
SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5

SNOWFLAKE, ARIZONA

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

Issued by:
Business and Finance Department

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5

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INTRODUCTORY SECTION

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December 27, 2021

Citizens and Governing Board
Snowflake Unified School District No. 5
682 School Bus Lane
Snowflake, Arizona 85937

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 Snowflake Unified School District No. 5 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 22 school districts and charter schools located in Navajo County, Arizona. It provides a program of public education from preschool through grade twelve, with an estimated current enrollment of 2,435 students. The projected enrollment for fiscal year 2021-22 is 2,615, which is an increase of seven percent

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

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

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

The District lies in the south central portion of Navajo County, approximately 118 miles east of Flagstaff, Arizona, and encompasses approximately 600 square miles. U.S. Interstate 40 is 25 miles north of the district and provides access to scenic areas such as the White Mountains, the Petrified Forest, the Painted Desert, and several outdoor activities such as fishing, camping, water and snow skiing, and hiking to name a few.

The primary communities in the District are the towns of Snowflake, Taylor, Shumway, and Cedar Hills. Snowflake and Taylor are situated immediately adjacent to each other within the Silver Creek Valley. The communities were founded in the 1870's by pioneers of the Church of Jesus Christ of Latter-day Saints and were part of a network of colonies that spread throughout the western United States stretching from Canada to Mexico. Snowflake was a hub for social, cultural, religious and educational activities. An Academy was founded by the Church of Jesus Christ of Latter-day Saints in the 1890's and was the predecessor of today's school district. It drew high school age students from all over the northern and eastern Arizona region that left home to board and attend school in Snowflake.

An element behind steady growth of the communities is the reputation as an exceptional place to raise children. One of the elements contributing to this environment is the school system. The Snowflake Unified School District No. 5 employs a staff that actively seeks for better ways of educating the children they serve. The District stresses creating a safe learning environment that encourages helping every student to learn, use and enjoy the basic skills, achieve academically, and excel in athletics and performing arts. The District has been consistently recognized throughout the region and the State for the high quality of its teachers and educational programs and for the accomplishments of its students in academics, athletics, and the performing arts. The school system is progressive yet reflects the family-orientated values of the community. All of this is accomplished with one of the lowest tax rates in the region for a district without a budget override.

Much of the heritage that founded the communities continues today. In spite of the small size and rural character, the town supports a junior college campus, a symphony orchestra, and an active theatrical and performing arts program. Children, teenagers and adults all field several athletic intramural teams. Each year the citizens volunteer thousands of hours to sustain their active way of life and rich traditions. It is a vibrant area that continues to attract people moving from urban areas seeking a safe community and a quality family oriented way of life.

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: Electric power generation, mining, health care, retail, and agriculture business support the local economy. Arizona Public Service has a power generating station 30 miles from the town. A large medical employer is 15 miles from the District. The Snowflake area is part of a network of communities that make up Northland Pioneer College, a local junior college. The school is in partnership with the college and provides dual enrollment classes. A large part of the vocational curriculum is run through Northland Pioneer College in conjunction with the Northern Arizona Vocational Institute of Technology. Farmer John (PFFJ) has a large farm and distributing center in the local area. Copperstate Farms is a relatively new employer of four years but has become a major employer in the area. The healthcare industry is a large contributor to the economy. Public education plays a major role in contributing to the local economy with employment and multi-million dollar payrolls.

Noted earlier was the increase in student growth. The towns that make up the Snowflake School District are experiencing unprecedented population growth. This growth is an impact of COVID-19 and citizens working from home. Construction and housing starts have increased significantly in the area. This is a strong factor contributing to the economy in the area.

In fiscal year 2021 the effects of COVID-19 continued to impact the school district. The school had in-class instruction all year. All operations in the District were essentially back to normal. Federal funding added significantly to the school budget. In fiscal year 2021, the District spent \$991,000 from Federal COVID relief funds. It is anticipated that another \$7,000,000 will yet be spent from the COVID funds. This had a direct impact on the local economy.

The School District continues to add renovation projects to the general maintenance and upkeep of the facility. Three hundred and forty five thousand was spent from grants from the Arizona School Facilities Board and will continue to in fiscal year 2022.

The effects of COVID-19 and the worldwide pandemic have had an impact on the District's operations in fiscal year 2020 and fiscal year 2021. For the last quarter of the fiscal year, some operations were shut down. In-person learning was ceased by the Governor's executive order. Payroll expenses were unaffected. Operational areas such as home to school transportation and facility operations experienced a decline due to in-person shut down. Areas like the Food Service Department actually expanded operation as a direct result of waivers being put in place to expand free meals to all community members 18 and under.

The administration developed a plan moving forward for fiscal year 2021. The plan focused on giving parents a choice to have in-person instruction or distance learning. Both are being operated at this time. The in-person model is much more popular with 95% of students attending. The distance learning model has about 5% of the student count. The goal is to do what is best for kids and that would be to have in-person learning. Preventative measures are in place to try and ensure this activity to continue.

The State of Arizona has experienced economic growth the past couple of years. The severe steps that were taken during the past several years to offset the effects of the local and nationwide recession are now being re-addressed. Legislative movements are being made to restore the steep cuts made to public education. The District Additional Assistance funds which generates a budget capacity that is dedicated to the capital needs of the district was cut by 85% for several years. State legislation has been slowly granting those funds back to the District. What this is resulting in is not only an increase in capacity but an ability to meet the capital needs of the district. The district is able to spend more money and that helps the local economy.

Near the close of fiscal year 2018 a political movement took place in Arizona call Red for Education. This was a movement among educators to withhold services unless the State Legislators address the financial concerns. This resulted in the Government approving a 20% increase in teacher's salaries by fiscal year 2021. This came with a large price tag. The base support level in the District's funding formula increased by nearly 2.4% in fiscal year 2021. The average teacher salary increased 12.5% in fiscal year 2019. This increase was a great help to the local economy.

One of the constant benefits to the School District has been the steadiness of its student enrollment. Recently, the District has been challenged by local industry leaving the area. The state funds the school's budget using current year enrollment figures. The District has experienced growth in these areas. The budget capacity has held steady or grown over the past years. There is competition locally from three other charter schools.

The District has been aggressive in prioritizing the budget and having strong contingencies in place. Other schools are cutting major programs that affect the education of the children. Snowflake Unified School District has strived to maintain all of its programs. Staffs at the schools are doing so much more with less.

Long-Term Financial Planning: A significant piece of legislation was passed that established the minimum wage. It increased to \$10.50 in January 2018, \$11.00 in January 2019, \$12.00 in January 2020, \$12.15 in January 2021 and is set to increase to \$12.80 in 2022. Along with this legislation was mandatory leave granted to employees. The District had leave policies that were close to the legislation. The increase in the minimum wage will be a significant challenge moving forward. The change went from \$8.07 to \$10.00 the first year. The growth in enrollment has helped the district ride this wave of change but it could change in any given moment.

The District Governing Board and Administration will be evaluating the future as the environment continues to change. Long-term planning is focusing on maintaining the course, as the funding in the State of Arizona will continue to fall short. In fiscal year 2016-17 the District had to reduce nearly \$1 million of the Unrestricted Capital funds. If a district is funded by State aid its budgets were reduced tremendously. This reduction in funding cost the District nearly \$1.2 million. This affected all capital budgets and the General Maintenance and Operation funds. This is increasingly difficult with an average age of buildings of 40 years. The District is focusing on doing things a different way to facilitate the education of the youth.

With the rapid growth being experienced in the area, the need for investment in facilities is becoming a very serious priority. An evaluation of these needs is in process. The potential funding sources for accomplishing these priorities will include grants, existing funding and class B bonds.

The sharing of ideas is critical. The Snowflake Unified School District #5 is not the only district in Arizona facing these problems. Professional development opportunities will not be overlooked. Cooperating with other school districts and their administration is becoming more and more critical. The District cannot survive as an island. The sharing of ideas is a critical part of the long-term strategy. The leadership of the District meets monthly with local leaders both in the city leadership and the educational arena. This creates the ideas that will transform the District. Recently the District led out in seeking for new ways to improve the delivery of education. Through the leadership demonstrated by the administration and staff, other districts in the area realized the potential and followed in the path of the District.

The District has an aggressive regiment for the students which unifies the curriculum and enables the students to have success. The methodology has proven successful where it has been fully implemented. The District will continue to pour resources into staff training and development into these areas. Staff will be rewarded financially for their performance in these areas.

In an effort to reduce high transportation costs, the District is analyzing ways to invest in purchasing its own bus fleet. The District owns four yellow school buses. In fiscal year 2013-2014 The District purchased its first trip bus. Savings can be realized if the District invests in its own fleet and limits the costs that are being incurred by a third party contractor. Looking forward to the long-term, the District will begin to increase its own fleet. This has been significantly hampered by the Legislative cuts to capital resources.

The District will continue to be aggressive in providing salaries and benefits at competitive rates. The District belongs to the Navajo County Schools Employee Benefit Trust, which is a consortium that administrates a health care plan for the District. With the general trend of health care, the District is being forced to look at options that will provide better benefits at lower rates.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This is the 14th 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,



Hollis J. Merrell
Superintendent



Mark Ollerton
Business Manager



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Snowflake Unified School District No. 5

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 blue ink that reads 'W. Edward Chabal'.

W. Edward Chabal
President

A handwritten signature in blue ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Snowflake Unified School District No. 5
Arizona**

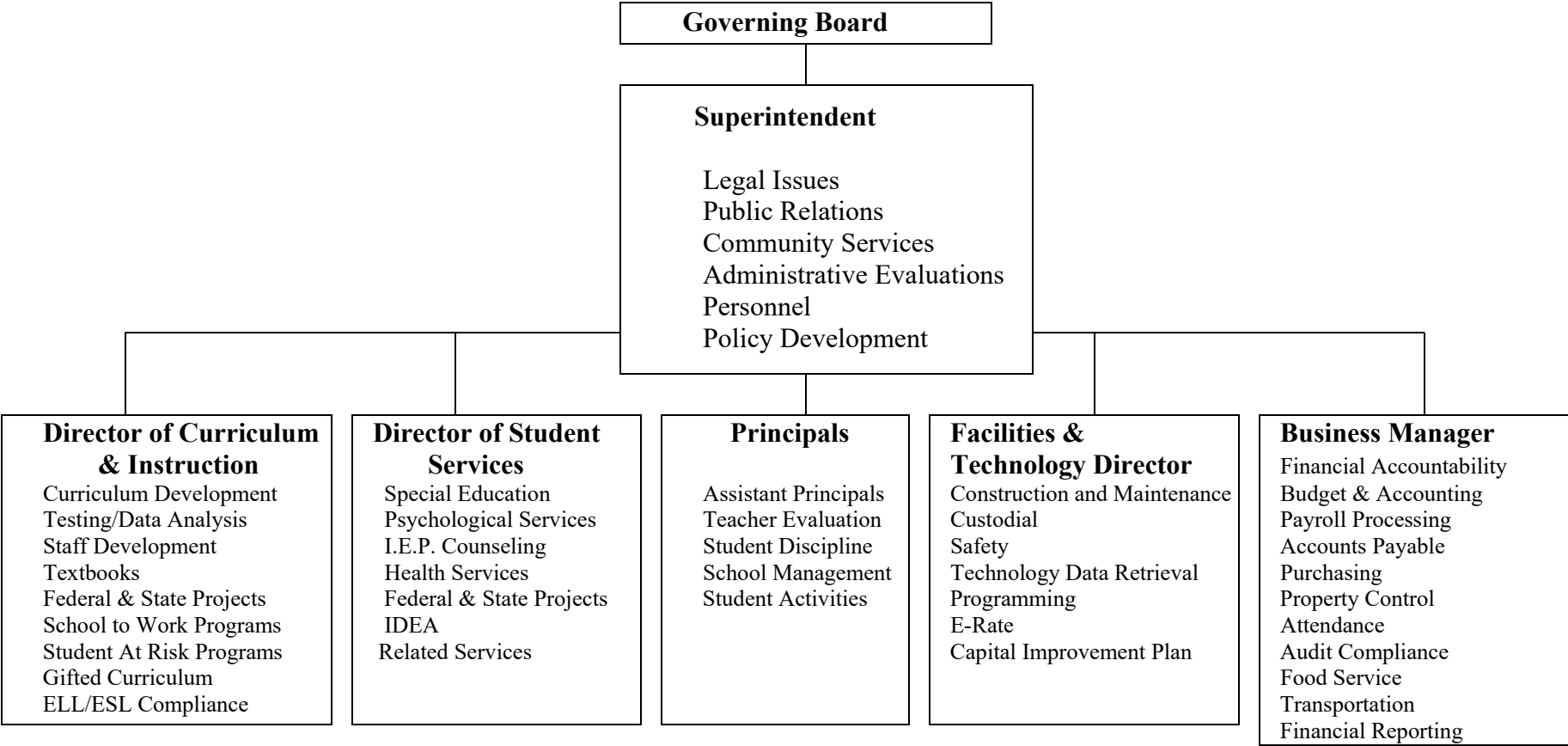
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Organizational Chart
Snowflake Unified School District No. 5



SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Cory Johnson, President

Wendy McVicker, Vice President

Shea Flake, Member

Carol Palmer, Member

Carole Owens, Member

ADMINISTRATIVE STAFF

Hollis J. Merrell, Superintendent

Mark Ollerton, Business Manager

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FINANCIAL SECTION

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Independent Auditor's Report

Governing Board
Snowflake Unified School District No. 5

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 Snowflake Unified School District No. 5 (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 Snowflake Unified School District No. 5, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Snowflake Unified School District No. 5 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements. In performing an audit in accordance with generally accepted auditing standards 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 27, 2021, on our consideration of Snowflake Unified School District No. 5'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 Snowflake Unified School District No. 5'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 Snowflake Unified School District No. 5's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Flagstaff, Arizona
December 27, 2021

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

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**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

As management of the Snowflake Unified School District No. 5 (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 \$281,949 which represents a two percent increase from the prior fiscal year primarily due to an increase in investment in capital assets related to the additional Federal funding for COVID relief.
- General revenues accounted for \$18.3 million in revenue, or 77 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$5.5 million or 23 percent of total current fiscal year revenues.
- The District had approximately \$23.5 million in expenses related to governmental activities, an increase of 10 percent from the prior fiscal year primarily due to an increase in teacher pay and COVID-related expenses.
- Among major funds, the General Fund had \$15.3 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$15.1 million in expenditures. The General Fund's fund balance increased from \$3.0 million at the prior fiscal year end to \$3.1 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.

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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$11.8 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, and vehicles, furniture and equipment), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance is unrestricted and may be used to meet the District's ongoing obligations to its citizens and creditors.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

	As of June 30, 2021	As of June 30, 2020
Current and other assets	\$ 8,407,511	\$ 7,366,686
Capital assets, net	20,225,387	20,614,900
Total assets	<u>28,632,898</u>	<u>27,981,586</u>
Deferred outflows	<u>3,271,048</u>	<u>2,192,828</u>
Current and other liabilities	636,872	105,576
Long-term liabilities	19,274,539	17,682,948
Total liabilities	<u>19,911,411</u>	<u>17,788,524</u>
Deferred inflows	<u>193,303</u>	<u>868,607</u>
Net position:		
Net investment in capital assets	17,465,315	17,103,568
Restricted	4,370,828	4,014,221
Unrestricted	(10,036,911)	(9,600,506)
Total net position	<u>\$ 11,799,232</u>	<u>\$ 11,517,283</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission reported a deficit of \$10.1 million. Unrestricted net position was negative due to the District's proportionate share of the state's pension plan's unfunded liability. The same situation held true for the prior fiscal year.

The District's financial position is the product of several financial transactions including the net 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 principal retirement of \$730,000 of bonds and \$170,144 of capital leases.
- Net increase in accumulated depreciation of \$1.4 million, primarily as a result of current year depreciation expense.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

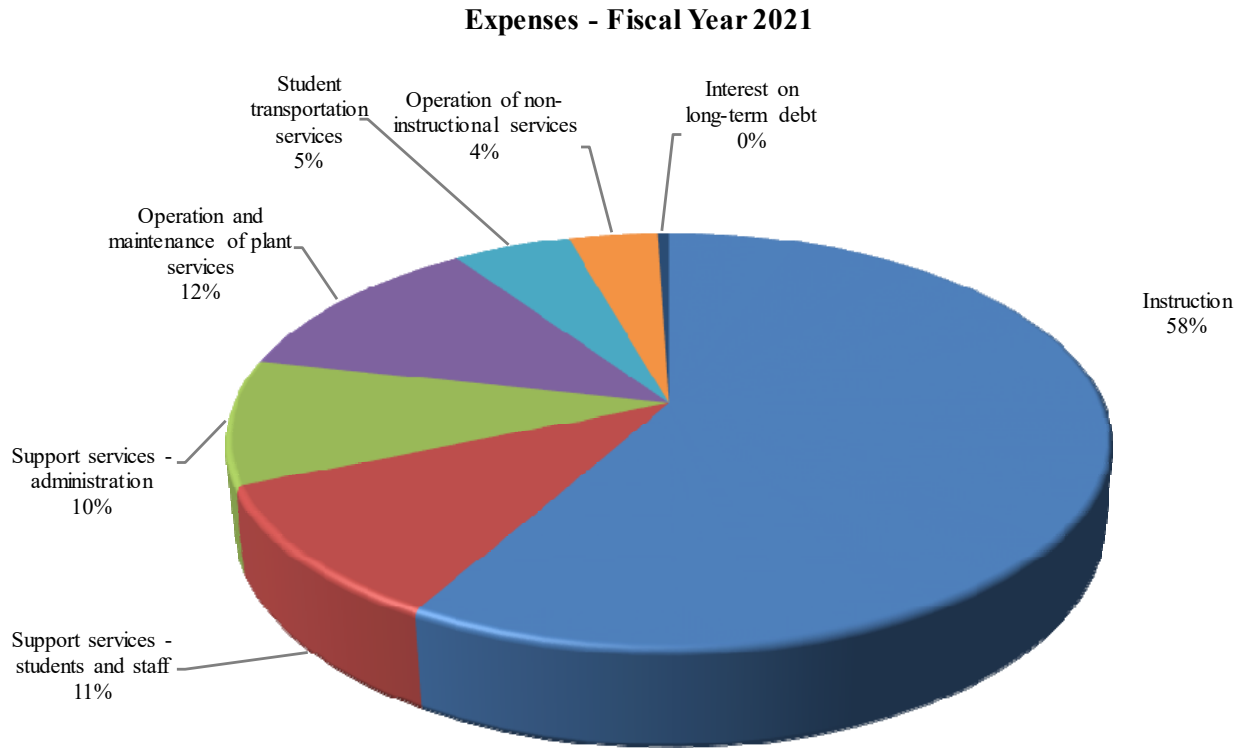
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$23.8 million. The total cost of all programs and services was \$23.5 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	\$ 953,834	\$ 895,444
Operating grants and contributions	3,717,138	2,093,552
Capital grants and contributions	812,463	89,289
General revenues:		
Property taxes	3,876,258	3,897,246
Investment income	59,504	93,890
Unrestricted county aid	568,618	534,478
Unrestricted state aid	13,569,670	13,882,340
Unrestricted federal aid	211,381	389,515
Total revenues	<u>23,768,866</u>	<u>21,875,754</u>
Expenses:		
Instruction	13,662,336	12,238,458
Support services - students and staff	2,484,618	2,286,194
Support services - administration	2,272,950	2,038,669
Operation and maintenance of plant services	2,844,299	2,785,742
Student transportation services	1,199,729	1,070,052
Operation of non-instructional services	911,469	834,897
Interest on long-term debt	111,516	147,426
Total expenses	<u>23,486,917</u>	<u>21,401,438</u>
Changes in net position	281,949	474,316
Net position, beginning, as restated	<u>11,517,283</u>	<u>11,042,967</u>
Net position, ending	<u>\$ 11,799,232</u>	<u>\$ 11,517,283</u>

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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.

- Operating grants and contributions increased \$1.6 million due to increased grant funding related to the COVID-19 pandemic.
- Instruction expense increased \$1.4 million as a result of salary increases, increased number of instructional employees, and increased purchases of instructional aids.
- Capital grants and contribution increased \$723,174 primarily as a result of increased School Facilities Board funding for roof and door repair projects at Snowflake Jr. High School.

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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 13,662,336	\$ (10,013,574)	\$ 12,238,458	\$ (10,650,484)
Support services - students and staff	2,484,618	(2,221,051)	2,286,194	(2,021,733)
Support services - administration	2,272,950	(2,219,187)	2,038,669	(1,966,557)
Operation and maintenance of plant services	2,844,299	(2,440,025)	2,785,742	(2,772,094)
Student transportation services	1,199,729	(1,199,729)	1,070,052	(1,070,052)
Operation of non-instructional services	911,469	120,412	834,897	274,146
Interest on long-term debt	111,516	(30,328)	147,426	(116,379)
Total	\$ 23,486,917	\$ (18,003,482)	\$ 21,401,438	\$ (18,323,153)

- The cost of all governmental activities this year was \$23.5 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$5.5 million.
- Net cost of governmental activities of \$18.0 million was financed by general revenues, which are made up of primarily property taxes of \$3.9 million and state and county aid of \$14.1 million. Investment earnings accounted for \$59,504 of funding.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$7.4 million.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 42 percent of the total fund balance. Approximately \$3.1 million, or almost 100% percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$112,975, or 4 percent, to \$3.1 million as of fiscal year end. General Fund revenues increased \$120,992 primarily due to an increase in state equalization funding due to an increase in the funding formula adopted by the state legislature. General Fund expenditures increased \$418,460 primarily due to returning to in-person instruction for the full school year.

The Other Federal Projects fund had a deficit fund balance of \$47,730 as of fiscal year end, which was a decrease of \$27,610 from the prior year.

The Unrestricted Capital Outlay Fund's fund balance increased \$233,122 to \$2.1 million. Unrestricted Capital Outlay Fund revenues increased \$131,435 due to an increase in state aid revenues.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget primarily as a result of receiving additional funds from Prop. 123. The difference between the original budget and the final amended budget was a \$310,021 increase, or two percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant variances are summarized as follows:

- The favorable variance of \$2.2 million in instruction expenditures was primarily a result of the District budgeting carryover in the instructional area.
- The favorable variance of \$285,307 in operation and maintenance of plant services expenditures was primarily a result of labor shortages and the District's inability to hire vacant positions. Additionally, utility costs were less than anticipated due to a milder climate during the winter months. Lastly, the District budgeted for a project to be completed in fiscal year 2020-2021 that was eventually completed in fiscal year 2021-2022.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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 \$44.7 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 \$1.0 million from the prior fiscal year, primarily due to the District entering into an operating lease for several vehicles and completing several building improvements. Total depreciation expense for the current fiscal year was \$1.5 million.

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

	As of June 30, 2021	As of June 30, 2020
Capital assets - non-depreciable	\$ 271,409	\$ 271,409
Capital assets - depreciable, net	19,953,978	20,343,491
Total	\$ 20,225,387	\$ 20,614,900

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

Debt Administration. At year end, the District had \$2.8 million in long-term debt outstanding, \$948,694 due within one year. Long-term debt decreased by \$933,088 due to current year principal retirement of debt.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$32.2 million and the Class B debt limit is \$21.5 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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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

- Fiscal year 2020-21 budget balance carry forward (estimated \$2.9 million).
- District student population (estimated 2,600).

The District is also strategically planning how to budget for the continued use of COVID-19 funding in FY 2022. The following areas are priorities for the use of these funds: additional staffing in the Information Technology Department, personal protective equipment, retention stipends for staff who have worked through the pandemic, ten new paraprofessional positions and one new math teacher and two summer school teachers to address learning loss. The District will be investing heavily in technology and curriculum and social and emotional learning programs. These new programs will include staffing to assist in its implementation. The most expensive costs will be a multi-million dollar infrastructure project to address air quality and purification.

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

Budgeted expenditures in the General Fund decreased one percent to \$17.2 million in fiscal year 2021-22 due to an anticipated decrease in average daily membership. 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, Snowflake Unified School District No. 5, 682 School Bus Lane, Snowflake, Arizona 85937.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 3,646,691
Property taxes receivable	268,186
Deposits	20,715
Accounts receivable	40,614
Due from governmental entities	4,352,280
Inventory	79,025
Total current assets	8,407,511
Noncurrent assets:	
Capital assets not being depreciated	271,409
Capital assets, net of accumulated depreciation	19,953,978
Total noncurrent assets	20,225,387
Total assets	28,632,898
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension plan items	3,271,048
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	636,149
Compensated absences payable	180,000
Unearned revenues	723
Obligations under capital leases	188,694
Bonds payable	760,000
Total current liabilities	1,765,566
Noncurrent liabilities:	
Non-current portion of long-term obligations	18,145,845
Total noncurrent liabilities	18,145,845
Total liabilities	19,911,411
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	193,303
<u>NET POSITION</u>	
Net investment in capital assets	17,465,315
Restricted for:	
Instruction	570,890
Food service	321,642
Non-instructional purposes	528,475
Debt service	424,348
Capital outlay	2,525,473
Unrestricted	(10,036,911)
Total net position	\$ 11,799,232

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental activities:						
Instruction	\$ 13,662,336	\$ 926,550	\$ 2,253,997	\$ 468,215		\$ (10,013,574)
Support services - students and staff	2,484,618		263,567			(2,221,051)
Support services - administration	2,272,950	11,688	42,075			(2,219,187)
Operation and maintenance of plant services	2,844,299	1,615	58,411	344,248		(2,440,025)
Student transportation services	1,199,729					(1,199,729)
Operation of non-instructional services	911,469	13,981	1,017,900			120,412
Interest on long-term debt	111,516		81,188			(30,328)
Total governmental activities	<u>\$ 23,486,917</u>	<u>\$ 953,834</u>	<u>\$ 3,717,138</u>	<u>\$ 812,463</u>		<u>(18,003,482)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	2,601,012
Property taxes, levied for debt service	912,725
Property taxes, levied for capital outlay	362,521
Investment income	59,504
Unrestricted county aid	568,618
Unrestricted state aid	13,569,670
Unrestricted federal aid	211,381
Total general revenues	<u>18,285,431</u>

Changes in net position

281,949

Net position, beginning of year

11,517,283

Net position, end of year

\$ 11,799,232

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

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FUND FINANCIAL STATEMENTS

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Other Federal Projects	Unrestricted Capital Outlay
<u>ASSETS</u>			
Cash and investments	\$	\$	\$ 1,642,765
Property taxes receivable	184,422		25,881
Deposits			
Accounts receivable	12,042		
Due from governmental entities	3,660,890	179,979	256,712
Due from other funds			307,013
Inventory			
Total assets	\$ 3,857,354	\$ 179,979	\$ 2,232,371
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 320,971	\$ 124,330	\$ 112,899
Due to other funds	193,980	53,084	
Unearned revenues		1	
Total liabilities	514,951	177,415	112,899
Deferred inflows of resources:			
Unavailable revenues - property taxes	169,106		23,772
Unavailable revenues - intergovernmental	24,814	50,294	
Total deferred inflows of resources	193,920	50,294	23,772
Fund balances (deficits):			
Nonspendable			
Restricted	3,262		2,095,700
Unassigned	3,145,221	(47,730)	
Total fund balances	3,148,483	(47,730)	2,095,700
Total liabilities, deferred inflows of resources and fund balances	\$ 3,857,354	\$ 179,979	\$ 2,232,371

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 2,003,926	\$ 3,646,691
57,883	268,186
20,715	20,715
28,572	40,614
275,618	4,373,199
	307,013
79,025	79,025
<u>\$ 2,465,739</u>	<u>\$ 8,735,443</u>

\$ 77,949	\$ 636,149
59,949	307,013
722	723
<u>138,620</u>	<u>943,885</u>

52,490	245,368
49,064	124,172
<u>101,554</u>	<u>369,540</u>

79,025	79,025
2,195,604	4,294,566
(49,064)	3,048,427
<u>2,225,565</u>	<u>7,422,018</u>

<u>\$ 2,465,739</u>	<u>\$ 8,735,443</u>
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SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total governmental fund balances **\$ 7,422,018**

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	\$ 44,729,396	
Less accumulated depreciation	<u>(24,504,009)</u>	20,225,387

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

Property taxes	245,368	
Intergovernmental	<u>103,253</u>	348,621

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	3,271,048	
Deferred inflows of resources related to pensions	<u>(193,303)</u>	3,077,745

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

Compensated absences payable	(296,844)	
Obligations under capital leases	(1,429,184)	
Net pension liability	(16,217,623)	
Bonds payable	<u>(1,330,888)</u>	<u>(19,274,539)</u>

Net position of governmental activities **\$ 11,799,232**

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Other Federal Projects	Unrestricted Capital Outlay
Revenues:			
Other local	\$ 876,486	\$	\$ 59,761
Property taxes	2,606,026		364,957
State aid and grants	11,597,819		814,640
Federal aid, grants and reimbursements	213,490	1,096,223	
Total revenues	15,293,821	1,096,223	1,239,358
Expenditures:			
Current -			
Instruction	8,111,587	705,545	
Support services - students and staff	1,913,288	52,430	
Support services - administration	1,939,161		
Operation and maintenance of plant services	2,103,672	53,547	
Student transportation services	950,122		
Operation of non-instructional services	23,588		
Capital outlay	30,671	312,311	1,185,381
Debt service -			
Principal retirement			14,144
Interest and fiscal charges			2,039
Total expenditures	15,072,089	1,123,833	1,201,564
Excess (deficiency) of revenues over expenditures	221,732	(27,610)	37,794
Other financing sources (uses):			
Transfers in	47,243		
Transfers out	(156,000)		
Capital lease agreements			195,328
Total other financing sources (uses)	(108,757)		195,328
Changes in fund balances	112,975	(27,610)	233,122
Fund balances (deficits), beginning of year, as restated	3,035,508	(20,120)	1,862,578
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ 3,148,483	\$ (47,730)	\$ 2,095,700

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 608,706	\$ 1,544,953
914,490	3,885,473
1,729,300	14,141,759
2,795,221	4,104,934
<u>6,047,717</u>	<u>23,677,119</u>
3,169,456	11,986,588
406,683	2,372,401
67,879	2,007,040
10,108	2,167,327
	950,122
852,526	876,114
543,750	2,072,113
886,000	900,144
142,421	144,460
<u>6,078,823</u>	<u>23,476,309</u>
<u>(31,106)</u>	<u>200,810</u>
156,000	203,243
(47,243)	(203,243)
	195,328
<u>108,757</u>	<u>195,328</u>
<u>77,651</u>	<u>396,138</u>
2,126,270	7,004,236
21,644	21,644
<u>\$ 2,225,565</u>	<u>\$ 7,422,018</u>

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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 **\$ 396,138**

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	\$ 1,075,005	
Less current year depreciation	<u>(1,464,518)</u>	(389,513)

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

Obligations under capital leases	<u>(195,328)</u>	(195,328)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(9,215)	
Intergovernmental	<u>100,962</u>	91,747

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	170,144	
Bond principal retirement	<u>730,000</u>	900,144

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	1,286,620	
Pension expense	<u>(1,849,993)</u>	(563,373)

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	21,644	
Amortization of deferred bond items	32,944	
Compensated absences	<u>(12,454)</u>	<u>42,134</u>

Changes in net position in governmental activities **\$ 281,949**

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Snowflake Unified School District No. 5 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

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

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

The District reports the following major governmental funds:

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

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Cash and Investments

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

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

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

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

E. Investment Income

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Receivables and Payables

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

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

G. Property Tax Calendar

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

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

H. Inventory

All inventories are valued at cost using the first-in/first-out (FIFO) 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.

The United States Department of Agriculture (USDA) commodity portion of the food services inventory consists of food donated by the USDA. It is valued at estimated market prices paid by the USDA.

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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Capital Assets

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

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

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	7 – 25 years
Buildings and improvements	10 – 50 years
Vehicles, furniture and equipment	5 – 20 years

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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 the 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.

P. Net Position Flow Assumption

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

	General Fund	Other Federal Projects	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Inventory	\$	\$	\$	\$ 79,025
Restricted:				
Debt service				371,858
Capital projects			2,095,700	406,010
Voter approved initiatives				498,157
Federal and state projects				72,733
Career technical education				245,739
Food service				321,642
Extracurricular activities				85,382
Student activities				160,169
Other purposes	3,262			33,923
Unassigned	3,145,221	(47,730)		(49,064)
Total fund balances	\$ 3,148,483	\$ (47,730)	\$ 2,095,700	\$ 2,225,574

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

The District reclassified the activity of the Other Federal Projects Fund from the General Fund based on the previous GASB Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The results beginning fund balances have been restated from the prior year to reflect the change:

	General Fund	Other Federal Projects Fund
Net position/fund balance, June 30, 2020, as previously reported	\$ 3,055,628	\$
Fund reclassification	20,120	(20,120)
Net position/fund balance, July 1, 2020, as restated	\$ 3,075,748	\$ (20,120)

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Major Governmental Funds:	
Other Federal Projects	\$ (47,730)
Non-Major Governmental Funds:	
Title I Grants	(29,668)
Special Education Grants	(13,228)
Vocational Education	(6,168)

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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$593,695 and the bank balance was \$645,173. At year end, none of the District’s deposits were covered by collateral held by the pledging financial institution’s trust department or agent in the District’s name.

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

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

The 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	1.65 years	\$ 3,052,996

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

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 – RECEIVABLES

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

	General Fund	Other Federal Projects	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$ 37,384	\$ 159,060	\$	\$ 161,520
Due from state government	3,623,506		256,712	35,007
Due from other districts				79,091
Net due from governmental entities	<u>\$ 3,660,890</u>	<u>\$ 159,060</u>	<u>\$ 256,712</u>	<u>\$ 275,618</u>

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 271,409	\$	\$	\$ 271,409
Total capital assets, not being depreciated	<u>271,409</u>			<u>271,409</u>
Capital assets, being depreciated:				
Land improvements	3,726,578	273,411		3,999,989
Buildings and improvements	35,711,813	389,961		36,101,774
Vehicles, furniture and equipment	3,978,619	411,633	34,028	4,356,224
Total capital assets being depreciated	<u>43,417,010</u>	<u>1,075,005</u>	<u>34,028</u>	<u>44,457,987</u>
Less accumulated depreciation for:				
Land improvements	(2,337,625)	(191,522)		(2,529,147)
Buildings and improvements	(18,164,115)	(922,918)		(19,087,033)
Vehicles, furniture and equipment	(2,571,779)	(350,078)	(34,028)	(2,887,829)
Total accumulated depreciation	<u>(23,073,519)</u>	<u>(1,464,518)</u>	<u>(34,028)</u>	<u>(24,504,009)</u>
Total capital assets, being depreciated, net	20,343,491	(389,513)		19,953,978
Governmental activities capital assets, net	<u>\$ 20,614,900</u>	<u>\$ (389,513)</u>	<u>\$</u>	<u>\$ 20,225,387</u>

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 808,187
Support services – students and staff	10,124
Support services – administration	7,889
Operation and maintenance of plant services	561,916
Student transportation services	60,156
Operation of non-instructional services	16,246
Total depreciation expense – governmental activities	<u>\$ 1,464,518</u>

NOTE 7 – SHORT TERM DEBT – REVOLVING LINE OF CREDIT

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$1,000,000 million in unused line of credit.

NOTE 8 – OBLIGATIONS UNDER LEASES

Capital Leases – The District has acquired trucks under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund are used to pay the capital lease obligations. The District has acquired energy retrofits and other energy savings items under the provisions of a long-term lease agreement classified as a capital lease. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. Revenues from the Energy and Water Savings Fund, a non-major governmental fund are used to pay the capital lease obligation. This lease, in the amount of \$2,500,500, qualifies as a Qualified Zone Academy Bond (QZAB). The District receives a federal interest subsidy to fund the interest payments for the District-wide energy project. Amortization of assets recorded under capital leases is included with depreciation expense.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – OBLIGATIONS UNDER LEASES

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

	Governmental Activities
Asset:	
Building improvements	\$ 2,112,878
Vehicles, furniture and equipment	339,019
Less: Accumulated depreciation	993,578
Total	\$ 1,458,319

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

		Governmental Activities
Year Ending June 30:		
2022	\$	242,561
2023		235,962
2024		229,363
2025		271,474
2026		179,096
2027-31		497,694
Total minimum lease payments		1,656,150
Less: amount representing interest		226,965
Present value of minimum lease payments		1,429,185
Due within one year	\$	188,694

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – GENERAL OBLIGATIONS BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District’s legal debt limit is \$32.2 million, and the available margin is \$31.0 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2021	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2008, Series A (2009) (Class B)	\$ 3,900,000	4.875-5.00%	7/1/22-23	\$ 375,000	\$ 325,000
Bonds, Refunding Series 2014	3,290,000	4.00%	7/1/22-23	890,000	435,000
Total				<u>\$ 1,265,000</u>	<u>\$ 760,000</u>

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2022	\$ 760,000	\$ 53,882
2023	505,000	55,006
Total	<u>\$ 1,265,000</u>	<u>\$ 108,888</u>

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	\$ 1,995,000	\$	\$ 730,000	\$ 1,265,000	\$ 760,000
Premium	98,832		32,944	65,888	
Total bonds payable	<u>2,093,832</u>		<u>762,944</u>	<u>1,330,888</u>	<u>760,000</u>
Obligations under capital leases	1,404,000	195,328	170,144	1,429,184	188,694
Net pension liability	13,900,726	2,316,897		16,217,623	
Compensated absences payable	284,390	241,481	229,027	296,844	180,000
Governmental activity long-term liabilities	<u>\$ 17,682,948</u>	<u>\$ 2,753,706</u>	<u>\$ 1,162,115</u>	<u>\$ 19,274,539</u>	<u>\$ 1,128,694</u>

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	Unrestricted Capital Outlay Fund
General Fund	\$ 193,980
Other Federal Projects	53,084
Non-Major Governmental Funds	59,949
Total Due from Other Funds	\$ 307,013

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.

Interfund transfers:

	General Fund	Transfers in Non-Major Governmental Funds	Total
Transfers out			
General Fund	\$	\$ 156,000	\$ 156,000
Non-Major Governmental Funds	47,243		47,243
Total	\$ 47,243	\$ 156,000	\$ 203,243

Transfers between funds were used to (1) move energy rebate savings from the General Fund to the Energy Water Savings Fund, a non-major governmental fund and (2) to move federal grant funds restricted for indirect costs.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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.

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.

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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.

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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2021 were \$1,286,620.

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)
\$ 16,217,623	0.094	0.004

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 \$1,849,993.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 146,717	\$
Net difference between projected and actual earnings on pension investments	1,564,209	
Changes in proportion and differences between contributions and proportionate share of contributions	273,502	193,303
Contributions subsequent to the measurement date	1,286,620	
Total	\$ 3,271,048	\$ 193,303

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	\$	353,448
2023		388,084
2024		565,791
2025		483,802

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 22,177,379	\$ 16,217,623	\$ 11,235,573

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

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$	\$	\$ 536,144	\$ 536,144
Property taxes			2,606,026	2,606,026
State aid and grants			11,597,819	11,597,819
Total revenues			<u>14,739,989</u>	<u>14,739,989</u>
Expenditures:				
Current -				
Instruction	9,880,219	10,027,774	7,800,479	2,227,295
Support services - students and staff	1,730,372	1,804,442	1,787,960	16,482
Support services - administration	1,941,437	1,974,425	1,915,102	59,323
Operation and maintenance of plant services	2,152,075	2,343,410	2,058,103	285,307
Student transportation services	1,340,000	1,203,000	950,122	252,878
Operation of non-instructional services	14,800	15,873	15,610	263
Total expenditures	<u>17,058,903</u>	<u>17,368,924</u>	<u>14,527,376</u>	<u>2,841,548</u>
Excess (deficiency) of revenues over expenditures	<u>(17,058,903)</u>	<u>(17,368,924)</u>	<u>212,613</u>	<u>17,581,537</u>
Other financing sources (uses):				
Transfers out			(156,000)	(156,000)
Total other financing sources (uses)			<u>(156,000)</u>	<u>(156,000)</u>
Changes in fund balances	<u>(17,058,903)</u>	<u>(17,368,924)</u>	<u>56,613</u>	<u>17,425,537</u>
Fund balances, beginning of year			1,860,835	1,860,835
Fund balances (deficits), end of year	<u>\$ (17,058,903)</u>	<u>\$ (17,368,924)</u>	<u>\$ 1,917,448</u>	<u>\$ 19,286,372</u>

See accompanying notes to this schedule.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OTHER FEDERAL PROJECTS
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 1,096,223	\$ 1,096,223
Total revenues			<u>1,096,223</u>	<u>1,096,223</u>
Expenditures:				
Current -				
Instruction	1,116,410	1,610,022	705,545	904,477
Support services - students and staff			52,430	(52,430)
Operation and maintenance of plant services			53,547	(53,547)
Capital outlay			312,311	(312,311)
Total expenditures	<u>1,116,410</u>	<u>1,610,022</u>	<u>1,123,833</u>	<u>486,189</u>
Changes in fund balances	<u>(1,116,410)</u>	<u>(1,610,022)</u>	<u>(27,610)</u>	<u>1,582,412</u>
Fund balances (deficits), beginning of year			(20,120)	(20,120)
Fund balances (deficits), end of year	<u>\$ (1,116,410)</u>	<u>\$ (1,610,022)</u>	<u>\$ (47,730)</u>	<u>\$ 1,562,292</u>

See accompanying notes to this schedule.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST FIVE 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	0.09%	0.10%	0.09%	0.09%
District's proportionate share of the net pension (assets) liability	\$ 16,217,623	\$ 13,900,726	\$ 12,493,257	\$ 13,557,578
District's covered payroll	\$ 10,174,314	\$ 10,016,762	\$ 8,869,606	\$ 8,429,276
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	159.40%	138.77%	140.85%	160.84%
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 FIVE FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,286,620	\$ 1,164,959	\$ 1,119,874	\$ 966,787
Contributions in relation to the actuarially determined contribution	<u>1,286,620</u>	<u>1,164,959</u>	<u>1,119,874</u>	<u>966,787</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 11,043,948	\$ 10,174,314	\$ 10,016,762	\$ 8,869,606
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%

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

See accompanying notes to this schedule.

<u>2017</u>	<u>2016</u>
June 30, 2016	June 30, 2015
0.09%	0.09%
\$ 13,928,073	\$ 14,554,734
\$ 8,027,668	\$ 8,570,478
173.50%	169.82%
67.06%	68.35%

<u>2017</u>	<u>2016</u>
\$ 908,676	\$ 871,002
<u>908,676</u>	<u>871,002</u>
<u>\$</u>	<u>\$</u>
\$ 8,429,276	\$ 8,027,668
10.78%	10.85%

See accompanying notes to this schedule.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 15,072,089	\$ 3,148,483
Activity budgeted as special revenue funds	(544,713)	(1,231,035)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 14,527,376	\$ 1,917,448

NOTE 2 – PENSION PLAN SCHEDULES

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

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

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

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GOVERNMENTAL FUNDS

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,231,460	\$ 366,465	\$ 406,001
Property taxes receivable		57,883	
Deposits	20,715		
Accounts receivable	28,572		
Due from governmental entities	275,618		
Inventory	79,025		
Total assets	\$ 1,635,390	\$ 424,348	\$ 406,001
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 77,949	\$	\$
Due to other funds	59,949		
Unearned revenues	722		
Total liabilities	138,620		
Deferred inflows of resources:			
Unavailable revenues - property taxes		52,490	(9)
Unavailable revenues - intergovernmental	49,064		
Total deferred inflows of resources	49,064	52,490	(9)
Fund balances (deficits):			
Nonspendable	79,025		
Restricted	1,417,745	371,858	406,010
Unassigned	(49,064)		
Total fund balances	1,447,706	371,858	406,010
 Total liabilities, deferred inflows of resources and fund balances	 \$ 1,635,390	 \$ 424,348	 \$ 406,001

Total Non-Major
Governmental
Funds

\$ 2,003,926
57,883
20,715
28,572
275,618
79,025
\$ 2,465,739

\$ 77,949
59,949
722
138,620

52,481
49,064
101,545

79,025
2,195,613
(49,064)
2,225,574

\$ 2,465,739

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2021

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Revenues:			
Other local	\$ 595,206	\$ 8,731	\$ 4,769
Property taxes		914,350	149
State aid and grants	1,385,052		344,248
Federal aid, grants and reimbursements	2,714,033		81,188
Total revenues	<u>4,694,291</u>	<u>923,081</u>	<u>430,354</u>
Expenditures:			
Current -			
Instruction	3,169,456		
Support services - students and staff	406,683		
Support services - administration	67,879		
Operation and maintenance of plant services	10,108		
Operation of non-instructional services	852,526		
Capital outlay	199,402		344,348
Debt service -			
Principal retirement		730,000	156,000
Interest and fiscal charges		86,431	55,990
Total expenditures	<u>4,706,054</u>	<u>816,431</u>	<u>556,338</u>
Excess (deficiency) of revenues over expenditures	<u>(11,763)</u>	<u>106,650</u>	<u>(125,984)</u>
Other financing sources (uses):			
Transfers in			156,000
Transfers out	(47,243)		
Total other financing sources (uses)	<u>(47,243)</u>		<u>156,000</u>
Changes in fund balances	<u>(59,006)</u>	<u>106,650</u>	<u>30,016</u>
Fund balances, beginning of year	1,485,068	265,208	375,994
Increase (decrease) in reserve for inventory	21,644		
Fund balances, end of year	<u>\$ 1,447,706</u>	<u>\$ 371,858</u>	<u>\$ 406,010</u>

Total Non-Major
Governmental
Funds

\$ 608,706
914,499
1,729,300
2,795,221
6,047,726

3,169,456
406,683
67,879
10,108
852,526
543,750

886,000
142,421
6,078,823

(31,097)

156,000
(47,243)
108,757

77,660

2,126,270

21,644

\$ 2,225,574

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.

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

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

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

Title IV Grants - to account for financial assistance received for chemical abuse awareness programs and expanding projects that benefit educational and health needs of the communities.

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

Indian Education - to account for financial assistance received for Indian education at preschool, elementary, secondary and adult levels.

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

Johnson-O'Malley - to account for financial assistance received to meet the unique educational needs of eligible Indian children.

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

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

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

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

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

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

Gifted - to account for financial assistance received for programs for gifted students.

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

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

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

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

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

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

Auxiliary Operations - to account for activity arising from bookstore, athletic and miscellaneous District related operations.

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

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

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

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

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

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

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

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

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	Classroom Site	Instructional Improvement	Title I Grants
<u>ASSETS</u>			
Cash and investments	\$ 350,173	\$ 147,984	\$
Deposits			
Accounts receivable			
Due from governmental entities			52,940
Inventory			
Total assets	\$ 350,173	\$ 147,984	\$ 52,940
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 10,125
Due to other funds			42,815
Unearned revenues			
Total liabilities			52,940
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			29,668
Fund balances (deficits):			
Nonspendable			
Restricted	350,173	147,984	
Unassigned			(29,668)
Total fund balances	350,173	147,984	(29,668)
 Total liabilities, deferred inflows of resources and fund balances	\$ 350,173	\$ 147,984	\$ 52,940

<u>Professional Development and Technology Grants</u>	<u>Special Education Grants</u>	<u>Johnson O'Malley</u>	<u>Vocational Education</u>	<u>State Vocational Education</u>	<u>Gifted</u>
\$	\$	\$ 529	\$	\$	\$ 164
13,549	16,369		6,168	318	
<u>\$ 13,549</u>	<u>\$ 16,369</u>	<u>\$ 529</u>	<u>\$ 6,168</u>	<u>\$ 318</u>	<u>\$ 164</u>
\$	\$ 13,102	\$	\$ 6,168	\$	\$
13,549	3,267			318	
		529			164
<u>13,549</u>	<u>16,369</u>	<u>529</u>	<u>6,168</u>	<u>318</u>	<u>164</u>
	<u>13,228</u>		<u>6,168</u>		
	(13,228)		(6,168)		
	<u>(13,228)</u>		<u>(6,168)</u>		
<u>\$ 13,549</u>	<u>\$ 16,369</u>	<u>\$ 529</u>	<u>\$ 6,168</u>	<u>\$ 318</u>	<u>\$ 164</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>
<u>ASSETS</u>			
Cash and investments	\$ 38,044	\$ 29	\$ 259,487
Deposits			20,715
Accounts receivable			17,500
Due from governmental entities	34,689		72,494
Inventory			79,025
Total assets	<u>\$ 72,733</u>	<u>\$ 29</u>	<u>\$ 449,221</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 48,554
Due to other funds			
Unearned revenues		29	
Total liabilities		<u>29</u>	<u>48,554</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			79,025
Restricted	72,733		321,642
Unassigned			
Total fund balances	<u>72,733</u>		<u>400,667</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 72,733</u>	<u>\$ 29</u>	<u>\$ 449,221</u>

<u>Civic Center</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Career and Technical Education Projects</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Career Technical Education</u>
\$ 11,539	\$ 85,382	\$ 4,955	\$ 5,269	\$ 1,088	\$ 166,648
			11,072		79,091
<u>\$ 11,539</u>	<u>\$ 85,382</u>	<u>\$ 4,955</u>	<u>\$ 16,341</u>	<u>\$ 1,088</u>	<u>\$ 245,739</u>
\$	\$	\$	\$	\$	\$
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
11,539	85,382	4,955	16,341	1,088	245,739
<u>11,539</u>	<u>85,382</u>	<u>4,955</u>	<u>16,341</u>	<u>1,088</u>	<u>245,739</u>
<u>\$ 11,539</u>	<u>\$ 85,382</u>	<u>\$ 4,955</u>	<u>\$ 16,341</u>	<u>\$ 1,088</u>	<u>\$ 245,739</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Student Activities</u>	<u>Totals</u>
<u>ASSETS</u>		
Cash and investments	\$ 160,169	\$ 1,231,460
Deposits		20,715
Accounts receivable		28,572
Due from governmental entities		275,618
Inventory		79,025
Total assets	\$ 160,169	\$ 1,635,390
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>		
<u>AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$	\$ 77,949
Due to other funds		59,949
Unearned revenues		722
Total liabilities		138,620
Deferred inflows of resources:		
Unavailable revenues - intergovernmental		49,064
Fund balances (deficits):		
Nonspendable		79,025
Restricted	160,169	1,417,745
Unassigned		(49,064)
Total fund balances	160,169	1,447,706
 Total liabilities, deferred inflows of resources and fund balances	\$ 160,169	\$ 1,635,390

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SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Classroom Site	Instructional Improvement	English Language Learner
Revenues:			
Other local	\$ 8,662	\$ 1,923	\$
State aid and grants	1,186,315	45,521	1,938
Federal aid, grants and reimbursements			
Total revenues	1,194,977	47,444	1,938
Expenditures:			
Current -			
Instruction	1,382,572	126,644	1,938
Support services - students and staff		23,091	
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,382,572	149,735	1,938
Excess (deficiency) of revenues over expenditures	(187,595)	(102,291)	
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(187,595)	(102,291)	
Fund balances (deficits), beginning of year	537,768	250,275	
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ 350,173	\$ 147,984	\$

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English and Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>
\$	\$	\$	\$	\$	\$
854,421	104,243	35,895	14,347	32,460	556,035
<u>854,421</u>	<u>104,243</u>	<u>35,895</u>	<u>14,347</u>	<u>32,460</u>	<u>556,035</u>
679,927		35,895	10,371	14,518	445,147
107,854	99,997		1,685	17,942	67,791
55,694	4,246				2,367
40,614					53,958
<u>884,089</u>	<u>104,243</u>	<u>35,895</u>	<u>12,056</u>	<u>32,460</u>	<u>569,263</u>
<u>(29,668)</u>			<u>2,291</u>		<u>(13,228)</u>
<u>(29,668)</u>			<u>2,291</u>		<u>(13,228)</u>
			(2,291)		
<u>\$ (29,668)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (13,228)</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Johnson O'Malley	Vocational Education	State Vocational Education
Revenues:			
Other local	\$	\$	\$
State aid and grants			27,040
Federal aid, grants and reimbursements	17,459	81,273	
Total revenues	17,459	81,273	27,040
Expenditures:			
Current -			
Instruction	16,637	19,525	21,029
Support services - students and staff	822	8,299	6,011
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		59,617	
Total expenditures	17,459	87,441	27,040
Excess (deficiency) of revenues over expenditures		(6,168)	
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances		(6,168)	
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$	\$ (6,168)	\$

Gifted	Results-based Funding	Other State Projects	Food Service	Civic Center	Community School
\$ 1,715	\$ 88,400	\$ 34,123	\$ 52,446	\$ 1,885	\$
<u>1,715</u>	<u>88,400</u>	<u>34,123</u>	<u>1,017,900</u>	<u>1,885</u>	
			<u>1,070,346</u>		
	69,320	36		3,332	31
	4,752	34,151			
			852,526	10,108	
<u>1,715</u>	<u>74,072</u>	<u>34,187</u>	<u>19,943</u>	<u>2,219</u>	<u>31</u>
<u>1,715</u>	<u>74,072</u>	<u>34,187</u>	<u>872,469</u>	<u>15,659</u>	<u>31</u>
	<u>14,328</u>	<u>(64)</u>	<u>197,877</u>	<u>(13,774)</u>	<u>(31)</u>
			<u>(47,000)</u>		
			<u>(47,000)</u>		
	<u>14,328</u>	<u>(64)</u>	<u>150,877</u>	<u>(13,774)</u>	<u>(31)</u>
	58,405	64	228,146	25,313	31
			21,644		
<u>\$</u>	<u>\$ 72,733</u>	<u>\$</u>	<u>\$ 400,667</u>	<u>\$ 11,539</u>	<u>\$</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Extracurricular Activities Fees Tax Credit	Career and Technical Education Projects	Fingerprint
Revenues:			
Other local	\$ 31,035	\$ 78	\$ 11,772
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>31,035</u>	<u>78</u>	<u>11,772</u>
Expenditures:			
Current -			
Instruction	7,295		50
Support services - students and staff			
Support services - administration			820
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay	2,997		
Total expenditures	<u>10,292</u>		<u>870</u>
Excess (deficiency) of revenues over expenditures	<u>20,743</u>	<u>78</u>	<u>10,902</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>20,743</u>	<u>78</u>	<u>10,902</u>
Fund balances (deficits), beginning of year	64,639	4,877	5,439
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u>\$ 85,382</u>	<u>\$ 4,955</u>	<u>\$ 16,341</u>

<u>Textbooks</u>	<u>Career Technical Education</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 17	\$ 317,729	\$ 169,659	\$ 595,206
			1,385,052
			2,714,033
<u>17</u>	<u>317,729</u>	<u>169,659</u>	<u>4,694,291</u>
	209,591	125,598	3,169,456
	39,040		406,683
			67,879
			10,108
			852,526
	1,094	17,245	199,402
	<u>249,725</u>	<u>142,843</u>	<u>4,706,054</u>
<u>17</u>	<u>68,004</u>	<u>26,816</u>	<u>(11,763)</u>
		(243)	(47,243)
		<u>(243)</u>	<u>(47,243)</u>
<u>17</u>	<u>68,004</u>	<u>26,573</u>	<u>(59,006)</u>
1,071	177,735	133,596	1,485,068
			21,644
<u>\$ 1,088</u>	<u>\$ 245,739</u>	<u>\$ 160,169</u>	<u>\$ 1,447,706</u>

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 8,662	\$ 8,662
State aid and grants		1,186,315	1,186,315
Federal aid, grants and reimbursements			
Total revenues		1,194,977	1,194,977
Expenditures:			
Current -			
Instruction	1,847,786	1,382,572	465,214
Support services - students and staff	326		326
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,848,112	1,382,572	465,540
Excess (deficiency) of revenues over expenditures	(1,848,112)	(187,595)	1,660,517
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(1,848,112)	(187,595)	1,660,517
Fund balances (deficits), beginning of year		537,768	537,768
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (1,848,112)	\$ 350,173	\$ 2,198,285

Instructional Improvement			English Language Learner		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,923	\$ 1,923	\$	\$	\$
	45,521	45,521		1,938	1,938
	<u>47,444</u>	<u>47,444</u>		<u>1,938</u>	<u>1,938</u>
265,674	126,644	139,030	1,938	1,938	
	23,091	(23,091)			
<u>265,674</u>	<u>149,735</u>	<u>115,939</u>	<u>1,938</u>	<u>1,938</u>	
<u>(265,674)</u>	<u>(102,291)</u>	<u>163,383</u>	<u>(1,938)</u>		<u>1,938</u>
<u>(265,674)</u>	<u>(102,291)</u>	<u>163,383</u>	<u>(1,938)</u>		<u>1,938</u>
	250,275	250,275			
<u>\$ (265,674)</u>	<u>\$ 147,984</u>	<u>\$ 413,658</u>	<u>\$ (1,938)</u>	<u>\$</u>	<u>\$ 1,938</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		854,421	854,421
Total revenues		<u>854,421</u>	<u>854,421</u>
Expenditures:			
Current -			
Instruction	1,101,840	679,927	421,913
Support services - students and staff		107,854	(107,854)
Support services - administration		55,694	(55,694)
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		40,614	(40,614)
Total expenditures	<u>1,101,840</u>	<u>884,089</u>	<u>217,751</u>
Excess (deficiency) of revenues over expenditures	<u>(1,101,840)</u>	<u>(29,668)</u>	<u>1,072,172</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,101,840)</u>	<u>(29,668)</u>	<u>1,072,172</u>
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (1,101,840)</u>	<u>\$ (29,668)</u>	<u>\$ 1,072,172</u>

<u>Professional Development and Technology Grants</u>			<u>Title IV Grants</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
	104,243	104,243		35,895	35,895
	104,243	104,243		35,895	35,895
174,717	99,997	74,720	40,630	35,895	4,735
	4,246	(4,246)			
<u>174,717</u>	<u>104,243</u>	<u>70,474</u>	<u>40,630</u>	<u>35,895</u>	<u>4,735</u>
<u>(174,717)</u>		<u>174,717</u>	<u>(40,630)</u>		<u>40,630</u>
<u>(174,717)</u>		<u>174,717</u>	<u>(40,630)</u>		<u>40,630</u>
<u>\$ (174,717)</u>	<u>\$</u>	<u>\$ 174,717</u>	<u>\$ (40,630)</u>	<u>\$</u>	<u>\$ 40,630</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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		14,347	14,347
Total revenues		14,347	14,347
Expenditures:			
Current -			
Instruction	13,433	10,371	3,062
Support services - students and staff		1,685	(1,685)
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	13,433	12,056	1,377
Excess (deficiency) of revenues over expenditures	(13,433)	2,291	15,724
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(13,433)	2,291	15,724
Fund balances (deficits), beginning of year		(2,291)	(2,291)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (13,433)	\$	\$ 13,433

Indian Education			Special Education Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	32,460	32,460		556,035	556,035
	32,460	32,460		556,035	556,035
29,015	14,518 17,942	14,497 (17,942)	636,691	445,147 67,791 2,367	191,544 (67,791) (2,367)
<u>29,015</u>	<u>32,460</u>	<u>(3,445)</u>	<u>636,691</u>	<u>53,958</u> <u>569,263</u>	<u>(53,958)</u> <u>67,428</u>
<u>(29,015)</u>		<u>29,015</u>	<u>(636,691)</u>	<u>(13,228)</u>	<u>623,463</u>
<u>(29,015)</u>		<u>29,015</u>	<u>(636,691)</u>	<u>(13,228)</u>	<u>623,463</u>
<u>\$ (29,015)</u>	<u>\$</u>	<u>\$ 29,015</u>	<u>\$ (636,691)</u>	<u>\$ (13,228)</u>	<u>\$ 623,463</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Johnson O'Malley		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		17,459	17,459
Total revenues		17,459	17,459
Expenditures:			
Current -			
Instruction	352,463	16,637	335,826
Support services - students and staff		822	(822)
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	352,463	17,459	335,004
Excess (deficiency) of revenues over expenditures	(352,463)		352,463
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(352,463)		352,463
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (352,463)	\$	\$ 352,463

Vocational Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 1,667	\$ 1,667
	81,273	81,273		86,032	86,032
	81,273	81,273		87,699	87,699
91,062	19,525	71,537		41,582	(41,582)
	8,299	(8,299)	269,388	73,675	195,713
	59,617	(59,617)		2,563	(2,563)
91,062	87,441	3,621	269,388	117,820	151,568
(91,062)	(6,168)	84,894	(269,388)	(30,121)	239,267
(91,062)	(6,168)	84,894	(269,388)	(30,121)	239,267
				215,686	215,686
\$ (91,062)	\$ (6,168)	\$ 84,894	\$ (269,388)	\$ 185,565	\$ 454,953

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	National Forest Fees		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		124,597	124,597
Total revenues		124,597	124,597
Expenditures:			
Current -			
Instruction		29,079	(29,079)
Support services - students and staff		22,104	(22,104)
Support services - administration		17,428	(17,428)
Operation and maintenance of plant services		23,489	(23,489)
Operation of non-instructional services			
Capital outlay			
Total expenditures		92,100	(92,100)
Excess (deficiency) of revenues over expenditures		32,497	32,497
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances		32,497	32,497
Fund balances (deficits), beginning of year		483,184	483,184
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$	\$ 515,681	\$ 515,681

Taylor Grazing			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 220	\$ 220
	752	752		2,109	2,109
	<u>752</u>	<u>752</u>		<u>2,329</u>	<u>2,329</u>
			74,329	23,554	50,775
				3,554	(3,554)
	3,830	(3,830)		18,250	(18,250)
				4,519	(4,519)
	<u>3,830</u>	<u>(3,830)</u>	<u>74,329</u>	<u>49,877</u>	<u>24,452</u>
	<u>(3,078)</u>	<u>(3,078)</u>	<u>(74,329)</u>	<u>(47,548)</u>	<u>26,781</u>
	<u>(3,078)</u>	<u>(3,078)</u>	<u>(74,329)</u>	<u>(47,548)</u>	<u>26,781</u>
	8,716	8,716		65,347	65,347
<u>\$</u>	<u>\$ 5,638</u>	<u>\$ 5,638</u>	<u>\$ (74,329)</u>	<u>\$ 17,799</u>	<u>\$ 92,128</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	State Vocational Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		27,040	27,040
Federal aid, grants and reimbursements			
Total revenues	27,040	27,040	27,040
Expenditures:			
Current -			
Instruction	27,040	21,029	6,011
Support services - students and staff		6,011	(6,011)
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	27,040	27,040	
Excess (deficiency) of revenues over expenditures	(27,040)		27,040
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(27,040)		27,040
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (27,040)	\$	\$ 27,040

Gifted			Results-based Funding		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,715	1,715		88,400	88,400
	<u>1,715</u>	<u>1,715</u>		<u>88,400</u>	<u>88,400</u>
1,867		1,867	58,054	69,320	(11,266)
				4,752	(4,752)
	1,715	(1,715)			
<u>1,867</u>	<u>1,715</u>	<u>152</u>	<u>58,054</u>	<u>74,072</u>	<u>(16,018)</u>
<u>(1,867)</u>		<u>1,867</u>	<u>(58,054)</u>	<u>14,328</u>	<u>72,382</u>
<u>(1,867)</u>		<u>1,867</u>	<u>(58,054)</u>	<u>14,328</u>	<u>72,382</u>
				58,405	58,405
<u>\$ (1,867)</u>	<u>\$</u>	<u>\$ 1,867</u>	<u>\$ (58,054)</u>	<u>\$ 72,733</u>	<u>\$ 130,787</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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		34,123	34,123
Federal aid, grants and reimbursements			
Total revenues		34,123	34,123
Expenditures:			
Current -			
Instruction		36	(36)
Support services - students and staff	68,893	34,151	34,742
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	68,893	34,187	34,706
Excess (deficiency) of revenues over expenditures	(68,893)	(64)	68,829
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(68,893)	(64)	68,829
Fund balances (deficits), beginning of year		64	64
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (68,893)	\$	\$ 68,893

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,069	\$ 1,069	\$	\$ 52,446	\$ 52,446
				1,017,900	1,017,900
	<u>1,069</u>	<u>1,069</u>		<u>1,070,346</u>	<u>1,070,346</u>
7,802		7,802	686,009	852,526	(166,517)
	6,408	(6,408)		19,943	(19,943)
<u>7,802</u>	<u>6,408</u>	<u>1,394</u>	<u>686,009</u>	<u>872,469</u>	<u>(186,460)</u>
<u>(7,802)</u>	<u>(5,339)</u>	<u>2,463</u>	<u>(686,009)</u>	<u>197,877</u>	<u>883,886</u>
				(47,000)	(47,000)
				(47,000)	(47,000)
<u>(7,802)</u>	<u>(5,339)</u>	<u>2,463</u>	<u>(686,009)</u>	<u>150,877</u>	<u>836,886</u>
	6,928	6,928		228,146	228,146
				21,644	21,644
<u>\$ (7,802)</u>	<u>\$ 1,589</u>	<u>\$ 9,391</u>	<u>\$ (686,009)</u>	<u>\$ 400,667</u>	<u>\$ 1,086,676</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Civic Center		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,885	\$ 1,885
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	19,500	15,659	3,841
Expenditures:			
Current -			
Instruction		3,332	(3,332)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	19,500	10,108	9,392
Operation of non-instructional services			
Capital outlay		2,219	(2,219)
Total expenditures	19,500	15,659	3,841
Excess (deficiency) of revenues over expenditures	(19,500)	(13,774)	5,726
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(19,500)	(13,774)	5,726
Fund balances (deficits), beginning of year		25,313	25,313
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (19,500)	\$ 11,539	\$ 31,039

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 297,883	\$ 297,883
				297,883	297,883
31	31		500,000	210,160	289,840
				33	(33)
				6,631	(6,631)
				7,978	(7,978)
				12,831	(12,831)
<u>31</u>	<u>31</u>		<u>500,000</u>	<u>237,633</u>	<u>262,367</u>
<u>(31)</u>	<u>(31)</u>		<u>(500,000)</u>	<u>60,250</u>	<u>560,250</u>
				243	243
				243	243
<u>(31)</u>	<u>(31)</u>		<u>(500,000)</u>	<u>60,493</u>	<u>560,493</u>
	31	31		279,031	279,031
<u>\$ (31)</u>	<u>\$</u>	<u>\$ 31</u>	<u>\$ (500,000)</u>	<u>\$ 339,524</u>	<u>\$ 839,524</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 31,035	\$ 31,035
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		31,035	31,035
Expenditures:			
Current -			
Instruction	120,000	7,295	112,705
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		2,997	(2,997)
Total expenditures	120,000	10,292	109,708
Excess (deficiency) of revenues over expenditures	(120,000)	20,743	140,743
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(120,000)	20,743	140,743
Fund balances (deficits), beginning of year		64,639	64,639
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (120,000)	\$ 85,382	\$ 205,382

Gifts and Donations			Career and Technical Education Projects		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 38,339	\$ 38,339	\$	\$ 78	\$ 78
	<u>38,339</u>	<u>38,339</u>		<u>78</u>	<u>78</u>
38,724	312	38,412	5,500		5,500
	4,350	(4,350)			
<u>38,724</u>	<u>4,662</u>	<u>34,062</u>	<u>5,500</u>		<u>5,500</u>
<u>(38,724)</u>	<u>33,677</u>	<u>72,401</u>	<u>(5,500)</u>	<u>78</u>	<u>5,578</u>
<u>(38,724)</u>	<u>33,677</u>	<u>72,401</u>	<u>(5,500)</u>	<u>78</u>	<u>5,578</u>
	25,021	25,021		4,877	4,877
<u>\$ (38,724)</u>	<u>\$ 58,698</u>	<u>\$ 97,422</u>	<u>\$ (5,500)</u>	<u>\$ 4,955</u>	<u>\$ 10,455</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Fingerprint		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 11,772	\$ 11,772
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		11,772	11,772
Expenditures:			
Current -			
Instruction		50	(50)
Support services - students and staff			
Support services - administration	5,000	820	4,180
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	5,000	870	4,130
Excess (deficiency) of revenues over expenditures	(5,000)	10,902	15,902
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(5,000)	10,902	15,902
Fund balances (deficits), beginning of year		5,439	5,439
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (5,000)	\$ 16,341	\$ 21,341

Insurance Proceeds			Textbooks		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 51	\$ 51	\$	\$ 17	\$ 17
	<u>51</u>	<u>51</u>		<u>17</u>	<u>17</u>
8,000		8,000	1,000		1,000
<u>8,000</u>		<u>8,000</u>	<u>1,000</u>		<u>1,000</u>
<u>(8,000)</u>	<u>51</u>	<u>8,051</u>	<u>(1,000)</u>	<u>17</u>	<u>1,017</u>
<u>(8,000)</u>	<u>51</u>	<u>8,051</u>	<u>(1,000)</u>	<u>17</u>	<u>1,017</u>
	3,211	3,211		1,071	1,071
<u>\$ (8,000)</u>	<u>\$ 3,262</u>	<u>\$ 11,262</u>	<u>\$ (1,000)</u>	<u>\$ 1,088</u>	<u>\$ 2,088</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Litigation Recovery		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 466	\$ 466
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		466	466
Expenditures:			
Current -			
Instruction	27,200		27,200
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	27,200		27,200
Excess (deficiency) of revenues over expenditures	(27,200)	466	27,666
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(27,200)	466	27,666
Fund balances (deficits), beginning of year		29,591	29,591
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (27,200)	\$ 30,057	\$ 57,257

Indirect Costs			Career Technical Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 647	\$ 647	\$	\$ 317,729	\$ 317,729
	<u>647</u>	<u>647</u>		<u>317,729</u>	<u>317,729</u>
45,146	6,421 25,962	(6,421) 19,184	251,833	209,591 39,040	42,242 (39,040)
<u>45,146</u>	<u>32,383</u>	<u>12,763</u>	<u>251,833</u>	<u>249,725</u>	<u>2,108</u>
<u>(45,146)</u>	<u>(31,736)</u>	<u>13,410</u>	<u>(251,833)</u>	<u>68,004</u>	<u>319,837</u>
	47,000	47,000			
	<u>47,000</u>	<u>47,000</u>			
<u>(45,146)</u>	<u>15,264</u>	<u>60,410</u>	<u>(251,833)</u>	<u>68,004</u>	<u>319,837</u>
	57,958	57,958		177,735	177,735
<u>\$ (45,146)</u>	<u>\$ 73,222</u>	<u>\$ 118,368</u>	<u>\$ (251,833)</u>	<u>\$ 245,739</u>	<u>\$ 497,572</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 169,659	\$ 169,659
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	105,500	169,659	169,659
Expenditures:			
Current -			
Instruction	105,500	125,598	(20,098)
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		17,245	(17,245)
Total expenditures	105,500	142,843	(37,343)
Excess (deficiency) of revenues over expenditures	(105,500)	26,816	132,316
Other financing sources (uses):			
Transfers in			
Transfers out		(243)	(243)
Total other financing sources (uses)	(105,500)	(243)	(243)
Changes in fund balances	(105,500)	26,573	132,073
Fund balances (deficits), beginning of year		133,596	133,596
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (105,500)	\$ 160,169	\$ 265,669

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 935,548	\$ 935,548
	1,385,052	1,385,052
	<u>2,927,523</u>	<u>2,927,523</u>
	<u>5,248,123</u>	<u>5,248,123</u>
5,599,610	3,480,564	2,119,046
558,470	532,011	26,459
5,000	91,938	(86,938)
27,302	55,677	(28,375)
686,009	860,504	(174,495)
	<u>230,073</u>	<u>(230,073)</u>
<u>6,876,391</u>	<u>5,250,767</u>	<u>1,625,624</u>
<u>(6,876,391)</u>	<u>(2,644)</u>	<u>6,873,747</u>
	47,243	47,243
	<u>(47,243)</u>	<u>(47,243)</u>
<u>(6,876,391)</u>	<u>(2,644)</u>	<u>6,873,747</u>
	2,659,741	2,659,741
	21,644	21,644
<u>\$ (6,876,391)</u>	<u>\$ 2,678,741</u>	<u>\$ 9,555,132</u>

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DEBT SERVICE FUND

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 8,731	\$ 8,731
Property taxes		914,350	914,350
Total revenues		923,081	923,081
Expenditures:			
Debt service -			
Principal retirement	816,682	730,000	86,682
Interest and fiscal charges		86,431	(86,431)
Total expenditures	816,682	816,431	251
Changes in fund balances	(816,682)	106,650	923,332
Fund balances, beginning of year		265,208	265,208
Fund balances (deficits), end of year	\$ (816,682)	\$ 371,858	\$ 1,188,540

CAPITAL PROJECTS FUNDS

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

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

Gifts and Donations - Capital - to account for gifts and donations to be expended for capital acquisitions.

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

Emergency Deficiencies Correction - to account for monies received from the School Facilities Board to correct emergency deficiencies.

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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2021

	Adjacent Ways	Gifts and Donations - Capital	Energy and Water Savings
<u>ASSETS</u>			
Cash and investments	\$ 308,192	\$ 1,511	\$ 95,829
Total assets	\$ 308,192	\$ 1,511	\$ 95,829
<u>LIABILITIES AND FUND BALANCES</u>			
Fund balances:			
Restricted	\$ 308,192	\$ 1,511	\$ 95,829
Total fund balances	308,192	1,511	95,829
Total liabilities and fund balances	\$ 308,192	\$ 1,511	\$ 95,829

<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 245	\$ 224	\$ 406,001
<u>\$ 245</u>	<u>\$ 224</u>	<u>\$ 406,001</u>
 \$ 245	 \$ 224	 \$ 406,001
<u>245</u>	<u>224</u>	<u>406,001</u>
 \$ 245	 \$ 224	 \$ 406,001
<u>245</u>	<u>224</u>	<u>406,001</u>

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Adjacent Ways	Gifts and Donations - Capital	Energy and Water Savings
Revenues:			
Other local	\$ 4,024	\$ 23	\$ 688
Property taxes	149		
State aid and grants			
Federal aid, grants and reimbursements			81,188
Total revenues	4,173	23	81,876
Expenditures:			
Capital outlay			100
Debt service -			
Principal retirement			156,000
Interest and fiscal charges			55,990
Total expenditures			212,090
Excess (deficiency) of revenues over expenditures	4,173	23	(130,214)
Other financing sources (uses):			
Transfers in			156,000
Total other financing sources (uses)			156,000
Changes in fund balances	4,173	23	25,786
Fund balances, beginning of year	304,028	1,488	70,043
Fund balances, end of year	\$ 308,201	\$ 1,511	\$ 95,829

<u>Emergency Deficiencies Correction</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 3	\$ 31	\$ 4,769
	344,248	149
		344,248
		81,188
<u>3</u>	<u>344,279</u>	<u>430,354</u>
	344,248	344,348
		156,000
		55,990
	<u>344,248</u>	<u>556,338</u>
<u>3</u>	<u>31</u>	<u>(125,984)</u>
		156,000
		156,000
<u>3</u>	<u>31</u>	<u>30,016</u>
242	193	375,994
<u>\$ 245</u>	<u>\$ 224</u>	<u>\$ 406,010</u>

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Unrestricted Capital Outlay		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 59,761	\$ 59,761
Property taxes		364,957	364,957
State aid and grants		814,640	814,640
Federal aid, grants and reimbursements			
Total revenues		<u>1,239,358</u>	<u>1,239,358</u>
Expenditures:			
Capital outlay	2,415,668	990,053	1,425,615
Debt service -			
Principal retirement	14,144	14,144	
Interest and fiscal charges	2,039	2,039	
Total expenditures	<u>2,431,851</u>	<u>1,006,236</u>	<u>1,425,615</u>
Excess (deficiency) of revenues over expenditures	<u>(2,431,851)</u>	<u>233,122</u>	<u>2,664,973</u>
Other financing sources (uses):			
Transfers in			
Total other financing sources (uses)			
Changes in fund balances	<u>(2,431,851)</u>	<u>233,122</u>	<u>2,664,973</u>
Fund balances, beginning of year		1,862,578	1,862,578
Fund balances (deficits), end of year	<u>\$ (2,431,851)</u>	<u>\$ 2,095,700</u>	<u>\$ 4,527,551</u>

Adjacent Ways			Gifts and Donations - Capital		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4,024 140	\$ 4,024 140	\$	\$ 23	\$ 23
	<u>4,164</u>	<u>4,164</u>		<u>23</u>	<u>23</u>
304,000		304,000	1,500		1,500
<u>304,000</u>		<u>304,000</u>	<u>1,500</u>		<u>1,500</u>
<u>(304,000)</u>	<u>4,164</u>	<u>308,164</u>	<u>(1,500)</u>	<u>23</u>	<u>1,523</u>
<u>(304,000)</u>	<u>4,164</u>	<u>308,164</u>	<u>(1,500)</u>	<u>23</u>	<u>1,523</u>
	304,028	304,028		1,488	1,488
<u>\$ (304,000)</u>	<u>\$ 308,192</u>	<u>\$ 612,192</u>	<u>\$ (1,500)</u>	<u>\$ 1,511</u>	<u>\$ 3,011</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Energy and Water Savings		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 688	\$ 688
Property taxes			
State aid and grants			
Federal aid, grants and reimbursements		81,188	81,188
Total revenues		81,876	81,876
Expenditures:			
Capital outlay	6,699	100	6,599
Debt service -			
Principal retirement	156,000	156,000	
Interest and fiscal charges	55,990	55,990	
Total expenditures	218,689	212,090	6,599
Excess (deficiency) of revenues over expenditures	(218,689)	(130,214)	88,475
Other financing sources (uses):			
Transfers in		156,000	156,000
Total other financing sources (uses)		156,000	156,000
Changes in fund balances	(218,689)	25,786	244,475
Fund balances, beginning of year		70,043	70,043
Fund balances (deficits), end of year	\$ (218,689)	\$ 95,829	\$ 314,518

Emergency Deficiencies Correction			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 3	\$ 3	\$	\$ 31	\$ 31
				344,248	344,248
	<u>3</u>	<u>3</u>		<u>344,279</u>	<u>344,279</u>
222		222	412,776	344,248	68,528
<u>222</u>		<u>222</u>	<u>412,776</u>	<u>344,248</u>	<u>68,528</u>
<u>(222)</u>	<u>3</u>	<u>225</u>	<u>(412,776)</u>	<u>31</u>	<u>412,807</u>
<u>(222)</u>	<u>3</u>	<u>225</u>	<u>(412,776)</u>	<u>31</u>	<u>412,807</u>
	242	242		193	193
<u>\$ (222)</u>	<u>\$ 245</u>	<u>\$ 467</u>	<u>\$ (412,776)</u>	<u>\$ 224</u>	<u>\$ 413,000</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$	\$ 64,530	\$ 64,530
Property taxes		365,097	365,097
State aid and grants		1,158,888	1,158,888
Federal aid, grants and reimbursements		81,188	81,188
Total revenues		<u>1,669,703</u>	<u>1,669,703</u>
Expenditures:			
Capital outlay	3,140,865	1,334,401	1,806,464
Debt service -			
Principal retirement	170,144	170,144	
Interest and fiscal charges	58,029	58,029	
Total expenditures	<u>3,369,038</u>	<u>1,562,574</u>	<u>1,806,464</u>
Excess (deficiency) of revenues over expenditures	<u>(3,369,038)</u>	<u>107,129</u>	<u>3,476,167</u>
Other financing sources (uses):			
Transfers in		156,000	156,000
Total other financing sources (uses)		<u>156,000</u>	<u>156,000</u>
Changes in fund balances	<u>(3,369,038)</u>	<u>263,129</u>	<u>3,632,167</u>
Fund balances, beginning of year		2,238,572	2,238,572
Fund balances (deficits), end of year	<u>\$ (3,369,038)</u>	<u>\$ 2,501,701</u>	<u>\$ 5,870,739</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.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 17,465,315	\$ 17,103,568	\$ 16,909,424	\$ 17,077,598	\$ 17,220,166
Restricted	4,370,828	4,014,221	3,416,355	2,826,962	2,545,596
Unrestricted	<u>(10,036,911)</u>	<u>(9,600,506)</u>	<u>(9,379,688)</u>	<u>(9,707,411)</u>	<u>(10,854,118)</u>
Total net position	<u>\$ 11,799,232</u>	<u>\$ 11,517,283</u>	<u>\$ 10,946,091</u>	<u>\$ 10,197,149</u>	<u>\$ 8,911,644</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position:					
Net investment in capital assets	\$ 17,520,901	\$ 17,267,251	\$ 17,711,810	\$ 16,900,835	\$ 17,134,550
Restricted	2,119,383	1,965,408	1,685,274	1,805,723	1,719,829
Unrestricted	<u>(11,706,284)</u>	<u>(11,870,471)</u>	<u>3,774,666</u>	<u>3,873,117</u>	<u>3,798,380</u>
Total net position	<u>\$ 7,934,000</u>	<u>\$ 7,362,188</u>	<u>\$ 23,171,750</u>	<u>\$ 22,579,675</u>	<u>\$ 22,652,759</u>

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

Note: In fiscal year ended June 30, 2015, the District implemented GASB Statement No. 68, which required the District to record a liability for its proportionate share of the state pension plan's unfunded liability. This caused a significant decrease in the District's unrestricted net position.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 13,662,336	\$ 12,238,458	\$ 11,205,662	\$ 9,511,148	\$ 9,711,521
Support services - students and staff	2,484,618	2,286,194	1,960,095	1,895,200	1,948,804
Support services - administration	2,272,950	2,038,669	1,646,349	1,584,473	1,393,478
Operation and maintenance of plant services	2,844,299	2,785,742	2,538,751	2,490,559	2,160,212
Student transportation services	1,199,729	1,070,052	1,388,998	1,253,496	1,152,921
Operation of non-instructional services	911,469	834,897	737,248	700,911	675,389
Interest on long-term debt	111,516	147,426	179,224	209,973	235,622
Total expenses	<u>23,486,917</u>	<u>21,401,438</u>	<u>19,656,327</u>	<u>17,645,760</u>	<u>17,277,947</u>
Program Revenues					
Charges for services:					
Instruction	926,550	503,486	5,241	524,804	533,848
Operation of non-instructional services	13,981	378,310	507,237	129,536	87,224
Other activities	13,303	13,648	268,566	16,788	8,484
Operating grants and contributions	3,717,138	2,093,552	1,946,875	1,886,409	1,785,124
Capital grants and contributions	812,463	89,289	163,236	76,312	295,182
Total program revenues	<u>5,483,435</u>	<u>3,078,285</u>	<u>2,891,155</u>	<u>2,633,849</u>	<u>2,709,862</u>
Net (Expense)/Revenue	<u>\$ (18,003,482)</u>	<u>\$ (18,323,153)</u>	<u>\$ (16,765,172)</u>	<u>\$ (15,011,911)</u>	<u>\$ (14,568,085)</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 9,351,792	\$ 10,585,439	\$ 9,595,582	\$ 9,752,250	\$ 9,864,674
Support services - students and staff	1,857,316	1,852,413	1,871,575	1,878,792	1,720,948
Support services - administration	1,462,251	1,525,349	1,592,888	1,683,909	1,709,712
Operation and maintenance of plant services	2,310,201	2,265,885	2,295,068	2,240,346	2,094,661
Student transportation services	1,145,739	1,015,822	1,075,909	1,091,524	1,035,824
Operation of non-instructional services	685,142	619,053	710,881	694,348	721,276
Interest on long-term debt	259,780	354,038	395,573	362,740	518,437
Total expenses	<u>17,072,221</u>	<u>18,217,999</u>	<u>17,537,476</u>	<u>17,703,909</u>	<u>17,665,532</u>
Program Revenues					
Charges for services:					
Instruction	242,568	258,132	241,302	247,403	266,567
Operation of non-instructional services	426,435	448,148	461,771	440,336	561,689
Other activities	15,755	11,920	12,092	8,045	3,484
Operating grants and contributions	1,955,200	2,056,480	2,240,900	1,912,783	1,259,326
Capital grants and contributions	597,524	108,711	253,540	196,476	251,992
Total program revenues	<u>3,237,482</u>	<u>2,883,391</u>	<u>3,209,605</u>	<u>2,805,043</u>	<u>2,343,058</u>
Net (Expense)/Revenue	<u>\$ (13,834,739)</u>	<u>\$ (15,334,608)</u>	<u>\$ (14,327,871)</u>	<u>\$ (14,898,866)</u>	<u>\$ (15,322,474)</u>

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

(Concluded)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ (18,003,482)	\$ (18,323,153)	\$ (16,765,172)	\$ (15,011,911)	\$ (14,568,085)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	2,601,012	2,592,571	2,743,560	2,890,942	3,006,405
Property taxes, levied for debt service	912,725	914,091	865,206	863,734	855,529
Property taxes, levied for capital outlay	362,521	390,584	270,519	143,027	371,774
Investment income	59,504	93,890	74,198	28,970	16,644
Unrestricted county aid	568,618	534,478	529,736	538,501	513,567
Unrestricted state aid	13,569,670	13,882,340	12,429,262	11,286,095	10,508,610
Unrestricted federal aid	211,381	389,515	601,633	503,984	273,200
Total general revenues	<u>18,285,431</u>	<u>18,797,469</u>	<u>17,514,114</u>	<u>16,255,253</u>	<u>15,545,729</u>
Changes in Net Position	<u>\$ 281,949</u>	<u>\$ 474,316</u>	<u>\$ 748,942</u>	<u>\$ 1,243,342</u>	<u>\$ 977,644</u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ (13,834,739)	\$ (15,334,608)	\$ (14,327,871)	\$ (14,898,866)	\$ (15,322,474)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	2,422,629	2,427,447	3,274,388	4,586,971	2,753,998
Property taxes, levied for debt service	770,044	888,547	850,739	758,327	833,736
Property taxes, levied for capital outlay	578,502	590,728	523,940	3,427	491,994
Investment income	13,141	18,807	19,162	16,695	12,725
Unrestricted county aid	477,835	534,103	602,700	551,444	570,892
Unrestricted state aid	9,817,441	9,376,069	9,347,592	8,700,109	9,362,849
Unrestricted federal aid	326,959	339,281	301,425	208,809	566,424
Total general revenues	<u>14,406,551</u>	<u>14,174,982</u>	<u>14,919,946</u>	<u>14,825,782</u>	<u>14,592,618</u>
Changes in Net Position	<u>\$ 571,812</u>	<u>\$ (1,159,626)</u>	<u>\$ 592,075</u>	<u>\$ (73,084)</u>	<u>\$ (729,856)</u>

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

(Concluded)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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:					
Nonspendable	\$	\$	\$	\$ 7,705	\$
Restricted	3,262	3,211	3,079	3,332	3,624
Unassigned	3,145,221	3,012,177	2,623,003	3,372,553	3,034,153
Total General Fund	\$ 3,148,483	\$ 3,015,388	\$ 2,626,082	\$ 3,383,590	\$ 3,037,777
All Other Governmental Funds:					
Nonspendable	\$ 79,025	\$ 57,381	\$ 33,489	\$ 31,673	\$ 47,493
Restricted	4,291,313	3,933,758	3,309,536	2,760,498	2,477,982
Unassigned	(96,794)	(2,291)	(108,561)	(25,009)	
Total all other governmental funds	\$ 4,273,544	\$ 3,988,848	\$ 3,234,464	\$ 2,767,162	\$ 2,525,475

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Nonspendable	\$ 392,864	\$ 559,845	\$ 935,498	\$ 827,791	\$ 974,475
Restricted	6,037	6,253			
Unassigned	2,404,891	2,400,259	2,880,725	2,605,113	2,509,770
Total General Fund	<u>\$ 2,803,792</u>	<u>\$ 2,966,357</u>	<u>\$ 3,816,223</u>	<u>\$ 3,432,904</u>	<u>\$ 3,484,245</u>
All Other Governmental Funds:					
Nonspendable	\$ 95,879	\$	\$	\$	\$
Restricted	2,057,525	1,899,918	1,621,501	1,746,131	1,658,431
Unassigned	(2,288)	(17,593)		(2,982)	
Total all other governmental funds	<u>\$ 2,151,116</u>	<u>\$ 1,882,325</u>	<u>\$ 1,621,501</u>	<u>\$ 1,743,149</u>	<u>\$ 1,658,431</u>

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

(Concluded)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 3,087,034	\$ 1,724,701	\$ 2,007,102	\$ 1,867,887	\$ 1,782,644
National School Lunch Program	1,017,900	730,733	530,089	498,057	493,199
Total federal sources	<u>4,104,934</u>	<u>2,455,434</u>	<u>2,537,191</u>	<u>2,365,944</u>	<u>2,275,843</u>
State sources:					
State equalization assistance	12,412,459	12,022,380	11,024,915	10,029,594	9,464,289
State grants	151,278	192,727	39,308	40,055	20,232
School Facilities Board	344,248	240,571	7,950		17,612
Other revenues	1,233,774	1,619,389	1,396,397	1,256,501	1,040,490
Total state sources	<u>14,141,759</u>	<u>14,075,067</u>	<u>12,468,570</u>	<u>11,326,150</u>	<u>10,542,623</u>
Local sources:					
Property taxes	3,885,482	3,908,845	3,872,967	3,878,516	4,191,789
County aid	568,618	534,478	529,736	538,501	513,567
Food service sales	34,855	117,310	136,697	129,536	85,855
Investment income	59,504	93,890	74,198	28,970	16,644
Other revenues	881,976	808,599	696,040	608,549	613,111
Total local sources	<u>5,430,435</u>	<u>5,463,122</u>	<u>5,309,638</u>	<u>5,184,072</u>	<u>5,420,966</u>
Total revenues	<u><u>\$ 23,677,128</u></u>	<u><u>\$ 21,993,623</u></u>	<u><u>\$ 20,315,399</u></u>	<u><u>\$ 18,876,166</u></u>	<u><u>\$ 18,239,432</u></u>

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Federal sources:					
Federal grants	\$ 1,833,976	\$ 1,960,788	\$ 1,740,687	\$ 1,800,355	\$ 1,275,896
State Fiscal Stabilization (ARRA) Education Jobs					250,795
National School Lunch Program	609,686	450,708	497,010	470,385	502,075
Total federal sources	<u>2,443,662</u>	<u>2,411,496</u>	<u>2,237,697</u>	<u>2,270,740</u>	<u>2,028,766</u>
State sources:					
State equalization assistance	8,801,850	8,486,356	8,301,560	7,899,663	8,570,762
State grants	33,305	22,395	69,757	47,328	63,730
School Facilities Board	325,482	22,988	105,352	5,130	
Other revenues	1,004,684	979,637	1,010,967	795,316	777,333
Total state sources	<u>10,165,321</u>	<u>9,511,376</u>	<u>9,487,636</u>	<u>8,747,437</u>	<u>9,411,825</u>
Local sources:					
Property taxes	3,716,707	3,965,774	4,655,542	5,312,032	4,032,517
County aid	477,835	534,103	602,700	551,444	570,208
Food service sales	100,805	125,883	100,338	114,709	192,236
Investment income	13,141	18,807	19,162	16,695	12,680
Other revenues	642,758	608,882	962,199	581,075	640,233
Total local sources	<u>4,951,246</u>	<u>5,253,449</u>	<u>6,339,941</u>	<u>6,575,955</u>	<u>5,447,874</u>
Total revenues	<u>\$ 17,560,229</u>	<u>\$ 17,176,321</u>	<u>\$ 18,065,274</u>	<u>\$ 17,594,132</u>	<u>\$ 16,888,465</u>

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

(Concluded)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 11,986,588	\$ 10,693,938	\$ 10,901,621	\$ 9,220,101	\$ 8,648,024
Support services - students and staff	2,372,401	2,152,562	2,062,519	1,962,556	1,960,351
Support services - administration	2,007,040	1,809,256	1,678,011	1,542,290	1,407,140
Operation and maintenance of plant services	2,167,327	2,117,316	1,982,324	1,920,404	1,629,485
Student transportation services	950,122	868,308	1,225,108	1,097,486	1,030,629
Operation of non-instructional services	876,114	812,281	702,753	651,562	599,480
Capital outlay	2,072,113	1,485,670	1,004,212	882,642	880,890
Debt service -					
Interest and fiscal charges	144,460	180,370	212,168	242,917	268,566
Principal retirement	900,144	851,000	831,000	801,000	786,000
Bond issuance costs					
Total expenditures	<u>\$ 23,476,309</u>	<u>\$ 20,970,701</u>	<u>\$ 20,599,716</u>	<u>\$ 18,320,958</u>	<u>\$ 17,210,565</u>
Expenditures for capitalized assets	\$ 1,075,005	\$ 736,280	\$ 447,420	\$ 378,999	\$ 209,784
Debt service as a percentage of noncapital expenditures	5%	5%	5%	6%	6%

(Continued)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 8,295,606	\$ 9,134,738	\$ 8,667,388	\$ 8,646,415	\$ 8,938,594
Support services - students and staff	1,800,880	1,785,841	1,777,094	1,759,370	1,623,972
Support services - administration	1,435,907	1,471,007	1,499,735	1,616,434	1,595,248
Operation and maintenance of plant services	1,706,398	1,655,412	1,703,495	1,808,818	1,668,116
Student transportation services	1,036,185	909,758	960,219	999,290	962,144
Operation of non-instructional services	758,268	596,186	686,389	673,303	700,082
Capital outlay	1,281,933	735,548	1,499,917	3,518,201	1,075,087
Debt service -					
Interest and fiscal charges	292,724	349,547	395,573	362,740	518,437
Principal retirement	775,000	826,000	721,500	530,000	1,140,000
Bond issuance costs		114,734			
Total expenditures	<u>\$ 17,382,901</u>	<u>\$ 17,578,771</u>	<u>\$ 17,911,310</u>	<u>\$ 19,914,571</u>	<u>\$ 18,221,680</u>
Expenditures for capitalized assets	\$ 787,979	\$ 247,201	\$ 831,996	\$ 2,856,277	\$ 499,627
Debt service as a percentage of noncapital expenditures	6%	7%	7%	5%	9%

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

(Concluded)

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 200,819	\$ 1,022,922	\$ (284,317)	\$ 555,208	\$ 1,028,867
Other financing sources (uses):					
Transfers in	203,243	182,106	184,000	184,528	186,232
Transfers out	(203,243)	(182,106)	(184,000)	(184,528)	(186,232)
Capital lease agreements	195,328				
Insurance Recoveries					20,727
Total other financing sources (uses)	195,328				20,727
Changes in fund balances	\$ 396,147	\$ 1,022,922	\$ (284,317)	\$ 555,208	\$ 1,049,594
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ 177,328	\$ (402,450)	\$ 153,964	\$ (2,320,439)	\$ (1,333,215)
Other financing sources (uses):					
Refunding bonds issued		3,290,000			
Premium on sale of bonds		263,552			
Transfers in	163,939	188,051	30,407	18,172	850,716
Transfers out	(163,939)	(188,051)	(30,407)	(18,172)	(850,716)
Capital lease agreements				2,500,500	
Payment to Refunding bonds escrow agent		(3,364,491)			
Total other financing sources (uses)		189,061		2,500,500	
Changes in fund balances	\$ 177,328	\$ (213,389)	\$ 153,964	\$ 180,061	\$ (1,333,215)

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 29,690,996	\$ 28,883,884	\$ 28,392,907	\$ 25,410,868	\$ 24,873,868
Agricultural and Vacant	13,318,250	13,962,043	14,505,273	15,785,897	16,731,538
Residential (Owner Occupied)	34,805,263	32,101,499	29,972,928	27,880,375	26,887,901
Residential (Rental)	10,686,043	9,792,890	9,029,032	8,610,836	7,475,889
Railroad, Private Cars and Airlines	141,302	169,003	315,732	410,605	447,614
Historical Property	16,364	15,584	14,843	44,828	35,900
Certain Government Property Improvements	2,748	2,621	2,493	2,376	2,505
Total	\$ 88,660,966	\$ 84,927,524	\$ 82,233,208	\$ 78,145,785	\$ 76,455,215
Gross Full Cash Value	\$ 939,369,130	\$ 830,713,952	\$ 762,605,771	\$ 719,437,470	\$ 685,652,476
Ratio of Net Limited Assessed Value to Gross Full Cash Value	9%	10%	11%	11%	11%
Total Direct Rate	5.03	5.03	5.36	5.60	6.27

<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	\$ 27,031,356	\$ 30,517,765	\$ 34,322,097	\$ 36,525,326	\$ 33,498,902
Agricultural and Vacant	18,781,270	24,352,530	22,436,227	24,506,326	24,277,536
Residential (Owner Occupied)	25,679,916	25,521,843	27,072,696	33,282,591	43,545,926
Residential (Rental)	7,241,799	6,686,222	7,345,977	7,316,741	2,879,932
Railroad, Private Cars and Airlines	475,437	494,304	470,160	527,489	499,859
Historical Property	27,823	32,904	1,648,638	1,742,476	1,750,036
Certain Government Property Improvements	2,268	2,266	2,317	2,759	1,312
Total	\$ 79,239,869	\$ 87,607,834	\$ 93,298,112	\$ 103,903,708	\$ 106,453,503
Gross Full Cash Value	\$ 650,576,726	\$ 638,873,794	\$ 739,946,315	\$ 951,792,569	\$ 991,855,148
Ratio of Net Limited Assessed Value to Gross Full Cash Value	12%	14%	13%	11%	11%
Total Direct Rate	5.57	5.43	5.78	5.73	4.35

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 32,403,655	\$ 30,802,310	\$ 28,535,897	\$ 25,529,138	\$ 25,078,302
Agricultural and Vacant	14,935,761	15,220,400	15,344,759	16,615,030	17,388,883
Residential (Owner Occupied)	46,102,047	38,299,043	34,406,742	31,879,814	29,887,548
Residential (Rental)	13,821,830	11,851,649	10,436,007	9,921,663	8,450,146
Railroad, Private Cars and Airlines	160,141	188,268	346,214	442,749	463,246
Historical Property	23,914	20,677	18,433	47,050	38,559
Certain Government Property Improvements	3,724	3,395	2,948	2,539	2,510
Total	\$ 107,451,072	\$ 96,385,742	\$ 89,091,000	\$ 84,437,983	\$ 81,309,194
Gross Full Cash Value	939,369,130	830,713,952	762,605,771	719,437,470	685,652,476
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	12%	12%	12%	12%
Estimated Net Full Cash Value	868,889,758	766,030,071	703,331,914	666,629,468	635,501,029
Total Direct Rate	5.03	5.03	5.36	5.60	6.27

<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	\$ 27,102,571	\$ 28,556,805	\$ 34,325,442	\$ 36,578,390	\$ 33,529,358
Agricultural and Vacant	19,118,874	19,928,459	22,563,056	25,395,111	26,161,133
Residential (Owner Occupied)	26,240,532	25,048,169	27,089,871	33,361,552	43,714,432
Residential (Rental)	7,371,281	6,656,905	7,355,864	7,343,202	2,885,806
Railroad, Private Cars and Airlines	480,070	494,304	472,442	532,613	527,790
Historical Property	28,020	27,855	1,648,644	1,742,476	1,750,036
Certain Government Property Improvements	2,310	2,266	3,231	3,657	1,345
Total	\$ 80,343,658	\$ 80,714,763	\$ 93,458,550	\$ 104,957,001	\$ 108,569,900
Gross Full Cash Value	650,576,726	638,873,794	739,946,315	951,792,569	991,855,148
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	12%	13%	13%	11%	11%
Estimated Net Full Cash Value	598,011,805	588,606,572	689,661,300	759,723,416	803,361,567
Total Direct Rate	5.57	5.43	5.78	5.73	4.35

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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates									District Direct Rates		
	State	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Heber- Overgaard FD	Timber Mesa F.M.D.	Primary	Secondary	Total	
	Equalization	County	Library	District	District	Assistance	FD	F.M.D.	Primary	Secondary	Total	
2021	0.44	0.87	0.10	0.26	1.78	0.10	2.36	3.00	4.01	1.03	5.03	
2020	0.44	0.87	0.10	0.26	1.78	0.10	2.36	3.00	4.01	1.03	5.03	
2019	0.47	0.90	0.10	0.28	1.82	0.10	1.80	3.25	4.32	1.04	5.36	
2018	0.49	0.89	0.10	0.28	1.81	0.10	1.86	3.25	4.51	1.09	5.60	
2017	0.50	0.85	0.10	0.29	1.79	0.10	1.85	3.25	5.14	1.13	6.27	
2016	0.51		0.10	0.30	1.74	0.10	1.84	3.12	4.56	1.01	5.57	
2015	0.51		0.10	0.30	1.66	0.10	1.81	3.12	4.32	1.11	5.43	
2014	0.51		0.07	0.30	1.48	0.10	1.60	3.12	4.82	0.96	5.78	
2013	0.47		0.05	0.30	1.35	0.10	1.59	2.97	4.99	0.74	5.73	
2012	0.43		0.05	0.30	1.24	0.10	1.57	2.72	3.59	0.76	4.35	

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

Note: White Mountain Lake F.D. merged with Timber Mesa F.M.D. in 2020.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

Taxpayer	2021		2012	
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation	Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation
Arizona Public Service Company	\$ 10,219,736	11.53 %	\$ 10,530,499	9.70 %
Copperstate Farms	3,074,528	3.47	2,933,861	2.70
Unisource Engery Corporation	2,064,438	2.33	746,941	0.69
Walmart Stores INC	1,688,298	1.90	-	-
Dry Lake Wind Power II, LLC	1,392,555	1.57	3,789,360	3.49
Novo Power	1,378,800	1.56	1,600,000	1.47
Dry Lake Wind Power, LLC	1,206,927	1.36	2,369,640	2.18
Citizen's Telecomm	664,901	0.75	949,469	0.87
Fairview Manor	438,519	0.49	-	-
Catalyst Paper, Inc.	-	-	7,446,591	6.86
Salt River Project	-	-	867,306	0.80
Fielding, Douglas R	-	-	504,935	0.47
Total	<u>\$ 22,128,702</u>	<u>24.96 %</u>	<u>\$ 31,738,602</u>	<u>29.23 %</u>

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

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

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	\$ 3,859,164	\$ 3,713,088	96.21 %	\$	\$ 3,713,088	96.21 %
2020	3,854,217	3,647,304	94.63	179,277	3,826,581	99.28
2019	3,851,164	3,646,741	94.69	133,119	3,779,860	98.15
2018	3,873,083	3,578,921	92.40	261,150	3,840,071	99.15
2017	4,182,738	3,961,916	94.72	188,867	4,150,783	99.24
2016	3,924,210	3,663,383	93.35	236,700	3,900,083	99.39
2015	3,872,705	3,664,321	94.62	206,930	3,871,251	99.96
2014	4,644,596	4,604,669	99.14	39,056	4,643,725	99.98
2013	4,624,264	4,402,906	95.21	220,914	4,623,820	99.99
2012	4,047,760	3,857,886	95.31	189,412	4,047,298	99.99

Source: The source of this information is the 2020 Navajo County Treasurer's records.

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

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

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2021	\$ 1,330,888	424,348	\$ 906,540	0.10 %	\$ 72	\$ 1,429,184	\$ 2,760,072	0.29 %	\$ 221	0.07 %
2020	2,093,832	319,323	1,774,509	0.21	141	1,404,000	3,497,832	0.42	278	0.10
2019	2,821,776	207,435	2,614,341	0.34	217	1,560,000	4,381,776	0.57	364	0.12
2018	3,529,720	152,507	3,377,213	0.47	301	1,716,000	5,245,720	0.73	468	0.16
2017	4,207,664	98,618	4,109,046	0.60	412	1,872,000	6,079,664	0.89	609	0.19
2016	4,640,000	57,466	4,582,534	0.70	467	2,028,000	6,668,000	1.02	679	0.22
2015	5,255,000	69,879	5,185,121	0.81	496	2,188,000	7,443,000	1.17	712	0.39
2014	5,995,000	18,180	5,976,820	0.81	490	2,344,000	8,339,000	1.13	684	0.29
2013	7,090,000	29,105	7,060,895	0.74	577	2,500,500	9,590,500	1.01	783	0.53
2012	7,575,000	106,977	7,468,023	0.75	657		7,575,000	0.76	666	0.47

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

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

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Navajo County	\$ 107,401,534	10.88 %	\$ 11,688,776
Subtotal, Overlapping Debt			<u>11,688,776</u>
Direct:			
Snowflake Unified School District No. 5			<u>2,760,072</u>
Total Direct and Overlapping Governmental Activities Debt			<u><u>\$ 14,448,848</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		1.02 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 1,007	
As a Percentage of Net Limited Assessed Valuation		14.21 %
As a Percentage of Gross Full Cash Value		1.34 %

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

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

Net full cash assessed valuation	\$ 107,451,072
Debt limit (20% of assessed value)	21,490,214
Debt applicable to limit	<u>1,265,000</u>
Legal debt margin	<u>\$ 20,225,214</u>

Total Legal Debt Margin Calculation for Fiscal Year 2021:

Net full cash assessed valuation	\$ 107,451,072
Debt limit (30% of assessed value)	32,235,322
Debt applicable to limit	<u>1,265,000</u>
Legal debt margin	<u>\$ 30,970,322</u>

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 32,235,322	\$ 28,915,723	\$ 26,727,300	\$ 25,331,395	\$ 24,392,758
Total net debt applicable to limit	<u>1,265,000</u>	<u>1,995,000</u>	<u>2,690,000</u>	<u>3,365,000</u>	<u>4,010,000</u>
Legal debt margin	<u>\$ 30,970,322</u>	<u>\$ 26,920,723</u>	<u>\$ 24,037,300</u>	<u>\$ 21,966,395</u>	<u>\$ 20,382,758</u>
Total net debt applicable to the limit as a percentage of debt limit	4%	7%	10%	13%	16%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 24,103,097	\$ 24,214,429	\$ 28,037,565	\$ 31,487,100	\$ 32,570,970
Total net debt applicable to limit	<u>4,640,000</u>	<u>5,255,000</u>	<u>5,995,000</u>	<u>7,090,000</u>	<u>7,575,000</u>
Legal debt margin	<u>\$ 19,463,097</u>	<u>\$ 18,959,429</u>	<u>\$ 22,042,565</u>	<u>\$ 24,397,100</u>	<u>\$ 24,995,970</u>
Total net debt applicable to the limit as a percentage of debt limit	19%	22%	21%	23%	23%

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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2020	113,276	\$ 3,690,208	\$ 33,268	9.9 %	12,511
2019	112,825	3,552,491	32,165	7.8	12,578
2018	112,746	3,626,475	30,865	6.1	12,042
2017	111,266	3,235,693	29,408	7.6	11,207
2016	110,413	3,121,041	16,486	8.1	9,981
2015	109,671	2,965,679	27,434	10.2	9,817
2014	109,185	1,904,077	17,439	11.3	10,450
2013	107,322	2,869,655	26,739	13.1	12,200
2012	107,094	1,821,026	17,004	15.2	12,244
2011	107,398	1,602,700	14,923	13.9	11,371

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.

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Summit Regional Medical Center	1,632	6.13 %	926	3.50 %
Navajo County	612	2.30	550	2.08
Northland Pioneer College	482	1.81	600	2.26
Hon-Dah Casino	400	1.50	407	1.54
APS (Cholla Power Plant)	321	1.21	269	-
Show Low Unified School District	317	1.19	277	-
Peabody Energy	300	1.13	425	1.60
Blue Ridge Unified School District	282	1.06	210	0.79
Copperstate Farms	260	0.98	-	-
Wal-Mart	200	0.75	450	-
PPFJ	145	0.54	156	-
Catalyst	-	-	308	1.16
Total	<u>4,951</u>	<u>18.60 %</u>	<u>4,578</u>	<u>12.93 %</u>
Total employment	<u>26,620</u>		<u>26,491</u>	

Source: The primary sources of this information are the District's records and University of Arizona Eller College of Management Economic and Business Research Center.

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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					
Consultants/supervisors of instruction	1	1	1	1	1
Principals	6	6	6	6	6
Assistant principals	3	3	3	3	3
Total supervisory	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Instruction					
Teachers	127	124	124	121	115
Other professionals (instructional)	43	32	32	39	40
Total instruction	<u>170</u>	<u>156</u>	<u>156</u>	<u>160</u>	<u>155</u>
Student Services					
Librarians	2	2			
Technicians	3	3	5	5	5
Other professionals (student service)	10	14	13	13	13
Total student services	<u>15</u>	<u>19</u>	<u>18</u>	<u>18</u>	<u>18</u>
Support and Administration					
Other classified	53	50	52	57	57
Total support and administration	<u>53</u>	<u>50</u>	<u>52</u>	<u>57</u>	<u>57</u>
Total	<u><u>248</u></u>	<u><u>235</u></u>	<u><u>236</u></u>	<u><u>245</u></u>	<u><u>240</u></u>

(Continued)

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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					
Consultants/supervisors of instruction	1	1	1	1	1
Principals	6	6	6	6	6
Assistant principals	2	2	3	3	3
Total supervisory	<u>9</u>	<u>9</u>	<u>10</u>	<u>10</u>	<u>10</u>
Instruction					
Teachers	113	118	119	115	113
Other professionals (instructional)	32	30	36	38	41
Total instruction	<u>145</u>	<u>148</u>	<u>155</u>	<u>153</u>	<u>154</u>
Student Services					
Librarians				1	2
Technicians	5	5	5	5	4
Other professionals (student service)	13	13	13	13	14
Total student services	<u>18</u>	<u>18</u>	<u>18</u>	<u>19</u>	<u>20</u>
Support and Administration					
Other classified	64	59	49	51	48
Total support and administration	<u>64</u>	<u>59</u>	<u>49</u>	<u>51</u>	<u>48</u>
Total	<u><u>236</u></u>	<u><u>234</u></u>	<u><u>232</u></u>	<u><u>233</u></u>	<u><u>232</u></u>

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

(Concluded)

**SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
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	2,435	\$ 20,359,592	\$ 8,361	12.05 %	\$ 23,486,917	\$ 9,646	11.46 %	127	19.2	36.0 %
2020	2,473	18,453,661	7,462	0.03	21,401,438	8,654	9.49	124	19.9	44.0
2019	2,487	18,552,336	7,460	13.12	19,656,327	7,904	11.35	124	20.1	46.0
2018	2,486	16,394,399	6,595	4.87	17,645,760	7,098	(0.21)	121	20.5	47.0
2017	2,429	15,275,109	6,289	(3.24)	17,277,947	7,113	(3.63)	115	21.1	46.3
2016	2,313	15,033,244	6,499	(5.56)	17,072,221	7,381	(8.44)	113	20.5	47.0
2015	2,260	15,552,942	6,882	5.52	18,217,999	8,061	7.79	118	19.2	47.2
2014	2,345	15,294,320	6,522	1.68	17,537,476	7,479	2.10	119	19.7	50.3
2013	2,417	15,503,630	6,414	0.89	17,703,909	7,325	1.01	115	21.0	50.4
2012	2,436	15,488,156	6,358	(1.26)	17,665,532	7,252	3.21	113	21.6	49.2

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

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

SNOWFLAKE UNIFIED SCHOOL DISTRICT NO. 5
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Schools</u>										
Elementary										
Buildings	19	19	19	19	19	19	19	19	19	19
Square feet	166,395	166,395	166,395	166,395	166,395	166,395	166,395	166,395	166,395	166,395
Enrollment	1,290	1,379	1,082	1,082	1,246	1,225	1,163	1,500	1,500	1,500
Middle										
Buildings	8	8	8	8	8	8	8	8	8	8
Square feet	52,603	52,603	51,723	51,723	51,723	51,723	51,723	51,723	51,723	51,723
Enrollment	465	378	631	631	441	406	584	402	402	402
High										
Buildings	15	15	15	15	15	15	15	15	15	15
Square feet	181,434	181,434	181,434	181,434	181,434	181,434	181,434	181,434	181,434	181,434
Enrollment	850	806	773	773	743	688	655	721	721	721
Other										
Buildings	4	4	4	4	4	4	4	4	4	4
Square feet	10,266	10,266	10,266	10,266	10,266	10,266	10,266	10,266	10,266	10,266
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515	15,515
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	5	5	5	5	5	5	5	5	4	1
<u>Athletics</u>										
Football fields	2	2	2	2	2	2	2	2	2	2
Soccer fields	2	2	2	2	2	2	2	2	2	2
Running tracks	2	2	2	2	2	4	4	4	4	4
Baseball/softball	4	4	4	4	4	4	4	4	4	4

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