u>4,051</u>	<u>(78,577)</u>	<u>14,773</u>	<u>93,350</u>
	20,631	20,631		95,739	95,739
<u>\$ (120)</u>	<u>\$ 24,562</u>	<u>\$ 24,682</u>	<u>\$ (78,577)</u>	<u>\$ 110,512</u>	<u>\$ 189,089</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Gifts and Donations		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$ 54,551	\$ 17,491	\$ (37,060)
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>54,551</u>	<u>17,491</u>	<u>(37,060)</u>
Expenditures:			
Current -			
Instruction		2,580	(2,580)
Support services - students and staff		10,606	(10,606)
Support services - administration		6,468	(6,468)
Operation and maintenance of plant services			
Student transportation services		1,942	(1,942)
Operation of non-instructional services	124,400	14,852	109,548
Capital outlay		2,067	(2,067)
Total expenditures	<u>124,400</u>	<u>38,515</u>	<u>85,885</u>
Excess (deficiency) of revenues over expenditures	<u>(69,849)</u>	<u>(21,024)</u>	<u>48,825</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)	<u></u>	<u></u>	<u></u>
Changes in fund balances	<u>(69,849)</u>	<u>(21,024)</u>	<u>48,825</u>
Fund balances (deficits), beginning of year		129,467	129,467
Fund balances (deficits), end of year	<u>\$ (69,849)</u>	<u>\$ 108,443</u>	<u>\$ 178,292</u>

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 331	\$ 100	\$ (231)	\$ 592	\$ 753	\$ 161
<u>331</u>	<u>100</u>	<u>(231)</u>	<u>592</u>	<u>753</u>	<u>161</u>
			16,056		16,056
1,603	242	1,361			
<u>1,603</u>	<u>242</u>	<u>1,361</u>	<u>16,056</u>	<u></u>	<u>16,056</u>
<u>(1,272)</u>	<u>(142)</u>	<u>1,130</u>	<u>(15,464)</u>	<u>753</u>	<u>16,217</u>
<u>(1,272)</u>	<u>(142)</u>	<u>1,130</u>	<u>(15,464)</u>	<u>753</u>	<u>16,217</u>
	1,634	1,634		16,057	16,057
<u>\$ (1,272)</u>	<u>\$ 1,492</u>	<u>\$ 2,764</u>	<u>\$ (15,464)</u>	<u>\$ 16,810</u>	<u>\$ 32,274</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Indirect Costs		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 132	\$ 132
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		132	132
Expenditures:			
Current -			
Instruction		4,628	(4,628)
Support services - students and staff		732	(732)
Support services - administration	765,321	487,832	277,489
Operation and maintenance of plant services		56,180	(56,180)
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	765,321	549,372	215,949
Excess (deficiency) of revenues over expenditures	(765,321)	(549,240)	216,081
Other financing sources (uses):			
Transfers in	580,040	917,357	337,317
Transfers out			
Total other financing sources (uses)	580,040	917,357	337,317
Changes in fund balances	(185,281)	368,117	553,398
Fund balances (deficits), beginning of year		748,496	748,496
Fund balances (deficits), end of year	\$ (185,281)	\$ 1,116,613	\$ 1,301,894

Insurance Refund			Grants and Gifts to Teachers		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 511	\$ 21	\$ (490)	\$ 879	\$ 43	\$ (836)
<u>511</u>	<u>21</u>	<u>(490)</u>	<u>879</u>	<u>43</u>	<u>(836)</u>
11,767	8,999	2,768	5,638		5,638
<u>11,767</u>	<u>8,999</u>	<u>2,768</u>	<u>5,638</u>		<u>5,638</u>
<u>(11,256)</u>	<u>(8,978)</u>	<u>2,278</u>	<u>(4,759)</u>	<u>43</u>	<u>4,802</u>
<u>(11,256)</u>	<u>(8,978)</u>	<u>2,278</u>	<u>(4,759)</u>	<u>43</u>	<u>4,802</u>
	11,767	11,767		5,638	5,638
<u>\$ (11,256)</u>	<u>\$ 2,789</u>	<u>\$ 14,045</u>	<u>\$ (4,759)</u>	<u>\$ 5,681</u>	<u>\$ 10,440</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Student Activities		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 6,146	\$ 6,146
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>6,146</u>	<u>6,146</u>
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		10,706	(10,706)
Capital outlay			
Total expenditures		<u>10,706</u>	<u>(10,706)</u>
Excess (deficiency) of revenues over expenditures		<u>(4,560)</u>	<u>(4,560)</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances		<u>(4,560)</u>	<u>(4,560)</u>
Fund balances (deficits), beginning of year		30,599	30,599
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 26,039</u>	<u>\$ 26,039</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$ 892,609	\$ 683,731	\$ (208,878)
325,391	2,726,681	2,401,290
1,371,376	1,480,744	109,368
<u>2,589,376</u>	<u>4,891,156</u>	<u>2,301,780</u>
5,042,676	3,693,359	1,349,317
1,441,023	1,262,676	178,347
863,924	556,969	306,955
	58,587	(58,587)
	1,942	(1,942)
124,400	146,233	(21,833)
	8,284	(8,284)
<u>7,472,023</u>	<u>5,728,050</u>	<u>1,743,973</u>
<u>(4,882,647)</u>	<u>(836,894)</u>	<u>4,045,753</u>
580,040	917,357	337,317
	(40,479)	(40,479)
<u>580,040</u>	<u>876,878</u>	<u>296,838</u>
<u>(4,302,607)</u>	<u>39,984</u>	<u>4,342,591</u>
1,334,175	2,832,422	1,498,247
<u>\$ (2,968,432)</u>	<u>\$ 2,872,406</u>	<u>\$ 5,840,838</u>

(This page intentionally left blank)

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Debt Service		Variance -
	Budget	Actual	Positive (Negative)
Revenues:			
Other local	\$ 9,385	\$ 8,689	\$ (696)
Property taxes	2,604,974	2,411,835	(193,139)
Total revenues	<u>2,614,359</u>	<u>2,420,524</u>	<u>(193,835)</u>
Expenditures:			
Debt service -			
Principal retirement	1,615,000	1,615,000	
Interest and fiscal charges	2,461,783	1,044,638	1,417,145
Total expenditures	<u>4,076,783</u>	<u>2,659,638</u>	<u>1,417,145</u>
Excess (deficiency) of revenues over expenditures	<u>(1,462,424)</u>	<u>(239,114)</u>	<u>1,223,310</u>
Other financing sources (uses):			
Transfers in		111,654	111,654
Total other financing sources (uses)		<u>111,654</u>	<u>111,654</u>
Changes in fund balances	<u>(1,462,424)</u>	<u>(127,460)</u>	<u>1,334,964</u>
Fund balances, beginning of year		333,016	333,016
Fund balances (deficits), end of year	<u>\$ (1,462,424)</u>	<u>\$ 205,556</u>	<u>\$ 1,667,980</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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.

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2021

	<u>Insurance Proceeds</u>	<u>Litigation Recovery</u>	<u>Unrestricted Capital Outlay</u>
<u>ASSETS</u>			
Cash and investments	\$ 13,277	\$ 13,177	\$ 973,827
Property taxes receivable			15,568
Total assets	<u><u>\$ 13,277</u></u>	<u><u>\$ 13,177</u></u>	<u><u>\$ 989,395</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 38,813
Total liabilities	<u></u>	<u></u>	<u>38,813</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes			<u>13,072</u>
Fund balances:			
Restricted	<u>13,277</u>	<u>13,177</u>	<u>937,510</u>
Total fund balances	<u><u>13,277</u></u>	<u><u>13,177</u></u>	<u><u>937,510</u></u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 13,277</u></u>	<u><u>\$ 13,177</u></u>	<u><u>\$ 989,395</u></u>

<u>Adjacent Ways</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 247,308	\$ 119,474	\$ 1,367,063
		15,568
<u>\$ 247,308</u>	<u>\$ 119,474</u>	<u>\$ 1,382,631</u>

<u>\$</u>	<u>\$ 10,250</u>	<u>\$ 49,063</u>
	10,250	49,063

		<u>13,072</u>
--	--	---------------

<u>247,308</u>	<u>109,224</u>	<u>1,320,496</u>
<u>247,308</u>	<u>109,224</u>	<u>1,320,496</u>

<u>\$ 247,308</u>	<u>\$ 119,474</u>	<u>\$ 1,382,631</u>
-------------------	-------------------	---------------------

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Proceeds	Litigation Recovery	Unrestricted Capital Outlay
Revenues:			
Other local	\$ 2,796	\$ 13,208	\$ 94,425
Property taxes			1,410,226
State aid and grants			238,565
Total revenues	<u>2,796</u>	<u>13,208</u>	<u>1,743,216</u>
Expenditures:			
Current -			
Operation and maintenance of plant services		8,500	
Student transportation services	2,633		
Capital outlay	145,521		1,292,429
Total expenditures	<u>148,154</u>	<u>8,500</u>	<u>1,292,429</u>
Changes in fund balances	<u>(145,358)</u>	<u>4,708</u>	<u>450,787</u>
Fund balances, beginning of year	158,635	8,469	486,723
Fund balances, end of year	<u>\$ 13,277</u>	<u>\$ 13,177</u>	<u>\$ 937,510</u>

Adjacent Ways	Building Renewal Grant	Totals
\$ 1,408	\$	\$ 111,837
300,010		1,710,236
	379,912	618,477
<u>301,418</u>	<u>379,912</u>	<u>2,440,550</u>
		8,500
		2,633
<u>132,379</u>	<u>317,494</u>	<u>1,887,823</u>
<u>132,379</u>	<u>317,494</u>	<u>1,898,956</u>
<u>169,039</u>	<u>62,418</u>	<u>541,594</u>
78,269	46,806	778,902
<u>\$ 247,308</u>	<u>\$ 109,224</u>	<u>\$ 1,320,496</u>

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$ 11,570	\$ 2,796	\$ (8,774)
Property taxes			
State aid and grants			
Total revenues	<u>11,570</u>	<u>2,796</u>	<u>(8,774)</u>
Expenditures:			
Current -			
Operation and maintenance of plant services		2,633	(2,633)
Student transportation services			
Capital outlay	158,000	145,521	12,479
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>158,000</u>	<u>148,154</u>	<u>9,846</u>
Excess (deficiency) of revenues over expenditures	<u>(146,430)</u>	<u>(145,358)</u>	<u>1,072</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(146,430)</u>	<u>(145,358)</u>	<u>1,072</u>
Fund balances, beginning of year		158,635	158,635
Fund balances (deficits), end of year	<u>\$ (146,430)</u>	<u>\$ 13,277</u>	<u>\$ 159,707</u>

Litigation Recovery			Unrestricted Capital Outlay		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 5,643	\$ 13,208	\$ 7,565	\$ 43,717	\$ 94,425	\$ 50,708
			652,902	1,410,226	757,324
			110,450	238,565	128,115
<u>5,643</u>	<u>13,208</u>	<u>7,565</u>	<u>807,069</u>	<u>1,743,216</u>	<u>936,147</u>
84,468	8,500	75,968			
			2,226,488	1,292,429	934,059
<u>84,468</u>	<u>8,500</u>	<u>75,968</u>	<u>2,226,488</u>	<u>1,292,429</u>	<u>934,059</u>
<u>(78,825)</u>	<u>4,708</u>	<u>83,533</u>	<u>(1,419,419)</u>	<u>450,787</u>	<u>1,870,206</u>
<u>(78,825)</u>	<u>4,708</u>	<u>83,533</u>	<u>(1,419,419)</u>	<u>450,787</u>	<u>1,870,206</u>
	8,469	8,469		486,723	486,723
<u>\$ (78,825)</u>	<u>\$ 13,177</u>	<u>\$ 92,002</u>	<u>\$ (1,419,419)</u>	<u>\$ 937,510</u>	<u>\$ 2,356,929</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Adjacent Ways		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,408	\$ 1,408
Property taxes	250,086	300,010	49,924
State aid and grants			
Total revenues	<u>250,086</u>	<u>301,418</u>	<u>51,332</u>
Expenditures:			
Current -			
Operation and maintenance of plant services			
Student transportation services			
Capital outlay	378,269	132,379	245,890
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>378,269</u>	<u>132,379</u>	<u>245,890</u>
Excess (deficiency) of revenues over expenditures	<u>(128,183)</u>	<u>169,039</u>	<u>297,222</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(128,183)</u>	<u>169,039</u>	<u>297,222</u>
Fund balances, beginning of year		78,269	78,269
Fund balances (deficits), end of year	<u>\$ (128,183)</u>	<u>\$ 247,308</u>	<u>\$ 375,491</u>

Bond Building			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$ 8,967,429	\$ 111,654	\$ (8,855,775)	\$	\$	\$
<u>8,967,429</u>	<u>111,654</u>	<u>(8,855,775)</u>	<u>56,153</u>	<u>379,912</u>	<u>323,759</u>
			<u>56,153</u>	<u>379,912</u>	<u>323,759</u>
9,029,819	1,983,444	7,046,375	45,834	317,494	(271,660)
692,051	692,051				
55,377	55,377				
<u>9,777,247</u>	<u>2,730,872</u>	<u>7,046,375</u>	<u>45,834</u>	<u>317,494</u>	<u>(271,660)</u>
<u>(809,818)</u>	<u>(2,619,218)</u>	<u>(1,809,400)</u>	<u>10,319</u>	<u>62,418</u>	<u>52,099</u>
	(111,654)	(111,654)			
	(111,654)	(111,654)			
<u>(809,818)</u>	<u>(2,730,872)</u>	<u>(1,921,054)</u>	<u>10,319</u>	<u>62,418</u>	<u>52,099</u>
	9,777,247	9,777,247		46,806	46,806
<u>\$ (809,818)</u>	<u>\$ 7,046,375</u>	<u>\$ 7,856,193</u>	<u>\$ 10,319</u>	<u>\$ 109,224</u>	<u>\$ 98,905</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 9,028,359	\$ 223,491	\$ (8,804,868)
Property taxes	902,988	1,710,236	807,248
State aid and grants	166,603	618,477	451,874
Total revenues	<u>10,097,950</u>	<u>2,552,204</u>	<u>(7,545,746)</u>
Expenditures:			
Current -			
Operation and maintenance of plant services	84,468	8,500	75,968
Student transportation services		2,633	(2,633)
Capital outlay	11,838,410	3,871,267	7,967,143
Debt service -			
Principal retirement	692,051	692,051	
Interest and fiscal charges	55,377	55,377	
Total expenditures	<u>12,670,306</u>	<u>4,629,828</u>	<u>8,040,478</u>
Excess (deficiency) of revenues over expenditures	<u>(2,572,356)</u>	<u>(2,077,624)</u>	<u>494,732</u>
Other financing sources (uses):			
Transfers out		(111,654)	(111,654)
Total other financing sources (uses)		<u>(111,654)</u>	<u>(111,654)</u>
Changes in fund balances	<u>(2,572,356)</u>	<u>(2,189,278)</u>	<u>383,078</u>
Fund balances, beginning of year		10,556,149	10,556,149
Fund balances (deficits), end of year	<u>\$ (2,572,356)</u>	<u>\$ 8,366,871</u>	<u>\$ 10,939,227</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.

(This page intentionally left blank)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 42,330,785	\$ 43,995,004	\$ 45,319,910	\$ 45,626,079	\$ 46,335,031
Restricted	7,248,459	4,006,211	4,300,880	5,117,242	5,355,155
Unrestricted	<u>(18,291,966)</u>	<u>(19,028,866)</u>	<u>(15,299,907)</u>	<u>(15,520,045)</u>	<u>(14,402,143)</u>
Total net position	<u><u>\$ 31,287,278</u></u>	<u><u>\$ 28,972,349</u></u>	<u><u>\$ 34,320,883</u></u>	<u><u>\$ 35,223,276</u></u>	<u><u>\$ 37,288,043</u></u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position:					
Net investment in capital assets	\$ 45,544,136	\$ 45,246,641	\$ 45,354,673	\$ 44,097,255	\$ 42,966,411
Restricted	5,781,261	5,232,083	4,661,075	6,932,887	7,770,335
Unrestricted	<u>(13,212,196)</u>	<u>(15,748,921)</u>	<u>4,013,699</u>	<u>2,753,258</u>	<u>2,253,280</u>
Total net position	<u><u>\$ 38,113,201</u></u>	<u><u>\$ 34,729,803</u></u>	<u><u>\$ 54,029,447</u></u>	<u><u>\$ 53,783,400</u></u>	<u><u>\$ 52,990,026</u></u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 17,277,242	\$ 19,988,221	\$ 16,076,094	\$ 15,662,883	\$ 14,885,268
Support services - students and staff	4,492,414	4,520,994	4,141,055	4,077,628	3,838,508
Support services - administration	4,167,697	4,515,054	3,464,877	3,339,705	3,218,969
Operation and maintenance of plant services	3,444,627	3,469,885	3,150,252	2,748,738	2,658,861
Student transportation services	1,052,657	1,592,043	1,066,117	892,761	744,442
Operation of non-instructional services	3,871,164	3,708,914	2,998,982	2,690,973	2,328,242
Interest on long-term debt	954,019	811,646	741,050	419,423	294,381
Total expenses	<u>35,259,820</u>	<u>38,606,757</u>	<u>31,638,427</u>	<u>29,832,111</u>	<u>27,968,671</u>
Program Revenues					
Charges for services:					
Instruction	651,808	824,932	513,513	133,812	228,917
Operation of non-instructional services	20,845	295,725	231,959	237,956	213,190
Other activities		10,118	42,609		
Operating grants and contributions	12,531,962	6,331,748	5,949,793	6,016,641	5,513,994
Capital grants and contributions	532,779	517,052	271,750	165,813	477,885
Total program revenues	<u>13,737,394</u>	<u>7,979,575</u>	<u>7,009,624</u>	<u>6,554,222</u>	<u>6,433,986</u>
Net (Expense)/Revenue	<u><u>\$ (21,522,426)</u></u>	<u><u>\$ (30,627,182)</u></u>	<u><u>\$ (24,628,803)</u></u>	<u><u>\$ (23,277,889)</u></u>	<u><u>\$ (21,534,685)</u></u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 13,044,242	\$ 12,211,924	\$ 10,987,980	\$ 9,852,917	\$ 12,914,550
Support services - students and staff	3,273,374	3,284,905	3,223,435	3,185,281	2,473,014
Support services - administration	2,947,487	2,753,821	2,473,634	2,535,006	2,509,864
Operation and maintenance of plant services	2,427,054	2,550,585	2,182,106	1,934,821	1,888,304
Student transportation services	681,123	581,706	549,204	449,625	451,878
Operation of non-instructional services	2,064,539	2,102,998	1,988,363	1,771,719	1,603,656
Interest on long-term debt	333,032	373,458	412,007	449,556	502,479
Total expenses	<u>24,770,851</u>	<u>23,859,397</u>	<u>21,816,729</u>	<u>20,178,925</u>	<u>22,343,745</u>
Program Revenues					
Charges for services:					
Instruction	170,201	135,328	64,863	32,208	148,061
Operation of non-instructional services	230,523	261,600	236,035	300,643	211,973
Other activities	91,578	28,619			25,094
Operating grants and contributions	5,293,621	5,243,843	4,368,531	3,891,507	4,038,734
Capital grants and contributions	947,506	274,952	855,013	861,442	42,963
Total program revenues	<u>6,733,429</u>	<u>5,944,342</u>	<u>5,524,442</u>	<u>5,085,800</u>	<u>4,466,825</u>
Net (Expense)/Revenue	<u>\$ (18,037,422)</u>	<u>\$ (17,915,055)</u>	<u>\$ (16,292,287)</u>	<u>\$ (15,093,125)</u>	<u>\$ (17,876,920)</u>

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ (21,522,426)	\$ (30,627,182)	\$ (24,628,803)	\$ (23,277,889)	\$ (21,534,685)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	5,727,941	6,094,793	5,452,199	5,758,592	4,970,326
Property taxes, levied for debt service	2,430,261	2,540,840	1,810,057	1,081,287	1,321,792
Property taxes, levied for capital outlay	1,715,986	1,247,366	1,559,944	714,637	1,305,237
Investment income	166,404	237,783	423,624	145,584	48,427
Unrestricted county aid	1,168,151	1,169,623	1,209,549	1,209,430	1,160,952
Unrestricted state aid	12,516,053	13,792,206	13,115,154	12,138,212	11,728,074
Unrestricted federal aid	112,559	170,215	155,883	161,832	174,719
Total general revenues	<u>23,837,355</u>	<u>25,252,826</u>	<u>23,726,410</u>	<u>21,209,574</u>	<u>20,709,527</u>
Changes in Net Position	<u>\$ 2,314,929</u>	<u>\$ (5,374,356)</u>	<u>\$ (902,393)</u>	<u>\$ (2,068,315)</u>	<u>\$ (825,158)</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ (18,037,422)	\$ (17,915,055)	\$ (16,292,287)	\$ (15,093,125)	\$ (17,876,920)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	4,920,118	3,936,020	4,029,371	5,212,610	5,917,475
Property taxes, levied for debt service	1,327,471	1,320,185	654,691	701,890	2,741,424
Property taxes, levied for capital outlay	855,336	1,403,736	1,146,878	103,852	194,829
Investment income	33,787	29,948	34,086	37,739	70,272
Unrestricted county aid	1,065,587	980,201	905,894	858,246	878,815
Unrestricted state aid	11,171,443	10,282,770	9,737,432	8,944,928	8,410,653
Unrestricted federal aid	58,536	60,202	29,982	27,234	48,037
Total general revenues	<u>19,432,278</u>	<u>18,013,062</u>	<u>16,538,334</u>	<u>15,886,499</u>	<u>18,261,505</u>
Changes in Net Position	<u>\$ 1,394,856</u>	<u>\$ 98,007</u>	<u>\$ 246,047</u>	<u>\$ 793,374</u>	<u>\$ 384,585</u>

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$	\$	\$	\$	\$ 208,527
Unassigned	3,138,809	2,191,858	1,761,481	2,270,614	2,501,409
Total General Fund	<u>\$ 3,138,809</u>	<u>\$ 2,191,858</u>	<u>\$ 1,761,481</u>	<u>\$ 2,270,614</u>	<u>\$ 2,709,936</u>
All Other Governmental Funds:					
Nondisposable	\$ 105,402	\$	\$	\$	\$
Restricted	14,107,118	13,751,774	8,437,523	19,650,779	5,357,018
Unassigned	(953,073)	(629,898)	(559,280)	(601,013)	(160)
Total all other governmental funds	<u>\$ 13,259,447</u>	<u>\$ 13,121,876</u>	<u>\$ 7,878,243</u>	<u>\$ 19,049,766</u>	<u>\$ 5,356,858</u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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:					
Nondisposable	\$	\$ 463,696	\$ 342,713	\$ 570,498	\$ 386,525
Unassigned	3,336,711	2,543,615	3,168,455	1,513,917	841,638
Total General Fund	<u>\$ 3,336,711</u>	<u>\$ 3,007,311</u>	<u>\$ 3,511,168</u>	<u>\$ 2,084,415</u>	<u>\$ 1,228,163</u>
All Other Governmental Funds:					
Nondisposable	\$	\$	\$ 79,512	\$ 47,125	\$ 68,686
Restricted	5,465,835	5,031,697	4,899,616	9,158,537	11,025,906
Unassigned		(54,230)	(67,050)		
Total all other governmental funds	<u>\$ 5,465,835</u>	<u>\$ 4,977,467</u>	<u>\$ 4,912,078</u>	<u>\$ 9,205,662</u>	<u>\$ 11,094,592</u>

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 3,690,010	\$ 2,473,207	\$ 2,235,438	\$ 2,216,586	\$ 2,866,845
National School Lunch Program	7,391,939	3,760,960	3,137,531	2,923,210	2,693,821
Total federal sources	<u>11,081,949</u>	<u>6,234,167</u>	<u>5,372,969</u>	<u>5,139,796</u>	<u>5,560,666</u>
State sources:					
State equalization assistance	11,010,840	12,108,584	11,395,829	10,589,255	10,537,965
State grants	1,004,815	641,561	563,751	649,033	513,735
School Facilities Board	379,912	55,609	104,080	66,005	376,095
Other revenues	1,721,866	1,683,622	1,719,325	1,548,957	1,190,109
Total state sources	<u>14,117,433</u>	<u>14,489,376</u>	<u>13,782,985</u>	<u>12,853,250</u>	<u>12,617,904</u>
Local sources:					
Property taxes	9,795,470	9,901,129	8,872,493	7,546,923	7,598,917
County aid	1,168,151	1,169,623	1,209,549	1,209,430	1,160,952
Food service sales	20,845	261,713	231,959	237,956	213,190
Investment income	162,708	222,961	413,855	97,357	34,966
Other revenues	681,931	954,768	630,868	408,308	318,478
Total local sources	<u>11,829,105</u>	<u>12,510,194</u>	<u>11,358,724</u>	<u>9,499,974</u>	<u>9,326,503</u>
Total revenues	<u><u>\$ 37,028,487</u></u>	<u><u>\$ 33,233,737</u></u>	<u><u>\$ 30,514,678</u></u>	<u><u>\$ 27,493,020</u></u>	<u><u>\$ 27,505,073</u></u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 2,689,659	\$ 2,256,413	\$ 2,174,902	\$ 2,316,127	\$ 1,974,922
Education Jobs					17,255
National School Lunch Program	2,430,154	2,202,048	1,957,967	1,820,542	1,671,198
Total federal sources	<u>5,119,813</u>	<u>4,458,461</u>	<u>4,132,869</u>	<u>4,136,669</u>	<u>3,663,375</u>
State sources:					
State equalization assistance	10,018,939	9,232,515	8,724,191	8,181,417	7,653,635
State grants	503,160	803,487	783,829	488,803	419,969
School Facilities Board	530,715	109,104	235,495	12,225	
Other revenues	1,153,254	1,051,005	1,013,241	763,511	757,018
Total state sources	<u>12,206,068</u>	<u>11,196,111</u>	<u>10,756,756</u>	<u>9,445,956</u>	<u>8,830,622</u>
Local sources:					
Property taxes	7,162,343	6,648,839	5,830,514	6,059,209	9,029,927
County aid	1,065,587	980,201	905,894	858,246	883,315
Food service sales	230,523	208,471	179,099	169,828	188,644
Investment income	31,354	29,948	34,086	37,739	70,272
Other revenues	312,602	255,812	162,394	232,770	238,374
Total local sources	<u>8,802,409</u>	<u>8,123,271</u>	<u>7,111,987</u>	<u>7,357,792</u>	<u>10,410,532</u>
Total revenues	<u>\$ 26,128,290</u>	<u>\$ 23,777,843</u>	<u>\$ 22,001,612</u>	<u>\$ 20,940,417</u>	<u>\$ 22,904,529</u>

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 14,176,711	\$ 15,148,061	\$ 14,448,386	\$ 13,654,022	\$ 12,632,776
Support services - students and staff	4,182,092	3,979,352	4,066,415	3,941,711	3,525,685
Support services - administration	3,140,979	3,033,148	2,904,434	2,850,444	2,812,730
Operation and maintenance of plant services	2,855,179	2,692,821	2,737,152	2,207,055	2,539,174
Student transportation services	449,237	509,887	626,579	574,392	503,032
Operation of non-instructional services	3,808,053	3,448,347	2,870,083	2,588,549	2,245,689
Capital outlay	4,030,050	7,495,793	12,332,604	1,973,580	2,965,885
Debt service -					
Interest and fiscal charges	1,100,015	957,642		419,423	294,381
Principal retirement	2,307,051	2,122,428	1,405,000	970,000	930,000
Bond issuance costs		278,314	804,681	278,191	
Total expenditures	<u>\$ 36,049,367</u>	<u>\$ 39,665,793</u>	<u>\$ 42,195,334</u>	<u>\$ 29,457,367</u>	<u>\$ 28,449,352</u>
Expenditures for capitalized assets	\$ 1,425,716	\$ 2,580,409	\$ 10,506,964	\$ 833,156	\$ 1,301,919
Debt service as a percentage of noncapital expenditures	10%	8%	4%	5%	5%

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 11,416,155	\$ 10,838,256	\$ 9,807,769	\$ 8,912,255	\$ 10,133,630
Support services - students and staff	3,079,072	3,213,204	2,979,511	3,236,118	2,333,645
Support services - administration	2,603,475	2,526,726	2,259,584	2,232,514	2,312,360
Operation and maintenance of plant services	1,710,897	2,476,051	1,799,211	1,922,817	2,031,235
Student transportation services	459,093	407,610	429,017	337,382	345,487
Operation of non-instructional services	1,996,946	1,963,340	1,976,357	1,701,185	1,570,926
Capital outlay	2,303,156	1,499,137	4,064,589	2,248,680	1,468,423
Debt service -					
Interest and fiscal charges	333,032	373,458	412,007	449,556	502,479
Principal retirement	945,000	960,000	945,000	1,095,000	1,424,130
Bond issuance costs					
Total expenditures	<u><u>\$ 24,846,826</u></u>	<u><u>\$ 24,257,782</u></u>	<u><u>\$ 24,673,045</u></u>	<u><u>\$ 22,135,507</u></u>	<u><u>\$ 22,122,315</u></u>
Expenditures for capitalized assets	\$ 792,098	\$ 588,474	\$ 3,517,739	\$ 1,945,626	\$ 1,158,407
Debt service as a percentage of noncapital expenditures	5%	6%	6%	8%	9%

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 979,120	\$ (6,432,056)	\$ (11,680,656)	\$ (1,964,347)	\$ (944,279)
Other financing sources (uses):					
Issuance of school improvement bonds		7,970,000		14,200,000	
Insurance recoveries				17,477	
Premium on sale of bonds		1,392,814		1,208,983	
Capital lease agreements		2,772,430			
Transfers in	1,029,011	969,250	922,612	741,449	324,249
Transfers out	(1,029,011)	(969,250)	(922,612)	(741,449)	(324,249)
Payment to refunded bond escrow agent		(3,045,000)			
Total other financing sources (uses)		<u>9,090,244</u>		<u>15,426,460</u>	
Changes in fund balances	<u>\$ 979,120</u>	<u>\$ 2,658,188</u>	<u>\$ (11,680,656)</u>	<u>\$ 13,462,113</u>	<u>\$ (944,279)</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ 1,281,464	\$ (479,939)	\$ (2,671,433)	\$ (1,195,090)	\$ 782,214
Other financing sources (uses):					
Transfers in	251,631	357,587	2,232,268	436,190	238,171
Transfers out	(251,631)	(357,587)	(2,232,268)	(436,190)	(238,171)
Total other financing sources (uses)					
Changes in fund balances	<u>\$ 1,281,464</u>	<u>\$ (479,939)</u>	<u>\$ (2,671,433)</u>	<u>\$ (1,195,090)</u>	<u>\$ 782,214</u>

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
NET LIMITED 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	\$ 171,027,801	\$ 157,934,749	\$ 139,478,309	\$ 129,464,706	\$ 115,746,177
Agricultural and Vacant	7,253,542	7,449,007	7,440,555	9,432,394	9,827,683
Residential (Owner Occupied)	19,702,263	18,010,467	16,437,615	15,393,367	14,475,693
Residential (Rental)	19,014,425	17,454,666	16,226,032	15,564,811	14,958,164
Railroad, Private Cars and Airlines	662,524	658,595	651,018	699,718	683,119
Historical Property	724,189	729,925	736,229	1,163,122	1,129,112
Total	<u>\$ 218,384,744</u>	<u>\$ 202,237,409</u>	<u>\$ 180,969,758</u>	<u>\$ 171,718,118</u>	<u>\$ 156,819,948</u>
Gross Full Cash Value	\$ 2,646,582,391	\$ 2,391,571,552	\$ 2,173,813,105	\$ 1,998,917,395	\$ 1,755,988,636
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8.25%	8.46%	8.32%	8.59%	8.93%
Total Direct Rate	4.59	4.94	4.84	4.47	4.80

<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	\$ 106,277,208	\$ 103,140,597	\$ 101,084,914	\$ 116,567,834	\$ 140,646,514
Agricultural and Vacant	10,008,829	9,989,781	9,488,919	13,025,329	17,316,222
Residential (Owner Occupied)	13,787,455	13,205,244	12,794,835	15,802,550	19,717,007
Residential (Rental)	14,249,217	13,558,914	11,918,055	11,313,644	11,497,307
Railroad, Private Cars and Airlines	751,522	802,418	729,361	563,334	397,082
Historical Property	1,061,900	1,206,010	1,226,017	1,260,946	1,597,234
Total	<u>\$ 146,136,131</u>	<u>\$ 141,902,964</u>	<u>\$ 137,242,101</u>	<u>\$ 158,533,637</u>	<u>\$ 191,171,366</u>
Gross Full Cash Value	\$ 1,485,425,876	\$ 1,188,317,026	\$ 1,089,274,236	\$ 1,203,115,235	\$ 1,427,761,225
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9.84%	11.94%	12.60%	13.18%	13.39%
Total Direct Rate	4.01	4.57	4.19	4.05	4.93

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 requirement and other voter-approved overrides.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 250,169,520	\$ 229,213,804	\$ 197,585,151	\$ 185,131,536	\$ 153,678,740
Agricultural and Vacant	11,026,574	10,700,870	10,388,699	13,489,787	12,609,771
Residential (Owner Occupied)	37,299,209	31,670,724	30,274,784	24,377,873	22,717,947
Residential (Rental)	33,841,298	28,938,161	27,403,128	23,462,721	21,465,706
Railroad, Private Cars and Airlines	843,191	817,507	788,261	818,376	732,533
Historical Property	1,218,655	1,215,845	1,121,300	1,569,430	1,357,960
Total	<u>\$ 334,398,447</u>	<u>\$ 302,556,911</u>	<u>\$ 267,561,323</u>	<u>\$ 248,849,723</u>	<u>\$ 212,562,657</u>
Gross Full Cash Value	\$ 2,646,582,391	\$ 2,391,571,552	\$ 2,173,813,105	\$ 1,998,917,395	\$ 1,755,988,636
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12.64%	12.65%	12.31%	12.45%	12.11%
Estimated Net Full Cash Value	\$ 334,398,447	\$ 302,556,911	\$ 267,561,323	\$ 248,849,723	\$ 212,562,657
Total Direct Rate	4.59	4.94	4.84	4.47	4.80

<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	\$ 126,948,984	\$ 106,712,221	\$ 101,407,708	\$ 117,217,453	\$ 142,901,379
Agricultural and Vacant	11,159,990	10,431,169	9,719,332	13,221,002	18,138,325
Residential (Owner Occupied)	20,636,201	14,851,536	12,807,231	15,803,426	19,717,013
Residential (Rental)	19,399,736	15,118,527	11,946,360	11,313,799	11,758,632
Railroad, Private Cars and Airlines	766,256	810,148	736,429	574,195	443,132
Historical Property	1,227,850	1,672,000	1,738,824	1,307,649	1,671,727
Total	<u>\$ 180,139,017</u>	<u>\$ 149,595,601</u>	<u>\$ 138,355,884</u>	<u>\$ 159,437,524</u>	<u>\$ 194,630,208</u>
Gross Full Cash Value	\$ 1,485,425,876	\$ 1,188,317,026	\$ 1,089,274,236	\$ 1,203,115,235	\$ 1,427,761,225
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12.13%	12.59%	12.70%	13.25%	13.63%
Estimated Net Full Cash Value	\$ 180,139,017	\$ 149,595,601	\$ 138,355,884	\$ 159,437,524	\$ 194,630,208
Total Direct Rate	4.01	4.57	4.19	4.05	4.93

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Overlapping Rates									District Direct Rates		
	State		Flood	Community	Central			City	Tolleson Union			
	Equalization	County	Control	College	Arizona	City of	City of	of	High School	Primary	Secondary	Total
			District	District	Water	Phoenix	Tolleson	Avondale	District No. 214			
2021	0.11	1.40	0.18	1.29	0.14	2.13	3.53	1.76	4.71	2.04	2.56	4.60
2020	0.46	1.40	0.18	1.33	0.14	2.13	3.72	1.60	5.01	2.09	2.84	4.93
2019	0.47	1.40	0.18	1.38	0.14	2.14	3.83	1.70	4.45	2.13	2.71	4.84
2018	0.49	1.40	0.18	1.41	0.14	2.16	3.99	1.75	3.94	2.12	2.35	4.47
2017	0.50	1.40	0.18	1.47	0.14	2.17	3.97	1.75	3.57	2.22	2.59	4.80
2016	N/A	1.36	0.16	1.49	0.14	1.82	3.97	1.81	4.01	2.40	1.61	4.01
2015	N/A	1.32	0.14	1.52	0.14	1.82	3.75	1.33	4.53	1.98	2.59	4.57
2014	N/A	1.28	0.14	1.53	0.14	1.82	3.76	1.33	5.49	1.92	2.27	4.19
2013	N/A	1.24	0.18	1.38	0.10	1.82	3.42	1.11	4.85	2.38	1.67	4.05
2012	N/A	1.24	0.18	1.21	0.10	1.82	2.91	1.11	4.07	2.47	2.46	4.93

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	Secondary Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
CLNC NNN Alberts AZ LLC	\$ 11,635,270	5.33 %		
Prologis-Exchange Westside Business Park LL	7,888,633	3.61		
Cam Investment 338 LLC	5,562,751	2.55		
Sun Land Beef Co	4,486,529	2.05		
Liberty Property LP	4,347,008	1.99		
Tolleson Logistics TIC Owner I LLC/Tolleson	3,565,631	1.63		
First Industrial LP	3,544,416	1.62		
Gateway Crossing SC LLC	3,508,199	1.61		
Price Company	3,447,898	1.58		
Majestic Sieroty Tolleson LLC	3,244,735	1.49		
LBA Realty Fund III Company IX LLC			10,763,051	5.53 %
ABS SW Investor LLC			6,286,556	3.23
Raintree Pad 2 LC			4,982,533	2.56
91st Avenue Investments LLC			4,418,106	2.27
Banner Health systems			3,892,604	2.00
Pratte Buckeye Property LLC			3,289,251	1.69
The Prince Company			3,211,398	1.65
Credit Suisse 1st Boston Mortgage Securities			3,211,398	1.65
BRY PL LP			2,802,675	1.44
Quiktrip Corporation			2,744,286	1.41
Total	<u>\$ 51,231,070</u>	<u>23.46 %</u>	<u>\$ 45,601,858</u>	<u>23.43 %</u>

Source: The source of this information is the Maricopa 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	\$ 10,015,163	\$ 9,702,800	96.88 %	\$	\$ 9,702,800	96.88 %
2020	10,073,311	9,761,293	96.90	310,400	10,071,693	99.98
2019	8,885,712	8,772,156	98.72	111,389	8,883,545	99.98
2018	7,616,051	7,565,094	99.33	50,060	7,615,154	99.99
2017	7,475,971	7,320,680	97.92	153,809	7,474,489	99.98
2016	7,174,735	7,103,412	99.01	70,048	7,173,460	99.98
2015	6,712,294	6,569,985	97.88	140,733	6,710,718	99.98
2014	5,875,068	5,758,897	98.02	114,526	5,873,423	99.97
2013	6,248,122	6,115,586	97.88	128,446	6,244,032	99.93
2012	9,517,820	8,917,804	93.70	578,941	9,496,745	99.78

Source: The source of this information is the 2019 Maricopa 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt				
	General Obligation Bonds	Less:	Total	Percentage of	Per Capita	Capital Leases	Total	Percentage of	Per Capita	Percentage of Personal Income	
		Amounts		Estimated				Estimated			
		Restricted for Principal		Actual Value (Full Cash Value)				Actual Value (Full Cash Value)			
2021	\$ 26,566,174	\$ 248,344	\$ 26,317,830	0.99 %	\$ 1,502	\$ 1,332,951	\$ 27,899,125	1.05 %	\$ 1,577	0.01 %	
2020	28,087,170	357,378	27,729,792	1.16	1,615	2,025,002	30,112,172	1.26	1,731	0.01	
2019	20,330,352		20,330,352	0.94	1,197		20,330,352	0.94	1,197	0.01	
2018	21,363,983	64,554	21,299,429	1.07	2,965		21,363,983	1.07	2,965	0.01	
2017	6,885,000	171,407	6,713,593	0.38	995		6,885,000	0.39	995	0.00	
2016	7,830,000	69,265	7,760,735	0.52	1,145		7,830,000	0.53	1,145	0.00	
2015	8,790,000	15,630	8,774,370	0.74	1,302		8,790,000	0.74	1,302	0.01	
2014	9,735,000	17,443	9,717,557	0.89	1,452		9,735,000	0.89	1,452	0.01	
2013	10,830,000	707,157	10,122,843	0.84	1,615		10,830,000	0.90	1,615	0.01	
2012	12,240,000	1,503,489	10,736,511	0.75	1,871		12,240,000	0.86	1,871	0.01	

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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:			
State of Arizona	\$ None	0.31 %	\$ \$
Maricopa County	None	0.47	
Maricopa County Community College	312,450,000	0.47	1,468,515
Maricopa County Special Health Care District	459,125,000	0.47	2,157,888
City of Avondale	35,375,000	4.01	1,418,538
City of Phoenix	1,003,875,000	0.29	2,911,238
City of Tolleson	26,166,118	64.96	16,997,510
Western Maricopa Education Center District No. 402	157,075,000	1.27	1,994,853
Tolleson Union High School District No. 14	169,815,000	16.18	27,476,067
Subtotal, Overlapping Debt			<u>54,424,609</u>
Direct:			
Tolleson Elementary School District No. 17			<u>26,566,174</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 80,990,783</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation	12.05 %	
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 3,042	
As a Percentage of Net Limited Assessed Valuation	36.97 %	
As a Percentage of Estimated Gross Full Cash Value	3.05 %	

Source: The source of this information is the Arizona Tax Research Association, County Assessor, County Treasurer and the Arizona Department of Revenue.

- 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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

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

Net full cash assessed valuation	\$ 334,398,447
Debt limit (10% of assessed value)	33,439,845
Debt applicable to limit	<u>25,393,227</u>
Legal debt margin	<u><u>\$ 8,046,618</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2021:

Net full cash assessed valuation	\$ 334,398,447
Debt limit (15% of assessed value)	50,159,767
Debt applicable to limit	<u>25,393,227</u>
Legal debt margin	<u><u>\$ 24,766,540</u></u>

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 50,159,767	\$ 45,383,537	\$ 40,134,198	\$ 37,327,458	\$ 31,884,399
Total net debt applicable to limit	<u>25,393,227</u>	<u>27,557,465</u>	<u>19,985,000</u>	<u>20,955,000</u>	<u>6,885,000</u>
Legal debt margin	<u><u>\$ 24,766,540</u></u>	<u><u>\$ 17,826,072</u></u>	<u><u>\$ 20,149,198</u></u>	<u><u>\$ 16,372,458</u></u>	<u><u>\$ 24,999,399</u></u>
Total net debt applicable to the limit as a percentage of debt limit	51%	61%	50%	56%	22%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 27,020,853	\$ 22,439,340	\$ 20,753,383	\$ 23,915,629	\$ 29,194,531
Total net debt applicable to limit	<u>7,830,000</u>	<u>8,790,000</u>	<u>9,735,000</u>	<u>10,830,000</u>	<u>12,240,000</u>
Legal debt margin	<u><u>\$ 19,190,853</u></u>	<u><u>\$ 13,649,340</u></u>	<u><u>\$ 11,018,383</u></u>	<u><u>\$ 13,085,629</u></u>	<u><u>\$ 16,954,531</u></u>
Total net debt applicable to the limit as a percentage of debt limit	29%	39%	47%	45%	42%

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

<u>Year</u>	<u>Population</u>		<u>Personal Income (thousands)</u>		<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2020	4,439,220	\$	245,077,753	\$	53,521	6.6 %	17,686
2019	4,367,835		222,943,072		49,704	3.6	17,392
2018	4,294,460		210,370,180		47,694	4.1	16,983
2017	4,307,033		196,286,191		45,573	4.2	7,205
2016	4,137,076		185,613,641		43,845	4.5	6,920
2015	4,076,439		178,469,430		42,962	5.5	6,837
2014	4,087,191		168,483,421		41,222	5.9	6,750
2013	4,009,412		147,700,000		27,552	6.2	6,704
2012	3,942,000		147,724,392		37,474	7.1	6,704
2011	3,843,370		142,864,275		37,352	8.4	6,541

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.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Employer	2021			2012		
	Employees	Percentage of Total Employment		Employees	Percentage of Total Employment	
Banner Health Systems	26,660	1.54	%	25,825	1.53	%
State of Arizona	27,990	1.62		49,800	2.94	
Wal-Mart Stores Inc.	20,080	1.16		30,635	1.81	
Fry's Food Stores	15,320	0.88				
Wells Fargo Company	13,170	0.76		13,310	0.79	
Maricopa County	13,890	0.80		12,790	0.76	
City of Phoenix	11,570	0.67		15,100	0.89	
Amazon	11,440	0.66				
Arizona State University	11,360	0.66		11,185	0.66	
Intel Corporation	11,350	0.66				
Bank of America				13,300	0.79	
Apollo Group Inc.				11,000	0.65	
JP Morgan Chase & Co.				10,600	0.63	
Total	162,830	9.41	%	193,545	11.45	%
Total employment	1,731,840			1,692,300		

Source: The source of this information is the Maricopa Association of Governments Employer Database and the Business Journal Book of Lists.

Note: The principal employers were not available for the District alone, therefore, the principal employers for Maricopa County are presented.

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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					
Superintendent	1	1			
Executive Directors	5	5			
Consultants/supervisors of instruction	2	2			
Principals	4	4	4	4	4
Assistant principals	4	4	3	3	3
Total supervisory	<u>16</u>	<u>16</u>	<u>7</u>	<u>7</u>	<u>7</u>
Instruction					
Teachers	163	163	161	159	159
Other professionals (instructional)	15	15	9	11	8
Student Teacher Interns	9				
Aides	49	49	49	48	49
Total instruction	<u>236</u>	<u>227</u>	<u>219</u>	<u>218</u>	<u>216</u>
Student Services					
Nurses	3	3	3	3	3
Health services	6	6	3	3	2
Librarians	1	1	3	2	3
Technicians			10	10	10
Total student services	<u>10</u>	<u>10</u>	<u>19</u>	<u>18</u>	<u>18</u>
Support and Administration					
Office staff	10	10	10	10	9
Secretaries and clerical	11	11	11	11	11
Maintenance and custodial	6	6	9	9	9
Transportation	8	8	10	9	9
Technology	5	5	3	3	3
Food service	6	6	5	5	5
Other			10	9	7
Total support and administration	<u>46</u>	<u>46</u>	<u>58</u>	<u>56</u>	<u>53</u>
Total	<u><u>308</u></u>	<u><u>299</u></u>	<u><u>303</u></u>	<u><u>299</u></u>	<u><u>294</u></u>

(Continued)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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					
Superintendent					
Executive Directors					
Consultants/supervisors of instruction					
Principals	4	4	4	4	4
Assistant principals	3	3	3	3	3
Total supervisory	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Instruction					
Teachers	148	144	136	140	127
Other professionals (instructional)	12	12	9	13	17
Student Teacher Interns					
Aides	31	30	26	28	16
Total instruction	<u>191</u>	<u>186</u>	<u>171</u>	<u>181</u>	<u>160</u>
Student Services					
Nurses	3	3	2		
Health services	2	2	3	4	5
Librarians	3	3	3	3	4
Technicians	9	9	8	2	2
Total student services	<u>17</u>	<u>17</u>	<u>16</u>	<u>9</u>	<u>11</u>
Support and Administration					
Office staff	8	8	8	9	12
Secretaries and clerical	10	10	10	6	5
Maintenance and custodial	10	10	10	9	8
Transportation	10	9	9	9	9
Technology	3	3	4	4	3
Food service	7	7	9	9	8
Other	7	7	8	5	4
Total support and administration	<u>55</u>	<u>54</u>	<u>58</u>	<u>51</u>	<u>49</u>
Total	<u>270</u>	<u>264</u>	<u>252</u>	<u>248</u>	<u>227</u>

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

(Concluded)

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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	2,615	\$ 28,612,251	\$ 10,942	6.75 %	\$ 35,259,820	\$ 13,484	(1.82) %	163	16.0	86.0 %
2020	2,811	28,811,616	10,250	5.56	38,606,757	13,734	23.63	163	17.2	86.0
2019	2,848	27,653,049	9,710	12.23	31,638,427	11,109	11.12	161	17.7	87.0
2018	2,984	25,816,173	8,652	3.89	29,832,111	9,997	4.12	159	18.8	86.0
2017	2,913	24,259,086	8,328	9.81	27,968,671	9,601	8.68	159	18.3	87.0
2016	2,804	21,265,638	7,584	(2.97)	24,770,851	8,834	1.49	148	18.9	81.0
2015	2,741	21,425,187	7,817	6.87	23,859,397	8,705	5.01	144	19.0	80.0
2014	2,632	19,251,449	7,314	1.41	21,816,729	8,289	4.46	136	19.4	80.0
2013	2,543	18,342,271	7,213	(1.13)	20,178,925	7,935	(8.84)	140	18.2	84.3
2012	2,567	18,727,283	7,295	2.31	22,343,745	8,704	2.14	127	20.2	81.0

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

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

TOLLESON ELEMENTARY SCHOOL DISTRICT NO. 17
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>										
<u>Elementary</u>										
Buildings	25	25	25	25	25	25	25	25	30	30
Square feet	412,908	412,908	365,648	365,648	365,648	365,648	365,648	365,648	283,857	283,857
Capacity	4,200	4,200	3,500	3,500	3,500	3,500	3,500	3,500	3,300	3,300
Enrollment	2,840	3,260	3,320	3,369	3,369	2,991	3,193	2,813	2,796	2,700
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Square feet	14,655	14,655	14,655	14,665	14,665	14,665	14,665	14,665	11,860	11,860
<u>Athletics</u>										
Soccer fields	3	3	3	3	3	3	3	3	3	2
Baseball/softball	4	4	4	4	4	4	4	4	4	4
Playgrounds	9	9	9	9	9	9	9	9	9	10

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

(This page intentionally left blank)