
BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

Annual Comprehensive Financial Report

for the Fiscal Year Ended June 30, 2021



BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

PHOENIX, ARIZONA

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

Issued by:
Business and Finance Department

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

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INTRODUCTORY SECTION

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December 21, 2021

Citizens and Governing Board
Balsz Elementary School District No. 31
4825 East Roosevelt Street
Phoenix, Arizona 85008

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 Balsz Elementary School District No. 31 (District) for the fiscal year ended June 30, 2021.

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

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

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

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

PROFILE OF THE DISTRICT

The District, founded in 1890, is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from kindergarten through grade eight, with an estimated current enrollment of 2,350 students. Projected enrollment for fiscal year 2021-22 is approximately 2,450.

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

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

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

The Balsz Elementary School District No. 31 has three K-5 schools (Crockett, Griffith, and Brunson-Lee), one sixth through eighth school (Tillman Middle School), and one early learning preschool for special education students (Orangedale Early Learning Center). In addition, the Governing Board, after two public hearings, established an online school (Balsz Online Academy). The academy became operational for the 2021-22 school year. The community surrounding the District is characterized by low income and government-subsidized housing, and is located in an identified high crime area in the City of Phoenix. The student population is ethnically diverse and tends to be highly mobile. All of the students served in the District qualify for the Free lunch under the Community Eligibility Program through the National School Lunch Program. Students in the District attend high school in the Phoenix Union High School District, typically at Camelback High School.

MAJOR INITIATIVES

The motto of the Balsz Elementary School District No. 31 is “Children First”. To achieve this goal, the District provides a full range of educational services; regular education, special education, English as a second language, and gifted education. The District’s curriculum is aligned with the Arizona Department of Education’s Standards and Performance objectives documents and meets or exceeds all of the requirements set by State law. The student assessment program aligns with the State standards. Each school has developed a consolidated plan for raising student achievement. The Balsz Elementary School District No. 31 is committed to providing quality programs for all of its students.

Programs

- At-Risk Preschool/Head Start
- National Board Certified Teachers
- USDA Healthier Schools Fresh Fruits and Vegetables Program
- Full-Day Kindergarten
- Title I Consolidated Plans
- After School Extracurricular Activities
- Cultural Clubs
- Peer Mediation
- National Junior Honor Society
- Student Council
- City of Phoenix Parks and Recreation
- Mindfulness First
- Positive Behavior Intervention and Support (PBIS)

Major Partnerships

- ON Semi-Conductor
- Desert Financial Credit Union
- Arizona State University
- Grand Canyon University
- Balsz Community Education Foundation
- Orangedale and Linden Park Neighborhood Association
- Assistance league

- Jobs for Arizona Graduates (JAG)
- Creighton Community Foundation
- Playworks
- Maricopa County Educational Service Agency
- Experience Matters
- Valley of the Sun United Way
- Gateway Community College
- University of Phoenix
- Discovery Triangle
- United Health Care
- Educare
- The Tooth Doctor
- KOI Education
- Northern Arizona University (NAU)

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The District is located in the Phoenix-Mesa-Scottsdale, Arizona Metropolitan Statistical Area, also known as “Phoenix MSA”, as defined by the United States Office of Management and Budget. The Phoenix MSA is 14,566 square miles in size, and it is the eleventh most populous metropolitan area in the nation. Postal zip code 85008, where Balsz School District is located, has a current population of 33,889 with a population density of 5,364 people per square mile. There are 16 different elementary and high schools with mailing addresses in zip code 85008. The Phoenix MSA has become one of the fastest growing regional markets in the United States, with an estimated population of 6 million by 2028. This growth has been stimulated by a combination of warm climate, a substantial well-educated labor pool, a wide range of support industries, and a governmental climate that is supportive of economic growth and investment.

Prior to the COVID-19 pandemic, unemployment rate in the Phoenix MSA was 3.9% vs. 4.4% for the state of Arizona. The current unemployment rate of zip code 85008 is 5.2% which is lower than the Maricopa County rate of 6.6%. Retail, restaurants and service sectors are experiencing a larger share of the unemployment rate.

A few of the major firms represented in the Phoenix metropolitan area include Wal-Mart Stores, Inc., State of Arizona, City of Phoenix, Maricopa County, Banner Health Systems, Arizona State University and Wells Fargo Company. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university. Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,224 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2021 population is estimated at 4.6 million. Maricopa County has a very wide range of economic sectors supporting its substantial growth.

Service is the largest employment sector in the County, partially fueled by the \$24 billion per year tourist industry. The County has excellent accommodations, diverse cultural and recreational activities, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category, employing over a quarter million people. Manufacturing consisting primarily of high technology companies is the third largest employer. Other factors aiding economic growth include major expansions of the international airport serving the area, a favorable business climate and the presence of a well-developed and expanding transportation infrastructure.

Long-Term Financial Planning. The Balsz Elementary School District No. 31 encompasses approximately 6 square miles in the east central portion of Phoenix. The District is located along two designated improvement zones - one running east and west along Van Buren Street and one running north and south along 44th Street.

The average age of the five schools is approximately 48 years. With the exception of Brunson-Lee Elementary, built in 2003, the District remodeled all of its schools in 1996-97. The District effectively maintains its facilities and comprehensively reviews them at least once each year. In November 2018, voters overwhelmingly approved a \$35 million bond. The first sale of \$24.5 million of bonds closed in February 2019. These funds were used to rebuild Tillman Middle School, purchased technology upgrades, school buses, furniture, and miscellaneous remodeling projects. The remaining \$10.5 million of authorization will sell in 2023. Remaining bonds will be used to complete the energy management program and to address various campus improvements throughout the District.

Administration believes in having a sound financial operating reserves and conservatively managing its resources. In light of the current economic conditions, financial policies are regularly reviewed and refined to ensure that the District's financial stress-level continues to be low and to maximize returns on expenditures for wise outcomes. Frugal spending, and watching "every dollar" have led to efficiencies which will in turn be channeled into the classrooms. While the District faces new challenges each year, the Administration will continue to deploy best financial practices for the prudent management of the District.


AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 26th 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. 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,



Zeek Ojeh, CPA
Acting Superintendent



Kevin Price, CPA
Director of Finance



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Balsz Elementary School District 31

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

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



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

W. Edward Chabal
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Balsz Elementary School District No. 31
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

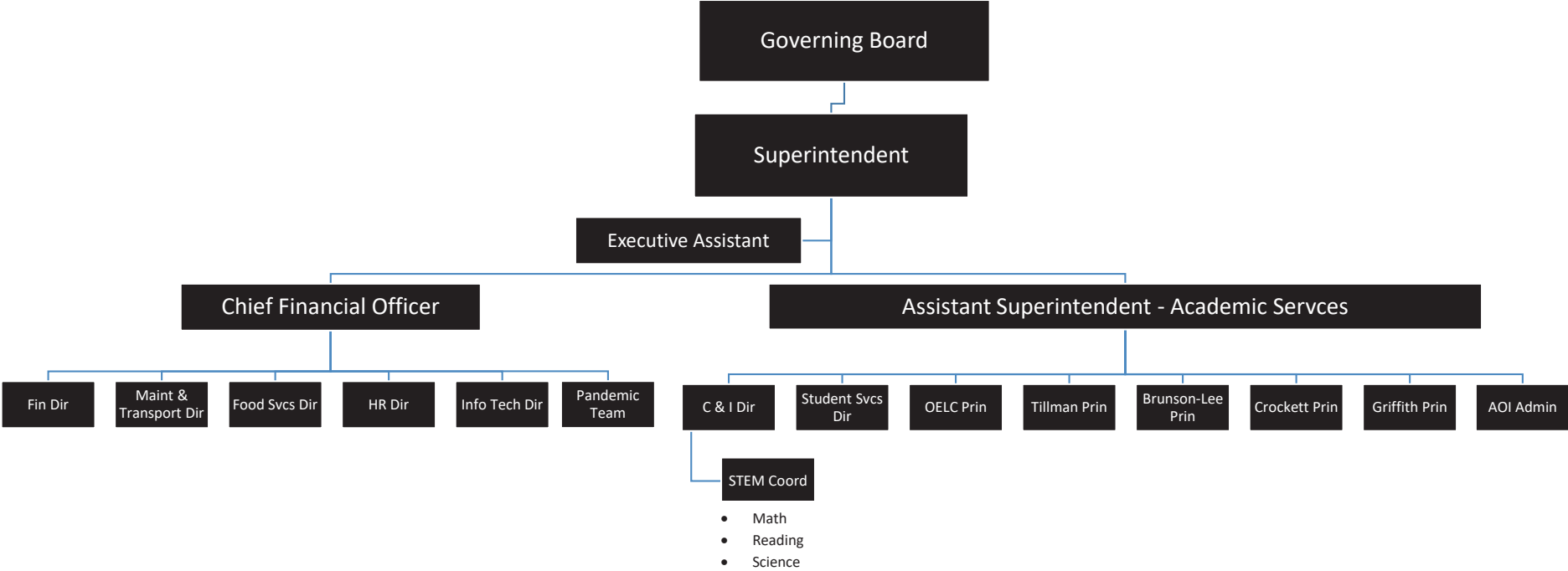
June 30, 2020

Christopher P. Morill

Executive Director/CEO



ORGANIZATION CHART



BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Gail Q. Knight
President

Todd Schwarz
Vice President

Christina Eichelkraut
Member

Redeem Robinson
Member

Muktar Sheikh
Member

ADMINISTRATIVE STAFF

Zeek Ojeh, CPA
Acting Superintendent

Kevin Price, CPA
Director of Finance

Kathleen Owen-Jones
Director of Student Services

Tianna Sanchez
Interim Director of Teaching and Learning

Dr. Nan Williams
Director of Technology

Jason Shepherd
Director of Maintenance, Transportation and Construction

FINANCIAL SECTION

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Independent Auditor's Report

Governing Board
Balsz Elementary School District No. 31

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 Balsz Elementary School District No. 31 (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 Balsz Elementary School District No. 31, 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 Balsz Elementary School District No. 31 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 a fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2021, on our consideration of Balsz Elementary School District No. 31'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 Balsz Elementary School District No. 31'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 Balsz Elementary School District No. 31's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 21, 2021

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

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**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

As management of the Balsz Elementary School District No. 31 (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 decreased \$47,149 or less than one percent.
- General revenues accounted for \$22.3 million in revenue, or 71 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$9.2 million or 29 percent of total current fiscal year revenues.
- The District had approximately \$31.5 million in expenses related to governmental activities, an increase of 14 percent from the prior fiscal year primarily due to the net effect of the changes in the net pension liability and the spending of COVID related grant monies to enhance distance learning opportunities and ensure school facilities were prepared for in-person instruction.
- Among major funds, the General Fund had \$17.2 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$16.5 million in expenditures. The General Fund's fund balance increase from \$4.8 million at the prior fiscal year end to \$6.5 million at the end of the current fiscal year was primarily due to revenues exceeding expenditures and the transfer in of indirect costs from grant funds.

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Title I Grants, Other Federal Projects, Debt Service, Bond Building and Building Renewal Grant Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and schedules.

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$36.9 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 outstanding debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In addition, a portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 18,983,533	\$ 22,072,732
Capital assets, net	68,245,872	68,234,074
Total assets	<u>87,229,405</u>	<u>90,306,806</u>
Deferred outflows	<u>3,709,664</u>	<u>2,026,104</u>
Current and other liabilities	1,791,524	3,034,671
Long-term liabilities	51,778,145	50,279,073
Total liabilities	<u>53,569,669</u>	<u>53,313,744</u>
Deferred inflows	<u>437,342</u>	<u>2,039,959</u>
Net position:		
Net investment in capital assets	40,053,867	41,189,501
Restricted	5,445,091	6,072,372
Unrestricted	(8,566,900)	(10,282,666)
Total net position	<u>\$ 36,932,058</u>	<u>\$ 36,979,207</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position while unrestricted net position reported a deficit of \$8.6 million. The deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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 \$1.8 million of bonds.
- The increase of \$3.3 million in pension liabilities.
- Accumulated depreciation increased \$2.7 million.
- The addition of \$2.7 million in capital assets through various school improvements and purchases of vehicles, furniture and equipment.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

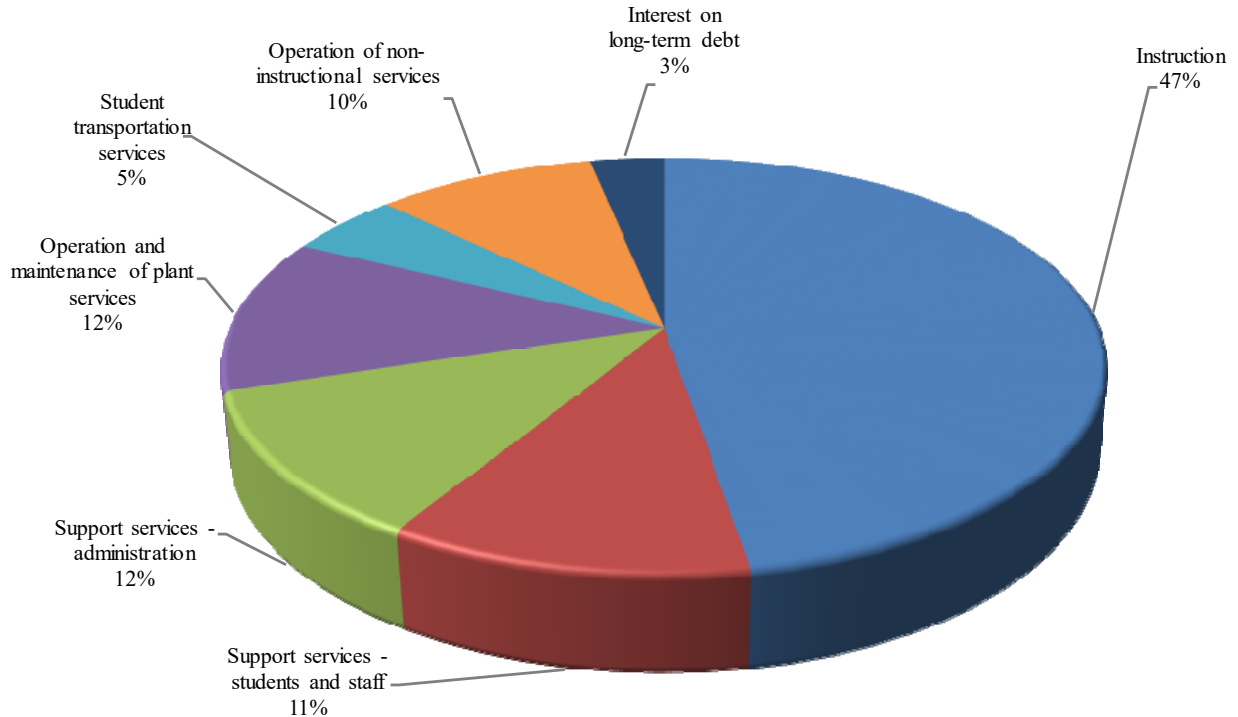
Changes in net position. The District's total revenues for the current fiscal year were \$31.4 million. The total cost of all programs and services was \$31.5 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Revenues:		
Program revenues:		
Charges for services	\$ 512,912	\$ 660,483
Operating grants and contributions	7,232,392	5,966,505
Capital grants and contributions	1,434,744	387,931
General revenues:		
Property taxes	12,871,452	13,111,093
Investment income	177,976	551,776
Unrestricted county aid	728,769	663,773
Unrestricted state aid	8,366,184	8,580,137
Unrestricted federal aid	123,052	158,499
Total revenues	31,447,481	30,080,197
Expenses:		
Instruction	14,919,756	13,034,041
Support services - students and staff	3,570,010	3,567,834
Support services - administration	3,658,376	2,739,701
Operation and maintenance of plant services	3,756,063	3,098,334
Student transportation services	1,554,877	1,392,205
Operation of non-instructional services	3,025,209	2,379,002
Interest on long-term debt	1,010,339	1,433,969
Total expenses	31,494,630	27,645,086
Changes in net position	(47,149)	2,435,111
Net position, beginning, as restated	36,979,207	34,544,096
Net position, ending	\$ 36,932,058	\$ 36,979,207

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Expenses - Fiscal Year 2021



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

- An increase in operating grants and contributions of \$1.2 million as a result of increased grant funding related to the COVID-19 pandemic.
- An increase in capital grants and contributions of \$1.0 million due to increased funding from the School Facilities Board for the renovations of school sites and increase grant funding related to the COVID-19 pandemic.
- An increase in instructional expenses of \$1.9 million primarily as a result of increased spending on instructional aids and materials to accommodate and enhance distance learning and the net effect of the change in the net pension liability.

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 14,919,756	\$ (12,168,538)	\$ 13,034,041	\$ (11,169,516)
Support services - students and staff	3,570,010	(1,845,826)	3,567,834	(1,939,560)
Support services - administration	3,658,376	(2,982,990)	2,739,701	(2,251,410)
Operation and maintenance of plant services	3,756,063	(2,953,902)	3,098,334	(2,507,484)
Student transportation services	1,554,877	(1,529,056)	1,392,205	(1,383,259)
Operation of non-instructional services	3,025,209	176,069	2,379,002	55,031
Interest on long-term debt	1,010,339	(1,010,339)	1,433,969	(1,433,969)
Total	\$ 31,494,630	\$ (22,314,582)	\$ 27,645,086	\$ (20,630,167)

- The cost of all governmental activities this year was \$31.5 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$9.2 million.
- Net cost of governmental activities of \$22.3 million was financed by general revenues, which are made up of primarily property taxes of \$12.9 million and federal, state and county aid of \$9.2 million. Investment earnings accounted for \$177,976 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 \$12.6 million, a decrease of \$3.8 million due primarily to the spending of bond proceeds for the renovation of Tillman Middle School.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 51 percent of the total fund balance. All of the General Fund's fund balance is unassigned. The General Fund is the principal operating fund of the District. The fund balance increased \$1.7 million to \$6.5 million primarily due to revenues exceeding expenditures and the transfer in of indirect costs from grant funds.

The Title I Grants Fund's fund balance decreased \$197,623 to a deficit fund balance of \$339,929 primarily due to expenditures exceeding revenues and the timing of grant reimbursements.

The Other Federal Projects Fund's fund balance decreased \$1.0 million to a deficit of \$1.0 million primarily due to an increase of \$1.1 million in revenue and \$1.8 million in expenditures related to grants received from the Federal Government under the CARES Act and the timing of grant reimbursements.

The Debt Service Fund's fund balance decreased \$462,469 to \$218,856 due to the District meeting debt service requirements and a decrease in property tax revenues.

The Bond Building Fund's fund balance decreased \$3.3 million to \$2.9 million primarily due to the spending of bond proceeds for the renovation of Tillman Middle School.

The Building Renewal Grant Fund's fund balance decreased \$383,201 to a deficit of \$614,828 primarily due to an increase in capital outlay expenditures for various school improvement projects and the timing of grant reimbursements.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget. The difference between the original budget and the final amended budget was a \$489,126 increase, or three percent, which is not significant.

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 \$1.1 million in instruction expenditures was a result of changes made to accommodate changes due to COVID-19 and staff vacancy savings.
- The favorable variance of \$331,823 in operation and maintenance of plant expenditures was a result of schools being closed for a majority of the year due to COVID-19.
- The favorable variance of \$381,365 in student transportation expenditures was primarily due to schools being closed for a majority of the year due to COVID-19.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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 \$100.9 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 \$6.5 million from the prior fiscal year, primarily due to the Tillman Middle School renovation and the renovation of several other school sites. Total depreciation expense for the current fiscal year was \$2.7 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	\$ 8,577,983	\$ 26,185,043
Capital assets - depreciable, net	59,667,889	42,049,031
Total	\$ 68,245,872	\$ 68,234,074

The estimated cost to complete current construction projects is \$330,790.

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

Debt Administration. At year end, the District had \$31.1 million in long-term debt outstanding, \$2.3 million due within one year. Long-term debt decreased by \$2.0 million due to the principal retirement of \$1.8 million in general obligation bonds and the amortization of bond premium of \$194,539.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$77.3 million and the Class B debt limit is \$51.6 million which is more than the District's total outstanding general obligation debt and Class B debt, respectively.

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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 \$1.6 million).
- District student population (estimated 2,078).
- Local economy and population demographics of the District.

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 \$76,591 to \$17.8 million in fiscal year 2021-22. Declining enrollment is the primary reason for the decrease. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2020-21 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Balsz Elementary School District No. 31, 4825 East Roosevelt Street, Phoenix, Arizona 85008.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 13,128,898
Property taxes receivable	245,183
Due from governmental entities	5,609,452
Total current assets	18,983,533
Noncurrent assets:	
Capital assets not being depreciated	8,577,983
Capital assets, net of accumulated depreciation	59,667,889
Total noncurrent assets	68,245,872
Total assets	87,229,405
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	3,709,664
 <u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,099,217
Accrued payroll and employee benefits	88,587
Compensated absences payable	60,000
Accrued interest payable	602,081
Unearned revenues	1,639
Bonds payable	2,270,000
Total current liabilities	4,121,524
Noncurrent liabilities:	
Non-current portion of long-term obligations	49,448,145
Total noncurrent liabilities	49,448,145
Total liabilities	53,569,669
 <u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension and other postemployment benefit plan items	437,342
 <u>NET POSITION</u>	
Net investment in capital assets	40,053,867
Restricted for:	
Instruction	3,265,527
Food service	289,709
Non-instructional purposes	147,899
Debt service	247,142
Capital outlay	1,494,814
Unrestricted	(8,566,900)
Total net position	\$ 36,932,058

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
Instruction	\$ 14,919,756	\$ 53,359	\$ 2,162,721	\$ 535,138	\$ (12,168,538)
Support services - students and staff	3,570,010		1,109,356	614,828	(1,845,826)
Support services - administration	3,658,376	267,019	408,367		(2,982,990)
Operation and maintenance of plant services	3,756,063	180,764	336,619	284,778	(2,953,902)
Student transportation services	1,554,877		25,821		(1,529,056)
Operation of non-instructional services	3,025,209	11,770	3,189,508		176,069
Interest on long-term debt	1,010,339				(1,010,339)
Total governmental activities	<u>\$ 31,494,630</u>	<u>\$ 512,912</u>	<u>\$ 7,232,392</u>	<u>\$ 1,434,744</u>	<u>(22,314,582)</u>
 General revenues:					
Taxes:					
Property taxes, levied for general purposes					8,564,351
Property taxes, levied for debt service					2,912,393
Property taxes, levied for capital outlay					1,394,708
Investment income					177,976
Unrestricted county aid					728,769
Unrestricted state aid					8,366,184
Unrestricted federal aid					123,052
Total general revenues					<u>22,267,433</u>
Changes in net position					(47,149)
Net position, beginning of year					<u>36,979,207</u>
Net position, end of year					<u>\$ 36,932,058</u>

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

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FUND FINANCIAL STATEMENTS

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General	Title I Grants	Other Federal Projects
<u>ASSETS</u>			
Cash and investments	\$ 1,936,974	\$	\$
Property taxes receivable	174,850		
Due from governmental entities	1,941,242	836,309	1,558,616
Due from other funds	2,711,496		
Total assets	\$ 6,764,562	\$ 836,309	\$ 1,558,616
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 101,280	\$	\$ 162,559
Due to other funds		836,309	1,366,960
Accrued payroll and employee benefits	54,480		27,631
Unearned revenues			1,531
Bonds payable			
Bond interest payable			
Total liabilities	155,760	836,309	1,558,681
Deferred inflows of resources:			
Unavailable revenues - property taxes	116,118		
Unavailable revenues - intergovernmental		339,929	1,014,691
Total deferred inflows of resources	116,118	339,929	1,014,691
Fund balances (deficits):			
Restricted			
Unassigned	6,492,684	(339,929)	(1,014,756)
Total fund balances	6,492,684	(339,929)	(1,014,756)
 Total liabilities, deferred inflows of resources and fund balances	 \$ 6,764,562	 \$ 836,309	 \$ 1,558,616

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

<u>Debt Service</u>	<u>Bond Building</u>	<u>Building Renewal Grant</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 3,071,405 47,818	\$ 2,868,181	\$ 614,828	\$ 5,252,338 22,515 658,457	\$ 13,128,898 245,183 5,609,452 2,711,496
<u>\$ 3,119,223</u>	<u>\$ 2,868,181</u>	<u>\$ 614,828</u>	<u>\$ 5,933,310</u>	<u>\$ 21,695,029</u>
\$	\$	\$ 465,633 149,195	\$ 369,745 359,032 6,476 108	\$ 1,099,217 2,711,496 88,587 1,639 2,270,000 602,081
2,270,000 602,081 <u>2,872,081</u>		<u>614,828</u>	<u>735,361</u>	<u>6,773,020</u>
28,286		614,828	13,317 163,556	157,721 2,133,004
<u>28,286</u>		<u>614,828</u>	<u>176,873</u>	<u>2,290,725</u>
218,856	2,868,181	(614,828)	5,155,161 (134,085)	8,242,198 4,389,086
<u>218,856</u>	<u>2,868,181</u>	<u>(614,828)</u>	<u>5,021,076</u>	<u>12,631,284</u>
<u>\$ 3,119,223</u>	<u>\$ 2,868,181</u>	<u>\$ 614,828</u>	<u>\$ 5,933,310</u>	<u>\$ 21,695,029</u>

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**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Total governmental fund balances		\$ 12,631,284
<p>Amounts reported for <i>governmental activities</i> in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.</p>		
Governmental capital assets	\$ 100,928,447	
Less accumulated depreciation	<u>(32,682,575)</u>	68,245,872
<p>Some receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.</p>		
Property taxes	157,721	
Intergovernmental	<u>2,133,004</u>	2,290,725
<p>Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.</p>		
Deferred outflows of resources related to pensions	3,709,664	
Deferred inflows of resources related to pensions	<u>(437,342)</u>	3,272,322
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.</p>		
Compensated absences payable	(724,888)	
Net pension liability	(19,993,071)	
Bonds payable	<u>(28,790,186)</u>	<u>(49,508,145)</u>
Net position of governmental activities		<u>\$ 36,932,058</u>

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Title I Grants	Other Federal Projects
Revenues:			
Other local	\$ 1,242,440	\$	\$
Property taxes	8,590,886		
State aid and grants	7,206,998		
Federal aid, grants and reimbursements	123,052	1,397,498	1,110,794
Total revenues	17,163,376	1,397,498	1,110,794
Expenditures:			
Current -			
Instruction	8,292,045	849,291	527,110
Support services - students and staff	2,257,023	345,459	265,099
Support services - administration	2,513,502	263,921	87,880
Operation and maintenance of plant services	2,630,377		172,491
Student transportation services	706,428	16,909	5,563
Operation of non-instructional services	45,995	3,601	199,615
Capital outlay	38,345		546,170
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures	16,483,715	1,479,181	1,803,928
Excess (deficiency) of revenues over expenditures	679,661	(81,683)	(693,134)
Other financing sources (uses):			
Transfers in	1,029,425		
Transfers out		(115,940)	(321,622)
Total other financing sources (uses)	1,029,425	(115,940)	(321,622)
Changes in fund balances	1,709,086	(197,623)	(1,014,756)
Fund balances (deficits), beginning of year	4,783,598	(142,306)	
Fund balances (deficits), end of year	\$ 6,492,684	\$ (339,929)	\$ (1,014,756)

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

<u>Debt Service</u>	<u>Bond Building</u>	<u>Building Renewal Grant</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 6,175	\$ 59,876	\$	\$ 255,982	\$ 1,564,473
2,946,358		284,778	1,385,143	12,922,387
			1,406,059	8,897,835
			3,890,451	6,521,795
<u>2,952,533</u>	<u>59,876</u>	<u>284,778</u>	<u>6,937,635</u>	<u>29,906,490</u>
			1,872,417	11,540,863
			476,029	3,343,610
			22,691	2,887,994
			83,227	2,886,095
				728,900
	3,336,257	667,979	2,408,111	2,657,322
			1,620,120	6,208,871
2,270,000				2,270,000
1,204,878				1,204,878
<u>3,474,878</u>	<u>3,336,257</u>	<u>667,979</u>	<u>6,482,595</u>	<u>33,728,533</u>
<u>(522,345)</u>	<u>(3,276,381)</u>	<u>(383,201)</u>	<u>455,040</u>	<u>(3,822,043)</u>
59,876				1,089,301
	(59,876)		(591,863)	(1,089,301)
<u>59,876</u>	<u>(59,876)</u>		<u>(591,863)</u>	
<u>(462,469)</u>	<u>(3,336,257)</u>	<u>(383,201)</u>	<u>(136,823)</u>	<u>(3,822,043)</u>
681,325	6,204,438	(231,627)	5,157,899	16,453,327
<u>\$ 218,856</u>	<u>\$ 2,868,181</u>	<u>\$ (614,828)</u>	<u>\$ 5,021,076</u>	<u>\$ 12,631,284</u>

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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 **\$ (3,822,043)**

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 as depreciation expense.

Expenditures for capitalized assets	\$ 2,710,834	
Less current year depreciation	<u>(2,695,890)</u>	14,944

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

Property taxes	(50,935)	
Intergovernmental	<u>1,591,926</u>	1,540,991

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

2,270,000

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	1,527,428	
Pension expense	<u>(1,554,323)</u>	(26,895)

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.

Loss on disposal of assets	(3,146)	
Amortization of deferred bond items	194,539	
Compensated absences	<u>(215,539)</u>	<u>(24,146)</u>

Changes in net position in governmental activities **\$ (47,149)**

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Balsz Elementary School District No. 31 (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, maintenance of District facilities and food services.

B. Government-Wide and Fund Financial Statements

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The District reports the following major governmental funds:

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

Title I Grants Fund – The Title I Grants Fund accounts 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.

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

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Building Renewal Grant Fund – The Building Renewal Grant Fund accounts 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.

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Receivables and Payables

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

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

G. Property Tax Calendar

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

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

H. Prepaid Items

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

I. Capital Assets

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Land improvements	10 - 20 years
Buildings and improvements	10 - 50 years
Vehicles, furniture and equipment	5 - 20 years

J. Deferred Outflows/Inflows of Resources

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

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

K. Compensated Absences

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

L. Pensions

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

M. Long-term Obligations

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

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

N. Interfund Activity

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

O. Net Position Flow Assumption

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

P. Estimates

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	<u>General Fund</u>	<u>Title I Grants Fund</u>	<u>Other Federal Projects Fund</u>	<u>Debt Service Fund</u>
Fund Balances:				
Restricted:				
Debt service	\$	\$	\$	\$ 218,856
Capital projects				
Bond building projects				
Voter approved initiatives				
Federal and state projects				
Food service				
Civic center				
Community school				
Extracurricular activities				
Textbooks				
Student activities				
Other purposes				
Unassigned	<u>6,492,684</u>	<u>(339,929)</u>	<u>(1,014,756)</u>	
Total fund balances	<u>\$ 6,492,684</u>	<u>\$ (339,929)</u>	<u>\$ (1,014,756)</u>	<u>\$ 218,856</u>

	<u>Bond Building Fund</u>	<u>Building Renewal Grant Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:			
Restricted:			
Debt service	\$	\$	\$
Capital projects			1,481,497
Bond building projects	2,868,181		
Voter approved initiatives			2,319,455
Federal and state projects			581,409
Food service			289,709
Civic center			107,741
Community school			39,454
Extracurricular activities			286,419
Textbooks			16,009
Student activities			30,788
Other purposes			2,680
Unassigned		<u>(614,828)</u>	<u>(134,085)</u>
Total fund balances	<u>\$ 2,868,181</u>	<u>\$ (614,828)</u>	<u>\$ 5,021,076</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Individual Deficit Fund Balance – At year end, the following individual major and non-major governmental funds reported deficits in fund balance. The deficits arose because of operations during the year and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2021-22 are expected to eliminate the deficits.

	Deficit
Major Fund:	
Title I Grants	\$ (339,929)
Other Federal Projects	(1,014,756)
Building Renewal Grant	(614,828)
Non-Major Governmental Funds:	
Professional Development and Technology Grants	(87,236)
Title IV Grants	(7,517)
Limited English and Immigrant Students	(1,784)
Special Education Grants	(37,548)

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 \$3,412 and the bank balance was \$31,567.

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

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

The County Treasurer’s pool and the Arizona School Risk Retention pool are trust investment external investment pools with no regulatory oversight. The pools are not required to register (and are not registered) with the Securities and Exchange Commission. The fair value of each participant’s position in both of the investment pools 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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – CASH AND INVESTMENTS

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

	Average Maturities	Fair Value
County Treasurer’s investment pool	842 days	\$ 13,124,399
Arizona School Risk Retention Trust investment pool	396 days	1,087
Total		\$ 13,125,486

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. All investments held in the Arizona School Risk Retention Trust investment pool were rated between A- and AA+ by Standard and Poor’s at year end.

Custodial Credit Risk Investments. The District’s investment in the County Treasurer’s investment pool and the Arizona Risk Retention Trust Investment Pool both represent a proportionate interest in the pool’s portfolio; however the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

NOTE 5 – RECEIVABLES

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

	General Fund	Title I Grants Fund	Other Federal Projects Fund	Building Renewal Grant Fund	Non-Major Governmental Funds
Due from other governmental entities:					
Due from federal government	\$	\$ 836,309	\$1,558,616	\$	\$ 628,986
Due from state government	1,941,242			614,828	29,471
Net due from governmental entities	\$ 1,941,242	\$ 836,309	\$1,558,616	\$ 614,828	\$ 658,457

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS

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

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 8,103,949	\$	\$	\$ 8,103,949
Construction in progress	18,081,094	1,991,802	19,598,862	474,034
Total capital assets, not being depreciated	<u>26,185,043</u>	<u>1,991,802</u>	<u>19,598,862</u>	<u>8,577,983</u>
Capital assets, being depreciated:				
Land improvements	5,426,398	827,887		6,254,285
Buildings and improvements	58,959,839	19,123,169		78,083,008
Vehicles, furniture and equipment	7,662,060	366,838	15,727	8,013,171
Total capital assets being depreciated	<u>72,048,297</u>	<u>20,317,894</u>	<u>15,727</u>	<u>92,350,464</u>
Less accumulated depreciation for:				
Land improvements	(2,948,915)	(238,631)		(3,187,546)
Buildings and improvements	(22,395,985)	(1,866,705)		(24,262,690)
Vehicles, furniture and equipment	(4,654,366)	(590,554)	(12,581)	(5,232,339)
Total accumulated depreciation	<u>(29,999,266)</u>	<u>(2,695,890)</u>	<u>(12,581)</u>	<u>(32,682,575)</u>
Total capital assets, being depreciated, net	<u>42,049,031</u>	<u>17,622,004</u>	<u>3,146</u>	<u>59,667,889</u>
Governmental activities capital assets, net	<u>\$ 68,234,074</u>	<u>\$19,613,806</u>	<u>\$19,602,008</u>	<u>\$ 68,245,872</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 1,646,696
Support services – students and staff	54,649
Support services – administration	44,843
Operation and maintenance of plant services	568,319
Student transportation services	163,345
Operation of non-instructional services	218,038
Total depreciation expense – governmental activities	<u>\$ 2,695,890</u>

Construction Commitments – At year end, the District had contractual commitments related to capital projects for the renovation of school facilities. At year end the District had spent \$474,034 on the projects and had estimated remaining contractual commitments of \$330,790. These projects are being funded with Building Renewal Grant revenues.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 \$4.0 million in unused line of credit.

NOTE 8 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$10.2 million remains unissued. 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 \$77.3 million and the available margin is \$46.6 million.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2021</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds:					
School Improvement Bond, Project of 2011, Series A (2012)	\$15,555,000	3.0%	7/1/21	\$ 1,270,000	\$1,270,000
School Improvement Bond, Project of 2011, Series B (2013)	5,445,000	2.0-4.0%	7/1/22-26	5,345,000	
School Improvement Bond, Project of 2018, Series A (2019)	22,325,000	2.0-5.0%	7/1/21-39	22,100,000	1,000,000
Total				<u>\$ 28,715,000</u>	<u>\$2,270,000</u>

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

<u>Year ending June 30:</u>	<u>Governmental Activities General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 2,270,000	\$ 1,160,113
2023	2,020,000	1,086,338
2024	1,650,000	1,026,894
2025	1,580,000	968,675
2026	715,000	925,875
2027-31	7,380,000	3,926,020
2032-36	8,050,000	2,059,625
2037-40	5,050,000	359,875
Total	<u>\$ 28,715,000</u>	<u>\$11,513,415</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – CHANGES IN LONG-TERM LIABILITIES

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 30,550,000	\$	\$ 1,835,000	\$ 28,715,000	\$ 2,270,000
Premium	2,539,725		194,539	2,345,186	
Total bonds payable	<u>33,089,725</u>		<u>2,029,539</u>	<u>31,060,186</u>	<u>2,270,000</u>
Net pension liability	16,679,999	3,313,072		19,993,071	
Compensated absences payable	509,349	289,408	73,869	724,888	60,000
Governmental activity long-term liabilities	<u>\$ 50,279,073</u>	<u>\$ 3,602,480</u>	<u>\$ 2,103,408</u>	<u>\$ 51,778,145</u>	<u>\$ 2,330,000</u>

NOTE 10 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds – At year end, the Title I Grants, Other Federal Projects, and Building Renewal Grants Funds and several non-major governmental funds had negative cash balances of \$836,309, \$1,366,960, \$149,195, and \$359,032, respectively for a total of \$2,711,496 in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing from the General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers:

<u>Transfers out</u>	<u>Transfers in</u>		
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>
Title I Grants Fund	\$ 115,940	\$	\$ 115,940
Other Federal Projects Fund	321,622		321,622
Bond Building Fund		59,876	59,876
Non-Major Governmental Funds	591,863		591,863
Total	<u>\$ 1,029,425</u>	<u>\$ 59,876</u>	<u>\$ 1,089,301</u>

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – CONTINGENT LIABILITIES

Compliance – Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures/expenses that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

NOTE 12 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was unable to obtain general property and liability insurance at a cost it considered to be economically justifiable. Therefore, the District joined, and is covered by three public entity risk pools, the Arizona School Risk Retention Trust, Inc. (ASRRT), the Valley Schools Employee Benefit Trust (VSEBT), and the Arizona School Alliance for Worker's Compensation, Inc., which are discussed below.

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 joined the Valley Schools Employee Benefit Trust (VSEBT) together with other districts in the state for risks of loss related to employee health and accident claims. VSEBT is a public entity risk pool currently operating as a group insurance program for several school districts. The District pays monthly premiums to VSEBT for its employee health and accident insurance coverage. The trust was fully insured for the current fiscal year, and does not pay claims, but rather provides coverage through the purchase of commercial insurance.

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – PENSIONS

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

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

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

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – PENSIONS

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members’ annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members’ annual covered payroll. The District’s contributions to the pension plan for the year ended June 30, 2021 were \$1,527,428.

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:

<u>Net Liability</u>	<u>District % Proportion</u>	<u>Increase (Decrease)</u>
\$ 19,993,071	0.115	0.001

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 \$1,554,323.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – PENSIONS

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 180,872	\$
Net difference between projected and actual earnings on pension investments	1,928,355	
Changes in proportion and differences between contributions and proportionate share of contributions	73,009	437,342
Contributions subsequent to the measurement date	<u>1,527,428</u>	
Total	<u><u>\$ 3,709,664</u></u>	<u><u>\$ 437,342</u></u>

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

Year Ending June 30:	
2022	\$ (174,935)
2023	625,892
2024	697,507
2025	596,430

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – 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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – 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	\$ 27,340,254	\$ 19,993,071	\$ 13,851,204

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Non-GAAP Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local	\$	\$	\$ 701,331	\$ 701,331
Property taxes			8,590,886	8,590,886
State aid and grants			7,206,998	7,206,998
Total revenues			<u>16,499,215</u>	<u>16,499,215</u>
Expenditures:				
Current -				
Instruction	10,321,518	9,291,133	8,231,550	1,059,583
Support services - students and staff	2,284,859	2,282,650	2,097,524	185,126
Support services - administration	1,850,697	2,288,167	2,096,318	191,849
Operation and maintenance of plant services	2,683,192	2,884,190	2,552,367	331,823
Student transportation services	1,144,340	1,049,340	667,975	381,365
Operation of non-instructional services	52,321	52,321	43,588	8,733
Total expenditures	<u>18,336,927</u>	<u>17,847,801</u>	<u>15,689,322</u>	<u>2,158,479</u>
Changes in fund balances	<u>(18,336,927)</u>	<u>(17,847,801)</u>	<u>809,893</u>	<u>18,657,694</u>
Fund balances, beginning of year			2,993,613	2,993,613
Fund balances (deficits), end of year	<u>\$ (18,336,927)</u>	<u>\$ (17,847,801)</u>	<u>\$ 3,803,506</u>	<u>\$ 21,651,307</u>

See accompanying notes to this schedule.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TITLE I GRANTS
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 1,397,498	\$ 1,397,498
Total revenues			<u>1,397,498</u>	<u>1,397,498</u>
Expenditures:				
Current -				
Instruction	1,936,297	1,948,197	849,291	1,098,906
Support services - students and staff			345,459	(345,459)
Support services - administration			263,921	(263,921)
Student transportation services			16,909	(16,909)
Operation of non-instructional services			3,601	(3,601)
Total expenditures	<u>1,936,297</u>	<u>1,948,197</u>	<u>1,479,181</u>	<u>469,016</u>
Excess (deficiency) of revenues over expenditures	<u>(1,936,297)</u>	<u>(1,948,197)</u>	<u>(81,683)</u>	<u>1,866,514</u>
Other financing sources (uses):				
Transfers out			(115,940)	(115,940)
Total other financing sources (uses)			<u>(115,940)</u>	<u>(115,940)</u>
Changes in fund balances	<u>(1,936,297)</u>	<u>(1,948,197)</u>	<u>(197,623)</u>	<u>1,750,574</u>
Fund balances (deficits), beginning of year			(142,306)	(142,306)
Fund balances (deficits), end of year	<u>\$ (1,936,297)</u>	<u>\$ (1,948,197)</u>	<u>\$ (339,929)</u>	<u>\$ 1,608,268</u>

See accompanying notes to this schedule.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OTHER FEDERAL PROJECTS
YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 1,110,794	\$ 1,110,794
Total revenues			<u>1,110,794</u>	<u>1,110,794</u>
Expenditures:				
Current -				
Instruction	1,671,550	2,580,897	527,110	2,053,787
Support services - students and staff			265,099	(265,099)
Support services - administration			87,880	(87,880)
Operation and maintenance of plant services			172,491	(172,491)
Student transportation services			5,563	(5,563)
Operation of non-instructional services			199,615	(199,615)
Capital outlay			546,170	(546,170)
Total expenditures	<u>1,671,550</u>	<u>2,580,897</u>	<u>1,803,928</u>	<u>776,969</u>
Excess (deficiency) of revenues over expenditures	<u>(1,671,550)</u>	<u>(2,580,897)</u>	<u>(693,134)</u>	<u>1,887,763</u>
Other financing sources (uses):				
Transfers out			(321,622)	(321,622)
Total other financing sources (uses)			<u>(321,622)</u>	<u>(321,622)</u>
Changes in fund balances	<u>(1,671,550)</u>	<u>(2,580,897)</u>	<u>(1,014,756)</u>	<u>1,566,141</u>
Fund balances, beginning of year				
Fund balances (deficits), end of year	<u>\$ (1,671,550)</u>	<u>\$ (2,580,897)</u>	<u>\$ (1,014,756)</u>	<u>\$ 1,566,141</u>

See accompanying notes to this schedule.

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**STANDARD SCHOOL DISTRICT/GOVERNMENT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
District's proportion of the net pension (assets) liability	0.12%	0.12%	0.12%	0.12%
District's proportionate share of the net pension (assets) liability	\$ 19,993,071	\$ 16,679,999	\$ 17,308,977	\$ 18,607,982
District's covered payroll	\$ 12,320,489	\$ 12,318,247	\$ 12,331,284	\$ 11,670,083
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	162.27%	135.41%	140.37%	159.45%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,527,428	\$ 1,410,696	\$ 1,377,180	\$ 1,344,110
Contributions in relation to the actuarially determined contribution	<u>1,527,428</u>	<u>1,410,696</u>	<u>1,377,180</u>	<u>1,344,110</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 13,110,970	\$ 12,320,489	\$ 12,318,247	\$ 12,331,284
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%

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

See accompanying notes to this schedule.

<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2016	June 30, 2015	June 30, 2014
0.13%	0.13%	0.14%
\$ 20,460,337	\$ 20,007,267	\$ 20,086,338
\$ 11,779,438	\$ 11,861,423	\$ 12,159,654
173.70%	168.68%	165.19%
67.06%	68.35%	69.49%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 1,258,035	\$ 1,278,069	\$ 1,291,709
<u>1,258,035</u>	<u>1,278,069</u>	<u>1,291,709</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 11,670,083	\$ 11,779,438	\$ 11,861,423
10.78%	10.85%	10.89%

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	<u>Total</u>	<u>Fund</u>
	<u>Expenditures</u>	<u>Balances</u>
		<u>End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$16,483,715	\$ 6,492,684
Activity budgeted as special revenue funds	(786,763)	(2,501,829)
Activity budgeted as capital projects funds		(98,596)
Employee insurance account	(7,630)	(88,753)
Schedule of Revenues, Expenditures and Changes in Fund		
Balances – Budget and Actual – General Fund	\$15,689,322	\$ 3,803,506

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 3,632,301	\$ 1,620,037	\$ 5,252,338
Property taxes receivable		22,515	22,515
Due from governmental entities	658,457		658,457
Total assets	<u>\$ 4,290,758</u>	<u>\$ 1,642,552</u>	<u>\$ 5,933,310</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 222,007	\$ 147,738	\$ 369,745
Due to other funds	359,032		359,032
Accrued payroll and employee benefits	6,476		6,476
Unearned revenues	108		108
Total liabilities	<u>587,623</u>	<u>147,738</u>	<u>735,361</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		13,317	13,317
Unavailable revenues - intergovernmental	163,556		163,556
Total deferred inflows of resources	<u>163,556</u>	<u>13,317</u>	<u>176,873</u>
Fund balances (deficits):			
Restricted	3,673,664	1,481,497	5,155,161
Unassigned	(134,085)		(134,085)
Total fund balances	<u>3,539,579</u>	<u>1,481,497</u>	<u>5,021,076</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 4,290,758</u>	 <u>\$ 1,642,552</u>	 <u>\$ 5,933,310</u>

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 151,963	\$ 104,019	\$ 255,982
Property taxes		1,385,143	1,385,143
State aid and grants	1,406,059		1,406,059
Federal aid, grants and reimbursements	3,890,451		3,890,451
Total revenues	<u>5,448,473</u>	<u>1,489,162</u>	<u>6,937,635</u>
Expenditures:			
Current -			
Instruction	1,872,417		1,872,417
Support services - students and staff	476,029		476,029
Support services - administration	22,691		22,691
Operation and maintenance of plant services	83,227		83,227
Operation of non-instructional services	2,408,111		2,408,111
Capital outlay	257,152	1,362,968	1,620,120
Total expenditures	<u>5,119,627</u>	<u>1,362,968</u>	<u>6,482,595</u>
Excess (deficiency) of revenues over expenditures	<u>328,846</u>	<u>126,194</u>	<u>455,040</u>
Other financing sources (uses):			
Transfers out	(591,863)		(591,863)
Total other financing sources (uses)	<u>(591,863)</u>	<u></u>	<u>(591,863)</u>
Changes in fund balances	<u>(263,017)</u>	<u>126,194</u>	<u>(136,823)</u>
Fund balances, beginning of year	3,802,596	1,355,303	5,157,899
Fund balances, end of year	<u>\$ 3,539,579</u>	<u>\$ 1,481,497</u>	<u>\$ 5,021,076</u>

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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.

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

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

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

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

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.

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

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021**

	Classroom Site	Instructional Improvement	County, City, and Town Grants
<u>ASSETS</u>			
Cash and investments	\$ 1,847,883	\$ 471,572	\$ 1,976
Due from governmental entities			
Total assets	\$ 1,847,883	\$ 471,572	\$ 1,976
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities			
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	1,847,883	471,572	1,976
Unassigned			
Total fund balances	1,847,883	471,572	1,976
 Total liabilities, deferred inflows of resources and fund balances	\$ 1,847,883	\$ 471,572	\$ 1,976

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Special Education Grants	E-Rate	Gifted
\$ 103,143	\$ 24,397	\$ 1,784	\$ 229,708	\$ 299,005	\$ 5
<u>\$ 103,143</u>	<u>\$ 24,397</u>	<u>\$ 1,784</u>	<u>\$ 229,708</u>	<u>\$ 96,134</u>	<u>\$ 5</u>
				<u>\$ 395,139</u>	<u>\$ 5</u>
\$ 103,143	\$ 24,397	\$ 1,784	\$ 229,708	\$ 17,830	\$
<u>103,143</u>	<u>24,397</u>	<u>1,784</u>	<u>229,708</u>	<u>17,830</u>	<u>5</u>
<u>87,236</u>	<u>7,517</u>	<u>1,784</u>	<u>37,548</u>		<u>5</u>
<u>(87,236)</u>	<u>(7,517)</u>	<u>(1,784)</u>	<u>(37,548)</u>	377,309	
<u>(87,236)</u>	<u>(7,517)</u>	<u>(1,784)</u>	<u>(37,548)</u>	<u>377,309</u>	
<u>\$ 103,143</u>	<u>\$ 24,397</u>	<u>\$ 1,784</u>	<u>\$ 229,708</u>	<u>\$ 395,139</u>	<u>\$ 5</u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021**

	Results-based Funding	Other State Projects	Food Service
<u>ASSETS</u>			
Cash and investments	\$ 103	\$ 278,841	\$ 251,801
Due from governmental entities		29,471	173,820
Total assets	\$ 103	\$ 308,312	\$ 425,621
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 68,265	\$ 135,912
Due to other funds			
Accrued payroll and employee benefits		6,476	
Unearned revenues		103	
Total liabilities		74,844	135,912
Deferred inflows of resources:			
Unavailable revenues - intergovernmental		29,471	
Fund balances (deficits):			
Restricted	103	203,997	289,709
Unassigned			
Total fund balances	103	203,997	289,709
 Total liabilities, deferred inflows of resources and fund balances	 \$ 103	 \$ 308,312	 \$ 425,621

<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Fingerprint</u>	<u>Textbooks</u>	<u>Student Activities</u>
\$ 107,741	\$ 39,454	\$ 286,419	\$ 704	\$ 16,009	\$ 30,788
<u>\$ 107,741</u>	<u>\$ 39,454</u>	<u>\$ 286,419</u>	<u>\$ 704</u>	<u>\$ 16,009</u>	<u>\$ 30,788</u>
\$	\$	\$	\$	\$	\$
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
107,741	39,454	286,419	704	16,009	30,788
<u>107,741</u>	<u>39,454</u>	<u>286,419</u>	<u>704</u>	<u>16,009</u>	<u>30,788</u>
<u>\$ 107,741</u>	<u>\$ 39,454</u>	<u>\$ 286,419</u>	<u>\$ 704</u>	<u>\$ 16,009</u>	<u>\$ 30,788</u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021**

	Totals
<u>ASSETS</u>	
Cash and investments	\$ 3,632,301
Due from governmental entities	658,457
Total assets	\$ 4,290,758
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>	
Liabilities:	
Accounts payable	\$ 222,007
Due to other funds	359,032
Accrued payroll and employee benefits	6,476
Unearned revenues	108
Total liabilities	587,623
Deferred inflows of resources:	
Unavailable revenues - intergovernmental	163,556
Fund balances (deficits):	
Restricted	3,673,664
Unassigned	(134,085)
Total fund balances	3,539,579
 Total liabilities, deferred inflows of resources and fund balances	 \$ 4,290,758

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BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Classroom Site	Instructional Improvement	County, City, and Town Grants
Revenues:			
Other local	\$ 31,437	\$ 1,677	\$ 1,976
State aid and grants	1,066,236	92,950	
Federal aid, grants and reimbursements			
Total revenues	1,097,673	94,627	1,976
Expenditures:			
Current -			
Instruction	1,362,708	49,040	
Support services - students and staff	32,799		
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,395,507	49,040	
Excess (deficiency) of revenues over expenditures	(297,834)	45,587	1,976
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(297,834)	45,587	1,976
Fund balances (deficits), beginning of year	2,145,717	425,985	
Fund balances (deficits), end of year	\$ 1,847,883	\$ 471,572	\$ 1,976

Professional Development and Technology Grants	Title IV Grants	Limited English and Immigrant Students	Special Education Grants	Homeless Education	E-Rate
\$	\$	\$	\$	\$	\$ 2,984
89,384	46,512	27,837	506,693	15,000	249,017
<u>89,384</u>	<u>46,512</u>	<u>27,837</u>	<u>506,693</u>	<u>15,000</u>	<u>252,001</u>
152,277	33,724	24,182	277,205	15,000	14,135
	12,017		204,251		8,742
	1,620	255			788
<u>152,277</u>	<u>47,361</u>	<u>24,437</u>	<u>481,456</u>	<u>15,000</u>	<u>110,595</u>
(62,893)	(849)	3,400	25,237		117,741
(11,223)	(3,490)	(1,784)	(34,319)		
<u>(11,223)</u>	<u>(3,490)</u>	<u>(1,784)</u>	<u>(34,319)</u>		
(74,116)	(4,339)	1,616	(9,082)		117,741
(13,120)	(3,178)	(3,400)	(28,466)		259,568
<u>\$ (87,236)</u>	<u>\$ (7,517)</u>	<u>\$ (1,784)</u>	<u>\$ (37,548)</u>	<u>\$</u>	<u>\$ 377,309</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Gifted	Results-based Funding	Other State Projects
Revenues:			
Other local	\$	\$	\$
State aid and grants	98	103	246,672
Federal aid, grants and reimbursements			
Total revenues	98	103	246,672
Expenditures:			
Current -			
Instruction	98		83,358
Support services - students and staff			36,143
Support services - administration			1,727
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			110,000
Total expenditures	98		231,228
Excess (deficiency) of revenues over expenditures		103	15,444
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances		103	15,444
Fund balances (deficits), beginning of year			188,553
Fund balances, end of year	\$	\$ 103	\$ 203,997

<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Fingerprint</u>	<u>Textbooks</u>
\$ 17,024	\$ 19,128	\$ 4,586	\$ 72,167	\$	\$
2,956,008					
<u>2,973,032</u>	<u>19,128</u>	<u>4,586</u>	<u>72,167</u>		
	15,123	9,007	15,115	1,176	1,477
	9,407				
	10,347				
30,870	51,569				
2,403,652		4,459			
31,805	4,752				
<u>2,466,327</u>	<u>91,198</u>	<u>13,466</u>	<u>15,115</u>	<u>1,176</u>	<u>1,477</u>
<u>506,705</u>	<u>(72,070)</u>	<u>(8,880)</u>	<u>57,052</u>	<u>(1,176)</u>	<u>(1,477)</u>
(541,047)					
<u>(541,047)</u>					
(34,342)	(72,070)	(8,880)	57,052	(1,176)	(1,477)
324,051	179,811	48,334	229,367	1,880	17,486
<u>\$ 289,709</u>	<u>\$ 107,741</u>	<u>\$ 39,454</u>	<u>\$ 286,419</u>	<u>\$ 704</u>	<u>\$ 16,009</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Student Activities</u>	<u>Totals</u>
Revenues:		
Other local	\$ 984	\$ 151,963
State aid and grants		1,406,059
Federal aid, grants and reimbursements		3,890,451
Total revenues	<u>984</u>	<u>5,448,473</u>
Expenditures:		
Current -		
Instruction	204	1,872,417
Support services - students and staff		476,029
Support services - administration		22,691
Operation and maintenance of plant services		83,227
Operation of non-instructional services		2,408,111
Capital outlay		257,152
Total expenditures	<u>204</u>	<u>5,119,627</u>
Excess (deficiency) of revenues over expenditures	<u>780</u>	<u>328,846</u>
Other financing sources (uses):		
Transfers out		(591,863)
Total other financing sources (uses)		<u>(591,863)</u>
Changes in fund balances	<u>780</u>	<u>(263,017)</u>
Fund balances (deficits), beginning of year	30,008	3,802,596
Fund balances, end of year	<u>\$ 30,788</u>	<u>\$ 3,539,579</u>

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BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$	\$ 31,437	\$ 31,437
State aid and grants		1,066,236	1,066,236
Federal aid, grants and reimbursements			
Total revenues		1,097,673	1,097,673
Expenditures:			
Current -			
Instruction	2,321,181	1,362,708	958,473
Support services - students and staff		32,799	(32,799)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	2,321,181	1,395,507	925,674
Excess (deficiency) of revenues over expenditures	(2,321,181)	(297,834)	2,023,347
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(2,321,181)	(297,834)	2,023,347
Fund balances (deficits), beginning of year		2,145,717	2,145,717
Fund balances (deficits), end of year	\$ (2,321,181)	\$ 1,847,883	\$ 4,169,064

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,677 92,950	\$ 1,677 92,950	\$	\$ 1,976	\$ 1,976
	<u>94,627</u>	<u>94,627</u>		<u>1,976</u>	<u>1,976</u>
144,000	49,040	94,960			
<u>144,000</u>	<u>49,040</u>	<u>94,960</u>			
<u>(144,000)</u>	<u>45,587</u>	<u>189,587</u>		<u>1,976</u>	<u>1,976</u>
<u>(144,000)</u>	<u>45,587</u>	<u>189,587</u>		<u>1,976</u>	<u>1,976</u>
	425,985	425,985			
<u>\$ (144,000)</u>	<u>\$ 471,572</u>	<u>\$ 615,572</u>	<u>\$</u>	<u>\$ 1,976</u>	<u>\$ 1,976</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		89,384	89,384
Total revenues		89,384	89,384
Expenditures:			
Current -			
Instruction			
Support services - students and staff	226,192	152,277	73,915
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	226,192	152,277	73,915
Excess (deficiency) of revenues over expenditures	(226,192)	(62,893)	163,299
Other financing sources (uses):			
Transfers in			
Transfers out		(11,223)	(11,223)
Total other financing sources (uses)		(11,223)	(11,223)
Changes in fund balances	(226,192)	(74,116)	152,076
Fund balances (deficits), beginning of year		(13,120)	(13,120)
Fund balances (deficits), end of year	\$ (226,192)	\$ (87,236)	\$ 138,956

Title IV Grants			Limited English and Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	46,512	46,512		27,837	27,837
	46,512	46,512		27,837	27,837
138,760	33,724	105,036	119,910	24,182	95,728
	12,017	(12,017)		255	(255)
	1,620	(1,620)			
<u>138,760</u>	<u>47,361</u>	<u>91,399</u>	<u>119,910</u>	<u>24,437</u>	<u>95,473</u>
<u>(138,760)</u>	<u>(849)</u>	<u>137,911</u>	<u>(119,910)</u>	<u>3,400</u>	<u>123,310</u>
	(3,490)	(3,490)		(1,784)	(1,784)
	(3,490)	(3,490)		(1,784)	(1,784)
<u>(138,760)</u>	<u>(4,339)</u>	<u>134,421</u>	<u>(119,910)</u>	<u>1,616</u>	<u>121,526</u>
	(3,178)	(3,178)		(3,400)	(3,400)
<u>\$ (138,760)</u>	<u>\$ (7,517)</u>	<u>\$ 131,243</u>	<u>\$ (119,910)</u>	<u>\$ (1,784)</u>	<u>\$ 118,126</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Special Education Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		506,693	506,693
Total revenues		506,693	506,693
Expenditures:			
Current -			
Instruction	585,445	277,205	308,240
Support services - students and staff		204,251	(204,251)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	585,445	481,456	103,989
Excess (deficiency) of revenues over expenditures	(585,445)	25,237	610,682
Other financing sources (uses):			
Transfers in			
Transfers out		(34,319)	(34,319)
Total other financing sources (uses)		(34,319)	(34,319)
Changes in fund balances	(585,445)	(9,082)	576,363
Fund balances (deficits), beginning of year		(28,466)	(28,466)
Fund balances (deficits), end of year	\$ (585,445)	\$ (37,548)	\$ 547,897

Homeless Education			Medicaid Reimbursement		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$ 1,304	\$ 1,304
	15,000	15,000		123,052	123,052
	15,000	15,000		124,356	124,356
15,000	15,000		233,424	30,675	202,749
				23,690	(23,690)
				1,420	(1,420)
				1,994	(1,994)
15,000	15,000		233,424	57,779	175,645
(15,000)		15,000	(233,424)	66,577	300,001
(15,000)		15,000	(233,424)	66,577	300,001
				272,615	272,615
\$ (15,000)	\$	\$ 15,000	\$ (233,424)	\$ 339,192	\$ 572,616

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	E-Rate		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 2,984	\$ 2,984
State aid and grants			
Federal aid, grants and reimbursements		249,017	249,017
Total revenues		<u>252,001</u>	<u>252,001</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff	263,327	14,135	249,192
Support services - administration		8,742	(8,742)
Operation and maintenance of plant services		788	(788)
Student transportation services			
Operation of non-instructional services			
Capital outlay		110,595	(110,595)
Total expenditures	<u>263,327</u>	<u>134,260</u>	<u>129,067</u>
Excess (deficiency) of revenues over expenditures	<u>(263,327)</u>	<u>117,741</u>	<u>381,068</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	<u>(263,327)</u>	<u>117,741</u>	<u>381,068</u>
Fund balances (deficits), beginning of year		259,568	259,568
Fund balances (deficits), end of year	<u>\$ (263,327)</u>	<u>\$ 377,309</u>	<u>\$ 640,636</u>

Gifted			Results-based Funding		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 98	\$ 98	\$	\$ 103	\$ 103
	<u>98</u>	<u>98</u>		<u>103</u>	<u>103</u>
2,366	98	2,268			
<u>2,366</u>	<u>98</u>	<u>2,268</u>			
<u>(2,366)</u>		<u>2,366</u>		<u>103</u>	<u>103</u>
<u>(2,366)</u>		<u>2,366</u>		<u>103</u>	<u>103</u>
<u>\$ (2,366)</u>	<u>\$</u>	<u>\$ 2,366</u>	<u>\$</u>	<u>\$ 103</u>	<u>\$ 103</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		246,672	246,672
Federal aid, grants and reimbursements			
Total revenues		246,672	246,672
Expenditures:			
Current -			
Instruction	423,543	83,358	340,185
Support services - students and staff		36,143	(36,143)
Support services - administration		1,727	(1,727)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		110,000	(110,000)
Total expenditures	423,543	231,228	192,315
Excess (deficiency) of revenues over expenditures	(423,543)	15,444	438,987
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(423,543)	15,444	438,987
Fund balances (deficits), beginning of year		188,553	188,553
Fund balances (deficits), end of year	\$ (423,543)	\$ 203,997	\$ 627,540

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 478,516	\$ 478,516	\$	\$ 17,024	\$ 17,024
				2,956,008	2,956,008
	<u>478,516</u>	<u>478,516</u>		<u>2,973,032</u>	<u>2,973,032</u>
	9,172	(9,172)			
	54,963	(54,963)			
496,707	33,610	463,097		30,870	(30,870)
			2,712,873	2,403,652	309,221
	<u>36,351</u>	<u>(36,351)</u>		<u>31,805</u>	<u>(31,805)</u>
<u>496,707</u>	<u>134,096</u>	<u>362,611</u>	<u>2,712,873</u>	<u>2,466,327</u>	<u>246,546</u>
<u>(496,707)</u>	<u>344,420</u>	<u>841,127</u>	<u>(2,712,873)</u>	<u>506,705</u>	<u>3,219,578</u>
				(541,047)	(541,047)
				<u>(541,047)</u>	<u>(541,047)</u>
<u>(496,707)</u>	<u>344,420</u>	<u>841,127</u>	<u>(2,712,873)</u>	<u>(34,342)</u>	<u>2,678,531</u>
	384,887	384,887		324,051	324,051
<u>\$ (496,707)</u>	<u>\$ 729,307</u>	<u>\$ 1,226,014</u>	<u>\$ (2,712,873)</u>	<u>\$ 289,709</u>	<u>\$ 3,002,582</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$	\$ 19,128	\$ 19,128
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	223,058	19,128	19,128
Expenditures:			
Current -			
Instruction		15,123	(15,123)
Support services - students and staff		9,407	(9,407)
Support services - administration		10,347	(10,347)
Operation and maintenance of plant services	223,058	51,569	171,489
Student transportation services			
Operation of non-instructional services			
Capital outlay		4,752	(4,752)
Total expenditures	223,058	91,198	131,860
Excess (deficiency) of revenues over expenditures	(223,058)	(72,070)	150,988
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(223,058)	(72,070)	150,988
Fund balances (deficits), beginning of year		179,811	179,811
Fund balances (deficits), end of year	\$ (223,058)	\$ 107,741	\$ 330,799

Community School			Extracurricular Activities Fees Tax Credit		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 4,586	\$ 4,586	\$	\$ 72,167	\$ 72,167
	<u>4,586</u>	<u>4,586</u>		<u>72,167</u>	<u>72,167</u>
52,369	9,007	43,362	231,792	15,115	216,677
	4,459	(4,459)			
<u>52,369</u>	<u>13,466</u>	<u>38,903</u>	<u>231,792</u>	<u>15,115</u>	<u>216,677</u>
<u>(52,369)</u>	<u>(8,880)</u>	<u>43,489</u>	<u>(231,792)</u>	<u>57,052</u>	<u>288,844</u>
<u>(52,369)</u>	<u>(8,880)</u>	<u>43,489</u>	<u>(231,792)</u>	<u>57,052</u>	<u>288,844</u>
	48,334	48,334		229,367	229,367
<u>\$ (52,369)</u>	<u>\$ 39,454</u>	<u>\$ 91,823</u>	<u>\$ (231,792)</u>	<u>\$ 286,419</u>	<u>\$ 518,211</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Gifts and Donations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 45,792	\$ 45,792
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		45,792	45,792
Expenditures:			
Current -			
Instruction		20,540	(20,540)
Support services - students and staff	274,175	85,862	188,313
Support services - administration		4,344	(4,344)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		2,407	(2,407)
Capital outlay			
Total expenditures	274,175	113,153	161,022
Excess (deficiency) of revenues over expenditures	(274,175)	(67,361)	206,814
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(274,175)	(67,361)	206,814
Fund balances (deficits), beginning of year		286,569	286,569
Fund balances (deficits), end of year	\$ (274,175)	\$ 219,208	\$ 493,383

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
2,163	1,176	987	15,173	1,477	13,696
<u>2,163</u>	<u>1,176</u>	<u>987</u>	<u>15,173</u>	<u>1,477</u>	<u>13,696</u>
<u>(2,163)</u>	<u>(1,176)</u>	<u>987</u>	<u>(15,173)</u>	<u>(1,477)</u>	<u>13,696</u>
<u>(2,163)</u>	<u>(1,176)</u>	<u>987</u>	<u>(15,173)</u>	<u>(1,477)</u>	<u>13,696</u>
	1,880	1,880		17,486	17,486
<u>\$ (2,163)</u>	<u>\$ 704</u>	<u>\$ 2,867</u>	<u>\$ (15,173)</u>	<u>\$ 16,009</u>	<u>\$ 31,182</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$	\$ 9,710	\$ 9,710
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	11,000	9,710	9,710
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	11,000	1,799	9,201
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	11,000	1,799	9,201
Excess (deficiency) of revenues over expenditures	(11,000)	7,911	18,911
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(11,000)	7,911	18,911
Fund balances (deficits), beginning of year		12,107	12,107
Fund balances (deficits), end of year	\$ (11,000)	\$ 20,018	\$ 31,018

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	7,701	(7,701)			
	40,775	(40,775)			
787,318	347,028	440,290			
	42,916	(42,916)	12,200	1,484	10,716
	38,453	(38,453)			
<u>787,318</u>	<u>476,873</u>	<u>310,445</u>	<u>12,200</u>	<u>1,484</u>	<u>10,716</u>
<u>(787,318)</u>	<u>(476,873)</u>	<u>310,445</u>	<u>(12,200)</u>	<u>(1,484)</u>	<u>10,716</u>
	1,029,425	1,029,425			
	<u>1,029,425</u>	<u>1,029,425</u>			
<u>(787,318)</u>	<u>552,552</u>	<u>1,339,870</u>	<u>(12,200)</u>	<u>(1,484)</u>	<u>10,716</u>
	624,018	624,018		16,611	16,611
<u>\$ (787,318)</u>	<u>\$ 1,176,570</u>	<u>\$ 1,963,888</u>	<u>\$ (12,200)</u>	<u>\$ 15,127</u>	<u>\$ 27,327</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Advertisement		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	3,049	1,579	1,470
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	3,049	1,579	1,470
Excess (deficiency) of revenues over expenditures	(3,049)	(1,579)	1,470
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(3,049)	(1,579)	1,470
Fund balances (deficits), beginning of year		3,986	3,986
Fund balances (deficits), end of year	\$ (3,049)	\$ 2,407	\$ 5,456

Student Activities			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 984	\$ 984	\$	\$ 687,285	\$ 687,285
				1,406,059	1,406,059
				4,013,503	4,013,503
	<u>984</u>	<u>984</u>		<u>6,106,847</u>	<u>6,106,847</u>
49,933	204	49,729	4,323,108	1,932,912	2,390,196
			778,694	635,528	143,166
			798,318	432,245	366,073
			731,965	161,237	570,728
				38,453	(38,453)
			2,712,873	2,410,518	302,355
				295,497	(295,497)
<u>49,933</u>	<u>204</u>	<u>49,729</u>	<u>9,344,958</u>	<u>5,906,390</u>	<u>3,438,568</u>
<u>(49,933)</u>	<u>780</u>	<u>50,713</u>	<u>(9,344,958)</u>	<u>200,457</u>	<u>9,545,415</u>
				1,029,425	1,029,425
				(591,863)	(591,863)
				<u>437,562</u>	<u>437,562</u>
<u>(49,933)</u>	<u>780</u>	<u>50,713</u>	<u>(9,344,958)</u>	<u>638,019</u>	<u>9,982,977</u>
	30,008	30,008		5,403,389	5,403,389
<u>\$ (49,933)</u>	<u>\$ 30,788</u>	<u>\$ 80,721</u>	<u>\$ (9,344,958)</u>	<u>\$ 6,041,408</u>	<u>\$ 15,386,366</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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 6,175	\$ 6,175
Property taxes		2,946,358	2,946,358
Total revenues		<u>2,952,533</u>	<u>2,952,533</u>
Expenditures:			
Debt service -			
Principal retirement	2,270,000	2,270,000	
Interest and fiscal charges	1,205,163	1,204,878	285
Total expenditures	<u>3,475,163</u>	<u>3,474,878</u>	<u>285</u>
Excess (deficiency) of revenues over expenditures	<u>(3,475,163)</u>	<u>(522,345)</u>	<u>2,952,818</u>
Other financing sources (uses):			
Transfers in		59,876	59,876
Total other financing sources (uses)		<u>59,876</u>	<u>59,876</u>
Changes in fund balances	<u>(3,475,163)</u>	<u>(462,469)</u>	<u>3,012,694</u>
Fund balances, beginning of year		681,325	681,325
Fund balances (deficits), end of year	<u>\$ (3,475,163)</u>	<u>\$ 218,856</u>	<u>\$ 3,694,019</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2021**

	<u>Unrestricted Capital Outlay</u>	<u>Adjacent Ways</u>	<u>Energy and Water Savings</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,447,938	\$ 152,206	\$ 19,893
Property taxes receivable	22,515		
Total assets	<u>\$ 1,470,453</u>	<u>\$ 152,206</u>	<u>\$ 19,893</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 147,738	\$	\$
Total liabilities	<u>147,738</u>	<u></u>	<u></u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	<u>13,317</u>	<u></u>	<u></u>
Fund balances:			
Restricted	<u>1,309,398</u>	<u>152,206</u>	<u>19,893</u>
Total fund balances	<u>1,309,398</u>	<u>152,206</u>	<u>19,893</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,470,453</u>	<u>\$ 152,206</u>	<u>\$ 19,893</u>

Totals

\$ 1,620,037
22,515
\$ 1,642,552

\$ 147,738
147,738

13,317

1,481,497
1,481,497

\$ 1,642,552

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Unrestricted Capital Outlay	Adjacent Ways	Energy and Water Savings
Revenues:			
Other local	\$ 86,498	\$ 1,401	\$ 16,120
Property taxes	1,385,143		
Total revenues	1,471,641	1,401	16,120
Expenditures:			
Capital outlay	1,361,175	1,793	
Total expenditures	1,361,175	1,793	
Changes in fund balances	110,466	(392)	16,120
Fund balances, beginning of year	1,198,932	152,598	3,773
Fund balances, end of year	\$ 1,309,398	\$ 152,206	\$ 19,893

Totals

\$ 104,019
1,385,143
1,489,162

1,362,968
1,362,968

126,194

1,355,303

\$ 1,481,497

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Proceeds		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$ 5,787	\$ 5,787
Property taxes			
State aid and grants			
Total revenues		5,787	5,787
Expenditures:			
Current -			
Instruction	62,300		62,300
Capital outlay			
Total expenditures	62,300		62,300
Excess (deficiency) of revenues over expenditures	(62,300)	5,787	68,087
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(62,300)	5,787	68,087
Fund balances (deficits), beginning of year		92,809	92,809
Fund balances (deficits), end of year	\$ (62,300)	\$ 98,596	\$ 160,896

Unrestricted Capital Outlay			Adjacent Ways		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 86,498	\$ 86,498	\$	\$ 1,401	\$ 1,401
	1,385,143	1,385,143			
	<u>1,471,641</u>	<u>1,471,641</u>		<u>1,401</u>	<u>1,401</u>
<u>2,889,032</u>	<u>1,361,175</u>	<u>1,527,857</u>	<u>122,629</u>	<u>1,793</u>	<u>120,836</u>
<u>2,889,032</u>	<u>1,361,175</u>	<u>1,527,857</u>	<u>122,629</u>	<u>1,793</u>	<u>120,836</u>
<u>(2,889,032)</u>	<u>110,466</u>	<u>2,999,498</u>	<u>(122,629)</u>	<u>(392)</u>	<u>122,237</u>
<u>(2,889,032)</u>	<u>110,466</u>	<u>2,999,498</u>	<u>(122,629)</u>	<u>(392)</u>	<u>122,237</u>
	1,198,932	1,198,932		152,598	152,598
<u>\$ (2,889,032)</u>	<u>\$ 1,309,398</u>	<u>\$ 4,198,430</u>	<u>\$ (122,629)</u>	<u>\$ 152,206</u>	<u>\$ 274,835</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Bond Building		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 59,876	\$ 59,876
Property taxes			
State aid and grants			
Total revenues		59,876	59,876
Expenditures:			
Current -			
Instruction			
Capital outlay	10,115,748	3,336,257	6,779,491
Total expenditures	10,115,748	3,336,257	6,779,491
Excess (deficiency) of revenues over expenditures	(10,115,748)	(3,276,381)	6,839,367
Other financing sources (uses):			
Transfers out		(59,876)	(59,876)
Total other financing sources (uses)		(59,876)	(59,876)
Changes in fund balances	(10,115,748)	(3,336,257)	6,779,491
Fund balances (deficits), beginning of year		6,204,438	6,204,438
Fund balances (deficits), end of year	\$ (10,115,748)	\$ 2,868,181	\$ 12,983,929

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$	\$ 169,682	\$ 169,682
Property taxes		1,385,143	1,385,143
State aid and grants		284,778	284,778
Total revenues		1,839,603	1,839,603
Expenditures:			
Current -			
Instruction	62,300		62,300
Capital outlay	13,858,641	5,367,204	8,491,437
Total expenditures	13,920,941	5,367,204	8,553,737
Excess (deficiency) of revenues over expenditures	(13,920,941)	(3,527,601)	10,393,340
Other financing sources (uses):			
Transfers out		(59,876)	(59,876)
Total other financing sources (uses)		(59,876)	(59,876)
Changes in fund balances	(13,920,941)	(3,587,477)	10,333,464
Fund balances (deficits), beginning of year		7,420,923	7,420,923
Fund balances (deficits), end of year	\$ (13,920,941)	\$ 3,833,446	\$ 17,754,387

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.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 40,053,867	\$ 41,189,501	\$ 41,663,703	\$ 41,013,935	\$ 40,453,289
Restricted	5,445,091	6,072,372	5,019,858	5,407,971	5,142,380
Unrestricted	(8,566,900)	(10,282,666)	(12,159,663)	(13,715,808)	(14,954,889)
Total net position	\$ 36,932,058	\$ 36,979,207	\$ 34,523,898	\$ 32,706,098	\$ 30,640,780
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position					
Net investment in capital assets	\$ 39,758,473	\$ 38,640,803	\$ 30,183,506	\$ 28,771,451	\$ 28,482,376
Restricted	4,818,387	3,795,263	3,831,932	4,050,174	4,148,454
Unrestricted	(15,225,730)	(16,295,490)	3,936,030	5,950,114	4,555,959
Total net position	\$ 29,351,130	\$ 26,140,576	\$ 37,951,468	\$ 38,771,739	\$ 37,186,789

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

Note: In the fiscal year ended June 30, 2015, the District implemented GASB Statement No. 68, which caused a deficit in unrestricted net position due to the recording of the District's proportionate share of the state pension plan's unfunded liability.

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 14,919,756	\$ 13,034,041	\$ 13,054,261	\$ 11,904,066	\$ 13,096,152
Support services - students and staff	3,570,010	3,567,834	3,005,995	3,323,231	3,822,660
Support services - administration	3,658,376	2,739,701	2,865,072	2,785,807	2,883,186
Operation and maintenance of plant services	3,756,063	3,098,334	2,900,243	2,851,337	2,650,892
Student transportation services	1,554,877	1,392,205	1,358,749	1,153,544	1,196,456
Operation of non-instructional services	3,025,209	2,379,002	2,252,107	2,446,262	2,425,334
Interest on long-term debt	1,010,339	1,433,969	293,724	338,986	399,086
Total expenses	<u>31,494,630</u>	<u>27,645,086</u>	<u>25,730,151</u>	<u>24,803,233</u>	<u>26,473,766</u>
Program Revenues					
Charges for services:					
Instruction	53,359	177,843	191,756	33,200	63,918
Operation of non-instructional services	11,770	17,202	58,274	289,869	398,787
Other activities	447,783	465,438	466,119	302,035	97,850
Operating grants and contributions	7,232,392	5,966,505	6,136,280	6,389,372	6,052,933
Capital grants and contributions	1,434,744	387,931	741,413	295,829	695,559
Total program revenues	<u>9,180,048</u>	<u>7,014,919</u>	<u>7,593,842</u>	<u>7,310,305</u>	<u>7,309,047</u>
Net (Expense)/Revenue	<u>\$ (22,314,582)</u>	<u>\$ (20,630,167)</u>	<u>\$ (18,136,309)</u>	<u>\$ (17,492,928)</u>	<u>\$ (19,164,719)</u>

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 11,900,412	\$ 12,374,299	\$ 12,781,875	\$ 12,454,261	\$ 11,440,196
Support services - students and staff	3,510,039	3,430,901	3,283,906	3,040,258	3,164,240
Support services - administration	2,645,216	2,712,049	2,625,094	2,572,218	2,488,738
Operation and maintenance of plant services	2,653,406	2,474,993	2,384,196	2,144,670	2,225,326
Student transportation services	981,460	1,127,186	1,026,394	869,168	1,104,718
Operation of non-instructional services	2,247,788	2,143,825	2,160,462	2,113,412	2,233,673
Interest on long-term debt	465,836	533,336	449,352	583,255	634,016
Total expenses	<u>24,404,157</u>	<u>24,796,589</u>	<u>24,711,279</u>	<u>23,777,242</u>	<u>23,290,907</u>
Program Revenues					
Charges for services:					
Instruction	33,971	34,334	4,533	355,140	310,249
Operation of non-instructional services	37,751	64,811	180,150	33,759	178,052
Other activities	417,173	353,403	327,449	5,031	1,259
Operating grants and contributions	6,443,300	6,010,445	5,355,928	3,748,251	5,237,115
Capital grants and contributions	327,570	622,478	915,594	2,382,759	499,674
Total program revenues	<u>7,259,765</u>	<u>7,085,471</u>	<u>6,783,654</u>	<u>6,524,940</u>	<u>6,226,349</u>
Net (Expense)/Revenue	<u>\$ (17,144,392)</u>	<u>\$ (17,711,118)</u>	<u>\$ (17,927,625)</u>	<u>\$ (17,252,302)</u>	<u>\$ (17,064,558)</u>

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ (22,314,582)	\$ (20,630,167)	\$ (18,136,309)	\$ (17,492,928)	\$ (19,164,719)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	8,564,351	8,128,418	7,975,075	7,805,300	7,301,609
Property taxes, levied for debt service	2,912,393	3,554,069	1,926,257	2,305,090	2,581,190
Property taxes, levied for capital outlay	1,394,708	1,428,606	1,274,090	1,227,050	1,819,330
Investment income	177,976	551,776	285,983	75,656	55,944
Unrestricted county aid	728,769	663,773	647,801	660,192	721,344
Unrestricted state aid	8,366,184	8,580,137	7,698,953	7,334,757	7,872,507
Unrestricted federal aid	123,052	158,499	145,950	147,389	102,445
Total general revenues	22,267,433	23,065,278	19,954,109	19,555,434	20,454,369
Changes in Net Position	\$ (47,149)	\$ 2,435,111	\$ 1,817,800	\$ 2,062,506	\$ 1,289,650

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ (17,144,392)	\$ (17,711,118)	\$ (17,927,625)	\$ (17,252,302)	\$ (17,064,558)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	7,294,334	6,747,796	5,537,439	7,535,311	6,590,049
Property taxes, levied for debt service	2,787,182	2,514,917	2,784,934	2,593,661	3,052,773
Property taxes, levied for capital outlay	1,368,963	141,402	166,559		346,974
Investment income	35,198	47,470	62,805	64,612	107,062
Unrestricted county aid	713,015	707,542	707,516	723,772	737,248
Unrestricted state aid	8,045,884	7,949,054	7,789,758	7,879,644	7,206,301
Unrestricted federal aid	110,370	36,098	58,343	40,252	26,372
Total general revenues	<u>20,354,946</u>	<u>18,144,279</u>	<u>17,107,354</u>	<u>18,837,252</u>	<u>18,066,779</u>
Changes in Net Position	<u>\$ 3,210,554</u>	<u>\$ 433,161</u>	<u>\$ (820,271)</u>	<u>\$ 1,584,950</u>	<u>\$ 1,002,221</u>

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$	\$	\$	\$	\$
Unassigned	6,492,684	4,783,598	3,570,518	2,732,931	3,093,582
Total General Fund	\$ 6,492,684	\$ 4,783,598	\$ 3,570,518	\$ 2,732,931	\$ 3,093,582
All Other Governmental Funds:					
Nonspendable	\$	\$	\$	\$	\$
Restricted	8,242,198	12,091,826	28,533,954	5,204,238	4,942,412
Unassigned	(2,103,598)	(422,097)	(375,772)	(903,062)	(7,573)
Total all other governmental funds	\$ 6,138,600	\$ 11,669,729	\$ 28,168,382	\$ 4,301,176	\$ 4,934,839

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$	\$	\$	\$	\$ 130,000
Unassigned	3,136,937	2,075,161	1,794,565	3,139,889	2,295,840
Total General Fund	<u>\$ 3,136,937</u>	<u>\$ 2,075,161</u>	<u>\$ 1,794,565</u>	<u>\$ 3,139,889</u>	<u>\$ 2,425,840</u>
All Other Governmental Funds:					
Restricted	\$ 4,963,434	\$ 4,764,778	\$ 12,328,582	\$ 10,082,925	\$ 14,537,182
Unassigned		(81,677)	(77)		
Total all other governmental funds	<u>\$ 4,963,434</u>	<u>\$ 4,683,101</u>	<u>\$ 12,328,505</u>	<u>\$ 10,082,925</u>	<u>\$ 14,537,182</u>

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 3,638,870	\$ 3,261,687	\$ 4,245,612	\$ 2,859,024	\$ 3,919,005
National School Lunch Program	2,882,925	2,416,831	2,335,956	2,542,886	2,593,026
Total federal sources	6,521,795	5,678,518	6,581,568	5,401,910	6,512,031
State sources:					
State equalization assistance	7,070,028	7,293,079	6,485,720	5,769,666	6,777,717
State grants	246,873	222,079	191,502	171,250	77,376
School Facilities Board	284,778	169,034	721,113	287,129	61,254
Other revenues	1,296,156	1,287,058	1,213,233	1,565,091	1,094,790
Total state sources	8,897,835	8,971,250	8,611,568	7,793,136	8,011,137
Local sources:					
Property taxes	12,922,387	13,304,572	11,214,555	11,362,852	11,630,990
County aid	728,769	663,773	647,801	660,192	721,344
Food service sales	11,770	11,244	51,778	29,437	37,583
Investment income	177,976	551,776	285,983	75,656	55,944
Other revenues	645,958	896,009	811,349	725,619	730,768
Total local sources	14,486,860	15,427,374	13,011,466	12,853,756	13,176,629
Total revenues	\$ 29,906,490	\$ 30,077,142	\$ 28,204,602	\$ 26,048,802	\$ 27,699,797

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 4,162,312	\$ 3,478,747	\$ 3,826,637	\$ 4,012,796	\$ 3,459,893
Education Jobs					7,711
National School Lunch Program	2,298,120	2,237,477	2,212,438	2,046,499	1,985,790
Total federal sources	<u>6,460,432</u>	<u>5,716,224</u>	<u>6,039,075</u>	<u>6,059,295</u>	<u>5,453,394</u>
State sources:					
State equalization assistance	7,034,238	6,959,283	6,794,264	6,943,756	6,410,246
State grants	109,635	90,567	27,005	17,903	131,142
School Facilities Board	97,265	373,853			
Other revenues	1,011,646	989,771	995,494	935,888	796,055
Total state sources	<u>8,252,784</u>	<u>8,413,474</u>	<u>7,816,763</u>	<u>7,897,547</u>	<u>7,337,443</u>
Local sources:					
Property taxes	11,524,030	9,425,697	8,554,092	10,198,436	10,088,673
County aid	713,015	707,542	707,516	723,772	737,248
Food service sales	37,751	35,663	41,624	33,759	22,951
Investment income	34,589	47,470	62,805	64,612	107,062
Other revenues	763,255	816,978	724,073	439,458	550,068
Total local sources	<u>13,072,640</u>	<u>11,033,350</u>	<u>10,090,110</u>	<u>11,460,037</u>	<u>11,506,002</u>
Total revenues	<u>\$ 27,785,856</u>	<u>\$ 25,163,048</u>	<u>\$ 23,945,948</u>	<u>\$ 25,416,879</u>	<u>\$ 24,296,839</u>

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 11,540,863	\$ 11,327,067	\$ 11,143,897	\$ 10,846,215	\$ 10,090,436
Support services - students and staff	3,343,610	3,507,165	3,079,999	3,517,299	3,438,015
Support services - administration	2,887,994	2,547,270	2,734,315	2,837,056	2,759,884
Operation and maintenance of plant services	2,886,095	2,602,743	2,466,639	2,517,360	2,279,939
Student transportation services	728,900	1,047,322	964,495	898,169	850,003
Operation of non-instructional services	2,657,322	2,137,536	1,997,828	2,236,146	2,246,262
Capital outlay	6,208,871	18,740,103	3,698,596	1,732,843	3,634,430
Debt service -					
Interest, premium and fiscal charges	1,204,878	1,628,507	362,578	407,840	467,940
Principal retirement	2,270,000	1,835,000	1,550,000	2,075,000	2,020,000
Bond issuance costs			374,129		
Total expenditures	<u>\$ 33,728,533</u>	<u>\$ 45,372,713</u>	<u>\$ 28,372,476</u>	<u>\$ 27,067,928</u>	<u>\$ 27,786,909</u>
Expenditures for capitalized assets	\$ 2,710,834	\$ 17,691,954	\$ 2,186,490	\$ 940,984	\$ 1,190,797
Debt service as a percentage of noncapital expenditures	11%	13%	7%	10%	9%

(Continued)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 10,135,657	\$ 10,143,475	\$ 10,899,092	\$ 10,263,289	\$ 9,469,956
Support services - students and staff	3,367,883	3,124,357	3,012,972	2,841,126	2,846,260
Support services - administration	2,573,982	2,521,716	2,498,194	2,368,473	2,426,795
Operation and maintenance of plant services	2,378,419	2,150,011	2,084,109	1,930,599	2,081,048
Student transportation services	788,799	866,115	803,090	668,731	862,891
Operation of non-instructional services	2,184,851	2,064,814	2,096,300	2,070,384	2,175,459
Capital outlay	2,254,466	8,805,178	4,407,617	5,885,583	5,055,810
Debt service -					
Interest, premium and fiscal charges	534,690	602,190	567,734	548,902	575,320
Principal retirement	2,225,000	2,250,000	2,205,000	2,450,000	4,452,480
Bond issuance costs			132,044		291,542
Total expenditures	<u>\$ 26,443,747</u>	<u>\$ 32,527,856</u>	<u>\$ 28,706,152</u>	<u>\$ 29,027,087</u>	<u>\$ 30,237,561</u>
Expenditures for capitalized assets	\$ 1,626,980	\$ 7,883,012	\$ 3,754,127	\$ 5,272,586	\$ 3,569,086
Debt service as a percentage of noncapital expenditures	11%	12%	11%	13%	18%

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

(Concluded)

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ (3,822,043)	\$ (15,295,571)	\$ (167,874)	\$ (1,019,126)	\$ (87,112)
Other financing sources (uses):					
School improvement bonds issued			22,325,000		
Premium on sale of bonds			2,513,685		
Transfers in	1,089,301	966,938	622,386	584,528	255,860
Transfers out	(1,089,301)	(966,938)	(622,386)	(584,528)	(255,860)
Insurance recoveries			23,782	24,811	15,162
Total other financing sources (uses)			<u>24,862,467</u>	<u>24,811</u>	<u>15,162</u>
Changes in fund balances	<u>\$ (3,822,043)</u>	<u>\$ (15,295,571)</u>	<u>\$ 24,694,593</u>	<u>\$ (994,315)</u>	<u>\$ (71,950)</u>
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ 1,342,109	\$ (7,364,808)	\$ (4,760,204)	\$ (3,610,208)	\$ (5,940,722)
Other financing sources (uses):					
School improvement bonds issued			5,445,000		15,555,000
Premium on sale of bonds			215,460		522,802
Capital lease agreements					1,719,800
Transfers in	395,114	420,491	691,326	517,361	582,400
Transfers out	(395,114)	(420,491)	(691,326)	(517,361)	(582,400)
Total other financing sources (uses)			<u>5,660,460</u>	<u>(517,361)</u>	<u>17,797,602</u>
Changes in fund balances	<u>\$ 1,342,109</u>	<u>\$ (7,364,808)</u>	<u>\$ 900,256</u>	<u>\$ (3,610,208)</u>	<u>\$ 11,856,880</u>

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 219,245,879	\$ 196,210,651	\$ 189,765,972	\$ 189,071,587	\$ 165,377,032
Agricultural and Vacant	11,994,241	11,597,979	10,946,619	10,996,970	9,969,662
Residential (Owner Occupied)	50,532,029	47,450,233	43,505,128	40,942,577	37,542,134
Residential (Rental)	64,596,732	59,133,229	54,532,449	51,607,634	48,481,975
Railroad, Private Cars and Airlines	536,752	564,374	567,804	599,593	571,356
Historical Property	3,920	148,513	141,439	134,705	129,800
Certain Government Property Improvements					8,401
Total	\$ 346,909,553	\$ 315,104,979	\$ 299,459,411	\$ 293,353,066	\$ 262,080,360
Gross Full Cash Value	\$ 4,817,280,208	\$ 4,335,860,815	\$ 4,045,065,444	\$ 3,808,228,971	\$ 3,428,069,198
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7.20%	7.27%	7.40%	7.70%	7.65%
Total Direct Rate	3.83	4.26	3.84	4.04	4.32

<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	\$ 162,546,313	\$ 169,658,450	\$ 163,070,494	\$ 184,693,368	\$ 203,891,518
Agricultural and Vacant	11,185,333	11,148,713	11,377,187	11,753,959	14,755,903
Residential (Owner Occupied)	36,279,085	35,233,330	33,905,124	38,860,884	47,121,405
Residential (Rental)	43,326,417	41,156,851	37,079,385	34,829,219	42,903,477
Railroad, Private Cars and Airlines	618,813	664,578	591,718	729,991	646,380
Historical Property	122,944	116,413	98,976	99,780	99,780
Certain Government Property Improvements	8,001	7,620	7,380	5,300	5,784
Total	\$ 254,086,906	\$ 257,985,955	\$ 246,130,264	\$ 270,972,501	\$ 309,424,247
Gross Full Cash Value	\$ 2,982,502,499	\$ 2,620,418,653	\$ 2,423,056,100	\$ 2,508,746,505	\$ 2,829,301,414
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8.52%	9.85%	10.16%	10.80%	10.94%
Total Direct Rate	4.58	3.74	3.43	3.71	3.46

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

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

BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 297,171,678	\$ 257,966,345	\$ 247,010,445	\$ 237,353,336	\$ 201,870,077
Agricultural and Vacant	16,413,267	14,788,946	13,801,929	13,894,916	12,249,955
Residential (Owner Occupied)	82,377,027	74,749,054	65,865,381	60,163,755	55,103,992
Residential (Rental)	118,943,170	105,445,218	85,475,827	79,072,849	71,188,216
Railroad, Private Cars and Airlines	679,897	697,834	684,910	698,989	611,694
Historical Property	17,295	417,545	343,040	302,785	232,906
Certain Government Property Improvements				-	10,260
Total	\$ 515,602,334	\$ 454,064,942	\$ 413,181,532	\$ 391,486,630	\$ 341,267,100
Gross Full Cash Value	4,817,280,208	4,335,860,815	4,045,065,444	3,808,228,971	3,428,069,198
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10.70%	10.47%	10.21%	10.28%	9.96%
Estimated Net Full Cash Value	3,691,580,145	\$ 3,259,216,023	\$ 2,918,474,799	\$ 2,751,354,621	\$ 2,409,752,241
Total Direct Rate	3.83	4.26	3.84	4.04	4.32

<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	\$ 182,881,685	\$ 171,404,058	\$ 165,858,681	\$ 185,769,317	\$ 204,895,827
Agricultural and Vacant	12,183,835	11,414,015	11,426,990	11,807,666	15,044,957
Residential (Owner Occupied)	50,315,544	37,592,991	34,458,705	39,473,268	47,161,689
Residential (Rental)	56,270,213	48,500,016	40,335,551	34,889,212	43,180,841
Railroad, Private Cars and Airlines	630,639	670,794	597,298	744,049	722,266
Historical Property	173,750	162,090	99,051		
Certain Government Property Improvements	8,155	7,620	7,380		
Total	\$ 302,463,821	\$ 269,751,584	\$ 252,783,656	\$ 272,788,593	\$ 311,111,145
Gross Full Cash Value	2,982,502,499	2,620,418,653	2,423,056,100	2,508,746,505	2,829,301,414
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10.14%	10.29%	10.43%	10.87%	11.00%
Estimated Net Full Cash Value	2,058,251,059	\$ 1,786,261,736	\$ 1,637,174,632	\$ 1,728,047,468	\$ 1,997,503,943
Total Direct Rate	4.58	3.74	3.43	3.71	3.46

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with the 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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	14	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	20 %	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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	Community College District	Central Arizona Water	City of Phoenix	City of Scottsdale	Phoenix Union High School District No. 210	Primary	Secondary	Total
	2021	0.44	1.40	1.29	0.14	2.13	1.03	4.83	1.99	1.84
2020	0.46	1.40	1.33	0.18	2.13	1.04	4.99	2.11	2.15	4.26
2019	0.47	1.40	1.17	0.14	2.14	1.10	5.20	2.14	1.70	3.84
2018	0.49	1.40	1.41	0.14	2.16	14.12	5.03	2.16	1.88	4.04
2017	0.50	1.40	1.47	0.14	2.17	14.57	5.07	2.19	2.13	4.32
2016	0.51	1.36	1.49	0.14	1.82	1.15	4.96	2.28	2.30	4.58
2015	0.51	1.32	1.52	0.14	1.82	1.24	4.62	2.10	1.64	3.74
2014	0.51	1.79	1.53	0.14	1.82	1.29	4.82	1.64	1.79	3.43
2013	0.47	1.24	1.38	0.10	1.82	1.23	4.27	2.09	1.62	3.71
2012	0.43	1.24	1.21	0.10	1.82	1.09	2.91	2.02	1.44	3.46

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2021</u>		<u>2012</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
ARE-LEI Phoenix Gateway Associates LLC	\$ 10,337,905	2.98 %		%
Semiconductor Components Industries LLC	8,256,447	2.38		
Honeywell International Inc	6,764,736	1.95		
CP Phoenix LLC	6,591,282	1.90		
Arizona Public Service Company	6,521,900	1.88	3,780,492	1.22
Io Data Centers LLC	6,383,136	1.84		
East Gateway Center LLC	5,862,771	1.69		
Jdm lii Az LLC	5,446,480	1.57		
Copperpoint Mutual Insurance Company	4,960,807	1.43		
Kv Rmv LLC	4,232,297	1.22		
Transwestern Phoenix Gateway LLC			9,678,322	3.11
Freescale Semiconductor Inc			9,220,823	2.96
USA 615 North 48 Street Holdco LLC			6,954,000	2.24
Columbia Properties Phoenix LP			5,820,000	1.87
BP Gateway LLC/ETAL			5,652,245	1.82
Tally Plaza LLC			4,553,507	1.46
Amerishop Arcadia LLC			4,462,079	1.43
SCF Arizona			4,304,809	1.38
Cofco Development Corporation			4,101,668	1.32
Total	<u>\$ 65,357,761</u>	<u>18.84 %</u>	<u>\$ 58,527,945</u>	<u>18.81 %</u>

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 13,291,873	\$ 12,945,864	97.40 %	\$	\$ 12,945,864	97.40 %
2020	13,700,847	13,340,913	97.37	355,841	13,696,754	99.97
2019	11,596,094	11,285,585	97.32	308,313	11,593,898	99.98
2018	11,738,074	11,487,487	97.87	246,448	11,733,935	99.96
2017	12,052,051	11,494,495	95.37	553,821	12,048,316	99.97
2016	11,832,562	11,643,183	98.40	187,416	11,830,599	99.98
2015	9,741,000	9,487,498	97.40	251,958	9,739,456	99.98
2014	8,752,479	8,520,630	97.35	230,418	8,751,048	99.98
2013	10,271,758	9,885,232	96.24	384,893	10,270,125	99.98
2012	10,939,878	10,379,764	94.88	519,895	10,899,659	99.63

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

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	\$ 31,060,186	247,142	\$ 30,813,044	0.64 %	\$ 903	\$	\$ 31,060,186	0.64 %	\$ 910	0.01 %
2020	33,089,725	728,607	32,361,118	0.75	977		33,089,725	0.76	999	0.02
2019	34,834,263	225,699	34,608,564	0.86	874		34,834,263	0.86	880	0.02
2018	12,139,432	71,270	12,068,162	0.32	323		12,139,432	0.32	325	0.01
2017	14,228,286	236,567	13,991,719	0.41	375		14,228,286	0.42	381	0.01
2016	16,522,140	133,864	16,388,276	0.55	546		16,522,140	0.55	550	0.01
2015	18,840,994	94,948	18,746,046	0.72	641		18,840,994	0.72	644	0.01
2014	21,114,848	358,736	20,756,112	0.86	703		21,114,848	0.87	715	0.01
2013	18,022,770	175,644	17,847,126	0.71	600		18,022,770	0.72	606	0.01
2012	20,262,802	496,080	19,766,722	0.70	658		20,262,802	0.72	674	0.01

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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:			
Maricopa County Community College District	\$ 250,065,000	0.74 %	\$ 1,850,481
Maricopa County Special Health Care District	429,125,000	0.74	3,175,525
City of Phoenix	1,003,875,000	2.27	22,787,963
City of Scottsdale	498,300,000	0.31	1,544,730
Phoenix Union High School District No. 210	394,405,000	6.03	<u>23,782,622</u>
Subtotal, Overlapping Debt			<u>53,141,321</u>
Direct:			
Balsz Elementary School District No. 31			<u>31,060,186</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 84,201,507</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt As a Percentage of Net Limited Assessed Valuation	8.88 %
Net Direct and Overlapping General Bonded Debt Per Capita	\$ 2,461
As a Percentage of Net Limited Assessed Valuation	24.20 %
As a Percentage of Gross Full Cash Value	1.74 %

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

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

Net full cash assessed valuation	\$ 515,602,334
Debt limit (10% of assessed value)	51,560,233
Debt applicable to limit	<u>30,770,656</u>
Legal debt margin	<u>\$ 20,789,577</u>

Total Legal Debt Margin Calculation for Fiscal Year 2021:

Net Full Cash assessed valuation	\$ 515,602,334
Debt limit (15% of assessed value)	77,340,350
Debt applicable to limit	<u>30,770,656</u>
Legal debt margin	<u>\$ 46,569,694</u>

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 77,340,350	\$ 68,109,741	\$ 61,977,230	\$ 58,722,995	\$ 51,190,065
Total net debt applicable to limit	<u>30,770,656</u>	<u>32,581,668</u>	<u>34,275,000</u>	<u>11,850,000</u>	<u>13,870,000</u>
Legal debt margin	<u>\$ 46,569,694</u>	<u>\$ 35,528,073</u>	<u>\$ 27,702,230</u>	<u>\$ 46,872,995</u>	<u>\$ 37,320,065</u>
Total net debt applicable to the limit as a percentage of debt limit	40%	48%	55%	20%	27%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 45,369,573	\$ 40,462,738	\$ 37,917,548	\$ 40,918,289	\$ 46,666,672
Total net debt applicable to limit	<u>16,095,000</u>	<u>18,345,000</u>	<u>20,550,000</u>	<u>17,555,000</u>	<u>19,740,000</u>
Legal debt margin	<u>\$ 29,274,573</u>	<u>\$ 22,117,738</u>	<u>\$ 17,367,548</u>	<u>\$ 23,363,289</u>	<u>\$ 26,926,672</u>
Total net debt applicable to the limit as a percentage of debt limit	35%	45%	54%	43%	42%

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

- Notes:**
- 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds and the statutory debt limit on Class B bonds. 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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS**

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2020	4,439,220	\$ 245,077,753	\$ 53,521	6.6 %	34,117
2019	4,367,835	210,370,180	47,694	3.6	33,132
2018	4,294,460	210,370,180	40,415	4.1	39,601
2017	4,221,684	196,286,191	45,573	4.2	37,360
2016	4,137,076	185,111,698	42,218	4.5	37,360
2015	4,076,438	184,784,917	42,092	5.5	30,036
2014	4,008,651	168,483,421	29,219	5.1	29,235
2013	4,009,412	147,700,000	27,552	6.2	29,516
2012	3,824,058	147,374,500	33,238	9.1	29,758
2011	3,843,370	142,864,275	37,352	8.4	30,056

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.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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>
Banner Health	27,650	0.97 %	28,220	1.41 %
State of Arizona	23,950	0.84	49,280	2.46
Walmart	16,870	0.59	30,610	1.53
Frys Food Stores	15,170	0.53		
Wells Fargo	13,790	0.48	13,100	
Maricopa County	13,350	0.47	12,460	
City of Phoenix	12,190	0.43	15,545	0.78
Intel Corporation	11,410	0.40	9,700	0.49
Arizona State University	10,950	0.38	12,220	0.61
HonorHealth	9,430	0.33		
Apollo Group Inc			13,000	0.65
US Airways			8,905	0.45
Total	<u>154,760</u>	<u>5.42 %</u>	<u>193,040</u>	<u>8.38 %</u>
Total employment	<u>2,850,559</u>		<u>1,999,500</u>	

Source: The source of this information is The Business Journal Book of Lists.

Note: The information presented above is for the Greater Phoenix Area.

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	Full-time Equivalent Employees as of June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Supervisory					
Superintendent	1	1	1		
Assistant superintendents	1	1	2		
Consultants/supervisors of instruction	2	2	3	3	1
Principals	5	4	4	4	4
Assistant principals	3	1	1	1	2
Total supervisory	<u>12</u>	<u>9</u>	<u>11</u>	<u>8</u>	<u>7</u>
Instruction					
Teachers	130	130	128	130	131
Aides	37	34	30	30	30
Total instruction	<u>167</u>	<u>164</u>	<u>158</u>	<u>160</u>	<u>161</u>
Student Services					
Nurses	4	6			
Counselors/Advisors	5	3			
Librarians	1	1	4	4	4
Technicians	8	10	14	14	15
Total student services	<u>18</u>	<u>20</u>	<u>18</u>	<u>18</u>	<u>19</u>
Support and Administration					
Service workers	43	47	62	60	64
Unskilled laborers	11	14	16	16	12
Total support and administration	<u>54</u>	<u>61</u>	<u>78</u>	<u>76</u>	<u>76</u>
Total	<u><u>251</u></u>	<u><u>254</u></u>	<u><u>265</u></u>	<u><u>262</u></u>	<u><u>263</u></u>

(Continued)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	4	4	4	5	5
Assistant principals	2	2	2	1	1
Total supervisory	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>
Instruction					
Teachers	148	148	140	148	149
Aides	38	38	35	42	40
Total instruction	<u>186</u>	<u>186</u>	<u>175</u>	<u>190</u>	<u>189</u>
Student Services					
Librarians	4	4	4	4	5
Technicians	18	18	21	17	16
Total student services	<u>22</u>	<u>22</u>	<u>25</u>	<u>21</u>	<u>21</u>
Support and Administration					
Service workers	54	54	54	55	57
Unskilled laborers	13	13	16	15	10
Total support and administration	<u>67</u>	<u>67</u>	<u>70</u>	<u>70</u>	<u>67</u>
Total	<u><u>282</u></u>	<u><u>282</u></u>	<u><u>277</u></u>	<u><u>288</u></u>	<u><u>284</u></u>

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

(Concluded)

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
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	2,076	\$ 24,044,784	\$ 11,582	8.13 %	\$ 31,494,630	\$ 15,171	18.70 %	167	12.4	98.3 %
2020	2,163	23,169,103	10,712	4.11	27,645,086	12,781	8.09	164	13.2	98.3
2019	2,176	22,387,173	10,288	(2.58)	25,730,151	11,825	3.17	158	13.8	92.0
2018	2,164	22,852,245	10,560	12.55	24,803,233	11,462	(0.03)	160	13.5	93.0
2017	2,309	21,664,539	9,383	2.19	26,473,766	11,465	9.66	161	14.3	93.5
2016	2,334	21,429,591	9,181	6.86	24,404,157	10,456	2.42	186	12.5	91.2
2015	2,429	20,870,488	8,592	(0.04)	24,796,589	10,209	2.82	186	13.1	92.0
2014	2,489	21,393,757	8,595	8.13	24,711,279	9,928	5.81	175	14.2	91.2
2013	2,534	20,142,602	7,949	2.41	23,777,242	9,383	3.10	190	13.3	91.2
2012	2,559	19,862,409	7,762	(9.36)	23,290,907	9,102	(6.09)	189	13.5	88.4

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

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

**BALSZ ELEMENTARY SCHOOL DISTRICT NO. 31
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Schools</u>										
<u>Elementary</u>										
Buildings	5	5	5	5	5	5	5	5	5	5
Square feet	434,738	440,060	440,060	440,060	440,060	440,060	440,060	400,347	400,347	400,347
Capacity	4,014	4,014	4,014	4,014	4,014	4,014	4,014	3,954	3,954	3,954
Enrollment	2,286	2,407	2,407	2,407	2,429	2,582	2,582	2,678	2,681	2,671
<u>Administrative</u>										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
<u>Transportation</u>										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	13	13	13	13	13	18	18	18	18	13
<u>Athletics</u>										
Baseball/softball	6	6	6	6	6	6	6	6	6	6
Playgrounds	6	6	6	6	6	6	6	6	6	6

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