
CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2022



A 21ST CENTURY LEARNING COMMUNITY

2101 East River Road ▪ Tucson, Arizona 85718-6597

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

TUCSON, ARIZONA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Issued by:
Business and Finance Department

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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

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INTRODUCTORY SECTION

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

A 21st CENTURY LEARNING COMMUNITY

December 13, 2022

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

State law mandates that school districts are required to undergo an annual single audit and publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Catalina Foothills Unified School District No. 16 (District) for the fiscal year that ended June 30, 2022.

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, 2022, were free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditor's report is presented as the first component of the financial section of this report.

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

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

PROFILE OF THE DISTRICT

The District is one of several public school districts located in Pima County, Arizona. It provides a high quality public education for its students in pre-kindergarten through grade twelve including academic and extracurricular programs, services such as student transportation and a school lunch program, and the construction and maintenance of District campuses/facilities with a student enrollment of 4,928 students in state funded K-12 programs for the 2021-22 school year. The District has an enrollment of 391 students for half day kindergarten and preschool tuition-based programs. The average age of the District facilities/school buildings is 40 years. The District has nine campuses.

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

The membership of the Governing Board consists of five members elected by the public. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, defining the strategic direction of the organization on behalf of its students' learning, establishing the full array of academic programs, acquiring and maintaining school property, determining the overall organizational or operational structure of its schools, and deciding how financial resources will be allocated within an appropriate accounting system, including budgetary controls. The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls.

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

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

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

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

During 2021-22, the primary and secondary assessed valuation of the property in the District increased as a result of the economic improvement and increased real estate values.

Long-term Financial Planning. The District's average daily membership increased to 4,939 in 2021-22 from the previous year's 4,874 (2020-21). The District projects an enrollment of approximately 5,293 in 2022-23. Some of the reasons the District is attractive to residents and non-residents are the following:

1. *Academic Performance*

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

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

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

2. *Maintenance & Operations Overrides*

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

3. *Capital Overrides*

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

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

4. *Grants*

In 2021-22, the District was awarded \$6,478,119 in federal and state grants, received \$97,000 from the Catalina Foothills Unified School District Foundation, and received \$4,477,383 in revenues from Classroom Site Funds that primarily supported teacher salaries including performance pay. Grant funds received from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan (ESSER I, II, III) were used to support students' academic and social, emotional needs, and implement prevention and mitigation strategies in order to continuously and safely operate schools for in-person learning during the COVID-19 pandemic. In addition, ESSER III funds were used to address "learning loss" through evidence-based interventions to support academic and social-emotional learning and to replace technology equipment used for instruction.

5. *Bonds*

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

AWARDS AND ACKNOWLEDGMENTS

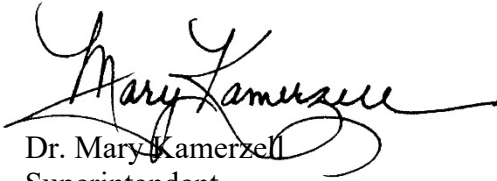
Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2021. This was the thirty-fourth consecutive year the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2021. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

These certificates are valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the programs' requirements and we are submitting it to ASBO and GFOA to determine its eligibility for the fiscal year ended June 30, 2022 certificates.

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

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

Respectfully submitted,



Dr. Mary Kamerzell
Superintendent



Lisa Taetle
Director of Finance



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Catalina Foothills School District 16

for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.

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



A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

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

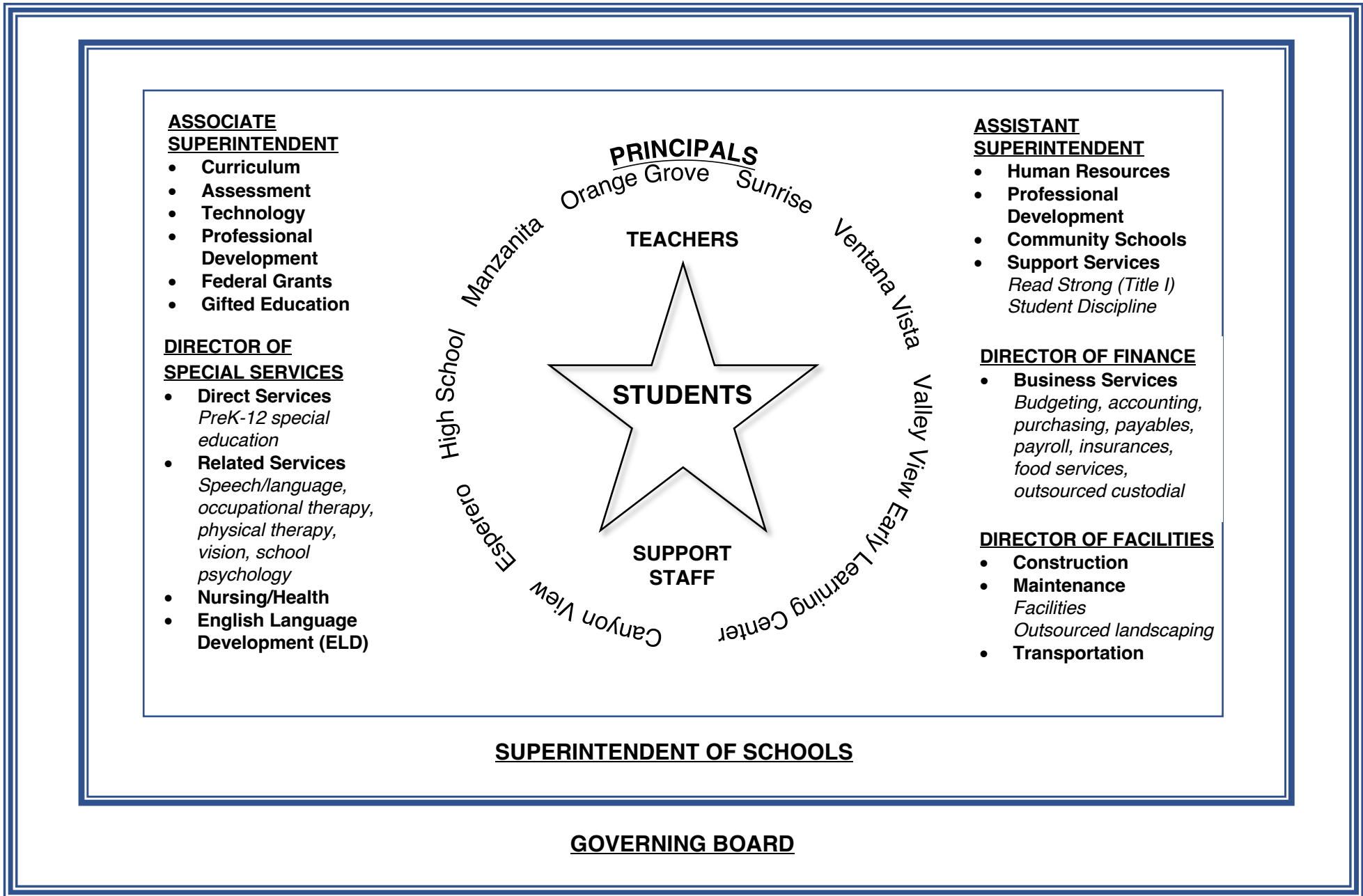
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

Catalina Foothills School District
 Tucson, Arizona
ORGANIZATIONAL CHART
 2021-2022



CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Carole Siegler, President

Eileen Jackson, Vice President

Amy Bhola, Member

Amy Krauss, Member

Doug Hadley, Member

ADMINISTRATIVE STAFF

Dr. Mary Kamerzell, Superintendent

Dr. Mary Jo Conery, Associate Superintendent

Dr. Chad Nippen, Assistant Superintendent

Lisa Taetle, Director of Finance

Sandra Thompson, Controller

Dr. Erin Matyjasik, Director of Special Services

FINANCIAL SECTION

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Independent Auditor's Report

Governing Board
Catalina Foothills Unified School District No. 16

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Catalina Foothills Unified School District No. 16 (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Catalina Foothills Unified School District No. 16, as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Catalina Foothills Unified School District No. 16 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1, the District implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2022, on our consideration of Catalina Foothills Unified School District No. 16's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Catalina Foothills Unified School District No. 16's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catalina Foothills Unified School District No. 16's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
December 13, 2022

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

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**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

As management of the Catalina Foothills Unified School District No. 16 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2022. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$6.7 million which represents a 19 percent increase from the prior fiscal year primarily due to an increase in unrestricted state aid.
- General revenues accounted for \$48.2 million in revenue, or 77 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$14.3 million or 23 percent of total current fiscal year revenues.
- The District had approximately \$55.8 million in expenses related to governmental activities, an increase of five percent from the prior fiscal year.
- Among major funds, the General Fund had \$37.3 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$36.2 million in expenditures. The General Fund's fund balance increase from \$9.9 million at the prior fiscal year end to \$11.7 million at the end of the current fiscal year was primarily due to an increase in unrestricted state aid.
- The Unrestricted Capital Outlay Fund's fund balance increased from \$8.7 million in the prior year to \$8.8 million at the end of the current fiscal year.
- The Other Federal Projects' fund balance decreased from a deficit of \$1,876 in the prior year to a deficit of \$1.2 million at the end of the current fiscal year primarily due to the utilization of COVID-19 monies awarded during the fiscal year.

OVERVIEW OF FINANCIAL STATEMENTS

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$42.3 million at the current fiscal year end.

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

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	As of <u>June 30, 2022</u>	As of <u>June 30, 2021</u>
Current assets	\$ 36,598,469	\$ 30,909,151
Capital assets, net	77,667,224	78,978,065
Total assets	<u>114,265,693</u>	<u>109,887,216</u>
Deferred outflows	<u>7,752,460</u>	<u>7,640,789</u>
Current liabilities	3,743,240	3,741,384
Long-term liabilities	<u>62,984,354</u>	<u>77,735,675</u>
Total liabilities	<u>66,727,594</u>	<u>81,477,059</u>
Deferred inflows	<u>12,970,856</u>	<u>407,474</u>
Net position:		
Net investment in capital assets	45,975,540	45,076,637
Restricted	18,101,580	15,676,919
Unrestricted	<u>(21,757,417)</u>	<u>(25,110,084)</u>
Total net position	<u>\$ 42,319,703</u>	<u>\$ 35,643,472</u>

At the end of the current fiscal year, the District reported a negative unrestricted net position of \$21.7 million as a result of an unfunded pension liability. Positive net position was reported in the other two categories. The same situation held true for the prior fiscal year.

The District's financial position is the product of several financial transactions including the net result of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Position.

- The principal retirement of \$3.2 million of bonds and \$287,360 of bond premium.
- The principal retirement of \$654,277 and \$166,567 in financed purchases and lease obligations, respectively.
- The decrease of \$10.7 million in pension liabilities and increase of \$10.1 million in pension deferred inflows of resources.
- The addition of \$2.0 million in capital assets through school improvements and purchases of vehicles, furniture, and equipment.
- The depreciation of \$3.6 million of capital assets.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

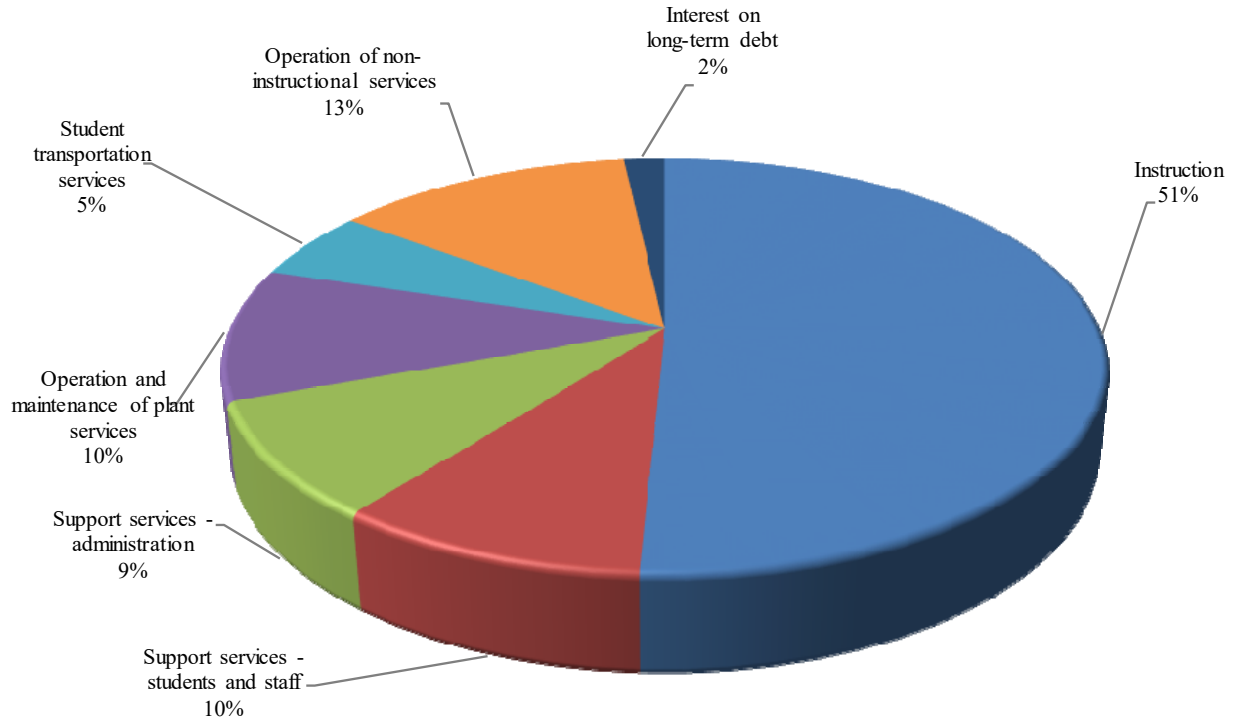
Changes in net position. The District's total revenues for the current fiscal year were \$62.5 million. The total cost of all programs and services was \$55.8 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2022 and June 30, 2021.

	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021
Revenues:		
Program revenues:		
Charges for services	\$ 6,724,670	\$ 3,661,890
Operating grants and contributions	6,434,769	5,929,720
Capital grants and contributions	1,187,202	224,759
General revenues:		
Property taxes	29,726,700	29,334,733
Investment income	93,623	158,240
Unrestricted county aid	628,019	565,002
Unrestricted state aid	17,728,876	14,357,439
Total revenues	62,523,859	54,231,783
Expenses:		
Instruction	28,347,223	28,431,299
Support services - students and staff	5,451,256	5,351,967
Support services - administration	5,034,112	5,757,680
Operation and maintenance of plant services	5,735,422	6,380,374
Student transportation services	3,011,627	1,482,261
Operation of non-instructional services	7,286,104	4,510,934
Interest on long-term debt	981,884	1,109,207
Total expenses	55,847,628	53,023,722
Changes in net position	6,676,231	1,208,061
Net position, beginning	35,643,472	34,435,411
Net position, ending	\$ 42,319,703	\$ 35,643,472

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Expenses - Fiscal Year 2022



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

- The increase of \$3.1 million in charges for services as District programs returned post COVID-19 pandemic.
- The increase of \$3.4 million in unrestricted state aid due to an increase in state equalization.
- The increase of \$2.8 million in operation of non-instructional services expenses related to the return of District programs post COVID-19 pandemic.

The following table presents the cost of the District’s major functional activities. The table also shows each function’s net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District’s taxpayers by each of these functions.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2022		Year Ended June 30, 2021	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 28,347,223	\$ (23,319,622)	\$ 28,431,299	\$ (25,526,011)
Support services - students and staff	5,451,256	(4,412,640)	5,351,967	(4,334,182)
Support services - administration	5,034,112	(4,974,278)	5,757,680	(5,749,490)
Operation and maintenance of plant services	5,735,422	(4,912,133)	6,380,374	(4,357,399)
Student transportation services	3,011,627	(3,011,627)	1,482,261	(1,471,205)
Operation of non-instructional services	7,286,104	111,197	4,510,934	(659,859)
Interest on long-term debt	981,884	(981,884)	1,109,207	(1,109,207)
Total	\$ 55,847,628	\$ (41,500,987)	\$ 53,023,722	\$ (43,207,353)

- The cost of all governmental activities this year was \$55.8 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$14.3 million.
- Net cost of governmental activities of \$41.5 million was financed by general revenues, which are made up of primarily property taxes of \$29.7 million and state and county aid of \$18.4 million. Investment earnings accounted for \$93,623 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 \$28.5 million, an increase of \$2.0 million due primarily to an increase in unrestricted state aid.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

FINANCIAL ANALYSIS OF THE DISTRICT’S FUNDS

The General Fund comprises 41 percent of the total fund balance. Approximately \$11.0 million, or 94 percent of the General Fund’s fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$1.8 million to \$11.7 million as of fiscal year end was a result of increased unrestricted state aid. General Fund revenues increased \$2.6 million as a result of increased unrestricted state aid. General Fund expenditures increased \$1.7 million primarily as a result of increased costs related to student transportation services and other District programs returned post COVID-19 pandemic.

The Unrestricted Capital Outlay Fund’s fund balance increased \$119,343 to \$8.8 million. Unrestricted Capital Outlay Fund revenues decreased \$113,324 and Unrestricted Capital Outlay Fund expenditures decreased \$8,088.

The Other Federal Projects Fund’s fund balance decreased to a deficit of \$1.2 million at fiscal year-end due to the utilization of the Education Plus Up - COVID grant funding awarded to the District during the fiscal year. The Other Federal Projects Fund revenues decreased \$885,613 due to timing of grant funding received and expenditures increased \$340,657 as a result of the Education Plus Up – COVID grant expenditures.

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 an \$806,267 decrease, or two percent.

Significant variances for the final amended budget and actual revenues resulted from the District not being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District’s actual financial activity for the General Fund is provided in this report as required supplementary information. The significant favorable variance of \$1.7 million in instruction was a result of unexpected budget balance carryforward.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$130.3 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$2.0 million from the prior fiscal year, primarily due to continued building improvement projects. Total depreciation expense for the current fiscal year was \$3.6 million.

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2022 and June 30, 2021.

	As of June 30, 2022	As of June 30, 2021
Capital assets - non-depreciable	\$ 4,986,421	\$ 4,242,931
Capital assets - depreciable, net	72,680,803	74,735,134
Total	\$ 77,667,224	\$ 78,978,065

The estimated cost to complete current construction projects is \$1.8 million.

Additional information on the District’s capital assets can be found in Note 7.

Debt Administration. At year end, the District had \$31.7 million in long-term debt outstanding, \$3.0 million due within one year. Long-term debt decreased by \$4.3 million.

The District’s general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 30 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 20 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$212.3 million and the Class B debt limit is \$141.5 million, which are more than the District’s total outstanding general obligation and Class B debt, respectively.

Additional information on the District’s long-term debt can be found in Notes 8 through 11.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2022**

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 2022-23 budget. Among them:

- Fiscal year 2021-22 budget balance carry forward (estimated \$1,156,419).
- District student population (estimated 4,941).

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

Budgeted expenditures in the General Fund increased one percent to \$37.0 million in fiscal year 2022-23. Increased payroll and employee benefit costs is the primary reason for the increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2022-23 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 27,452,218
Property taxes receivable	853,734
Accounts receivable	72,149
Due from governmental entities	4,963,054
Prepaid items	750,530
Leases receivable	2,506,784
Total current assets	36,598,469
Noncurrent assets:	
Capital assets not being depreciated	4,986,421
Capital assets, net of accumulated depreciation	72,680,803
Total noncurrent assets	77,667,224
Total assets	114,265,693
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	80,499
Pension plan items	7,671,961
Total deferred outflows of resources	7,752,460
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	1,109,100
Accrued payroll and employee benefits	2,634,140
Compensated absences payable	444,393
Financed purchases payable	9,869
Leases payable	167,985
Bonds payable	2,855,000
Total current liabilities	7,220,487
Noncurrent liabilities:	
Non-current portion of long-term obligations	59,507,107
Total noncurrent liabilities	59,507,107
Total liabilities	66,727,594
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred charge on refunding	26,097
Pension plan items	10,472,877
Leases	2,471,882
Total deferred inflows of resources	12,970,856
<u>NET POSITION</u>	
Net investment in capital assets	45,975,540
Restricted for:	
Instruction	4,658,983
Food service	1,132,692
Non-instructional purposes	2,688,427
Debt service	758,102
Capital outlay	8,863,376
Unrestricted	(21,757,417)
Total net position	\$ 42,319,703

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 28,347,223	\$ 1,880,320	\$ 2,515,091	\$ 632,190	\$ (23,319,622)
Support services - students and staff	5,451,256	141,238	897,378		(4,412,640)
Support services - administration	5,034,112		59,834		(4,974,278)
Operation and maintenance of plant services	5,735,422	165,995	102,282	555,012	(4,912,133)
Student transportation services	3,011,627				(3,011,627)
Operation of non-instructional services	7,286,104	4,537,117	2,860,184		111,197
Interest on long-term debt	981,884				(981,884)
Total governmental activities	<u>\$ 55,847,628</u>	<u>\$ 6,724,670</u>	<u>\$ 6,434,769</u>	<u>\$ 1,187,202</u>	<u>(41,500,987)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	23,261,046
Property taxes, levied for debt service	4,467,475
Property taxes, levied for capital outlay	1,998,179
Investment income	93,623
Unrestricted county aid	628,019
Unrestricted state aid	17,728,876
Total general revenues	<u>48,177,218</u>

Changes in net position

6,676,231

Net position, beginning of year

35,643,472

Net position, end of year

\$ 42,319,703

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

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FUND FINANCIAL STATEMENTS

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2022

	General	Other Federal Projects	Unrestricted Capital Outlay
<u>ASSETS</u>			
Cash and investments	\$ 9,321,484	\$	\$ 8,592,172
Property taxes receivable	727,380		38,091
Accounts receivable			
Due from governmental entities	3,104,459	1,283,725	172,002
Due from other funds	845,646		
Prepaid items	647,608		102,922
Leases receivable	2,506,784		
Total assets	\$ 17,153,361	\$ 1,283,725	\$ 8,905,187
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 355,606	\$ 596,071	\$ 43,773
Due to other funds		708,850	
Accrued payroll and employee benefits	2,014,763	8,159	
Total liabilities	2,370,369	1,313,080	43,773
Deferred inflows of resources:			
Unavailable revenues - property taxes	615,627		28,594
Unavailable revenues - intergovernmental		1,193,074	
Leases	2,471,882		
Total deferred inflows of resources	3,087,509	1,193,074	28,594
Fund balances (deficits):			
Nonspendable	647,608		102,922
Restricted			8,729,898
Unassigned	11,047,875	(1,222,429)	
Total fund balances	11,695,483	(1,222,429)	8,832,820
 Total liabilities, deferred inflows of resources and fund balances	 \$ 17,153,361	 \$ 1,283,725	 \$ 8,905,187

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 9,538,562	\$ 27,452,218
88,263	853,734
72,149	72,149
402,868	4,963,054
	845,646
	750,530
	2,506,784
<u>\$ 10,101,842</u>	<u>\$ 37,444,115</u>

\$ 113,650	\$ 1,109,100
136,796	845,646
611,218	2,634,140
<u>861,664</u>	<u>4,588,886</u>

67,304	711,525
13,474	1,206,548
	2,471,882
<u>80,778</u>	<u>4,389,955</u>

	750,530
9,172,874	17,902,772
(13,474)	9,811,972
<u>9,159,400</u>	<u>28,465,274</u>

<u>\$ 10,101,842</u>	<u>\$ 37,444,115</u>
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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022

Total governmental fund balances

\$ 28,465,274

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Governmental capital assets	\$ 130,343,475	
Less accumulated depreciation/amortization	<u>(52,676,251)</u>	77,667,224

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

Property taxes	711,525	
Intergovernmental	<u>1,206,548</u>	1,918,073

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

54,402

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	7,671,961	
Deferred inflows of resources related to pensions	<u>(10,472,877)</u>	(2,800,916)

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

Compensated absences payable	(444,393)	
Financed purchases payable	(20,557)	
Leases payable	(186,644)	
Net pension liability	(30,793,863)	
Bonds payable	<u>(31,538,897)</u>	<u>(62,984,354)</u>

Net position of governmental activities

\$ 42,319,703

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>General</u>	<u>Other Federal Projects</u>	<u>Unrestricted Capital Outlay</u>
Revenues:			
Other local	\$ 1,794,683	\$	\$ 78,630
Property taxes	23,237,061		2,011,780
State aid and grants	12,286,114		673,011
Federal aid, grants and reimbursements		1,117,226	
Total revenues	<u>37,317,858</u>	<u>1,117,226</u>	<u>2,763,421</u>
Expenditures:			
Current -			
Instruction	19,057,735	948,012	
Support services - students and staff	3,949,762	26,490	
Support services - administration	4,552,588	2,612	
Operation and maintenance of plant services	5,760,561	59,263	
Student transportation services	2,048,706	422	
Operation of non-instructional services	90,501	123,578	
Capital outlay	777,712	1,177,402	1,921,777
Debt service -			
Principal retirement			820,844
Interest and fiscal charges			4,379
Total expenditures	<u>36,237,565</u>	<u>2,337,779</u>	<u>2,747,000</u>
Excess (deficiency) of revenues over expenditures	<u>1,080,293</u>	<u>(1,220,553)</u>	<u>16,421</u>
Other financing sources (uses):			
Transfers in	36,877		
Transfers out			
Insurance recoveries	63,036		
Total other financing sources (uses)	<u>99,913</u>		
Changes in fund balances	<u>1,180,206</u>	<u>(1,220,553)</u>	<u>16,421</u>
Fund balances (deficits), beginning of year	9,867,669	(1,876)	8,713,477
Increase (decrease) in reserve for prepaid items	647,608		102,922
Fund balances (deficits), end of year	<u>\$ 11,695,483</u>	<u>\$ (1,222,429)</u>	<u>\$ 8,832,820</u>

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

Non-Major Governmental Funds	Total Governmental Funds
\$ 5,981,255	\$ 7,854,568
4,467,835	29,716,676
5,583,802	18,542,927
4,014,730	5,131,956
<u>20,047,622</u>	<u>61,246,127</u>
6,119,683	26,125,430
1,463,303	5,439,555
93,090	4,648,290
277,047	6,096,871
44,883	2,094,011
4,996,876	5,210,955
1,345,278	5,222,169
3,190,000	4,010,844
1,206,305	1,210,684
<u>18,736,465</u>	<u>60,058,809</u>
<u>1,311,157</u>	<u>1,187,318</u>
3,152	40,029
(40,029)	(40,029)
<u>(36,877)</u>	<u>63,036</u>
<u>1,274,280</u>	<u>63,036</u>
1,274,280	1,250,354
7,885,120	26,464,390
	750,530
<u>\$ 9,159,400</u>	<u>\$ 28,465,274</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

Changes in fund balances - total governmental funds **\$ 1,250,354**

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

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

Expenditures for capitalized assets	\$ 1,962,733	
Less current year depreciation/amortization	<u>(3,626,785)</u>	(1,664,052)

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

Property taxes	10,024	
Intergovernmental	<u>1,204,672</u>	1,214,696

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

Financed purchase principal retirement	654,277	
Lease principal retirement	166,567	
Bond principal retirement	<u>3,190,000</u>	4,010,844

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	3,194,469	
Pension expense	<u>(2,388,328)</u>	806,141

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Prepaid items	750,530	
Amortization of deferred bond items	228,800	
Compensated absences	<u>78,918</u>	<u>1,058,248</u>

Changes in net position in governmental activities **\$ 6,676,231**

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Catalina Foothills Unified School District No. 16 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2022, the District implemented the provisions of GASB Statement No. 87, *Leases*. This Statement increases the usefulness of the financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. The statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. Beginning balances of net capital assets and long-term obligations for leases payable reported in the governmental activities have been restated accordingly by \$353,211. Beginning balances of leases receivable and deferred inflows of resources reported in governmental funds have been restated by \$2,630,316.

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

A. Reporting Entity

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The District reports the following major governmental funds:

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

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

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

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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

E. Investment Income

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

F. Receivables and Payables

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

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

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

H. Prepaid Items

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

I. Capital Assets

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

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

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

Capital assets are depreciated using the straight-line method over the estimated useful life of the asset. Intangible right-to use assets are amortized over the shorter of the lease term or the underlying asset's useful life. The estimated useful lives and amortization periods are as follows:

Land improvements	5 – 20 years
Buildings and improvements	5 – 70 years
Vehicles, furniture and equipment	5 – 30 years
Intangible right-to use assets	2 – 4 years

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

J. Deferred Outflows/Inflows of Resources

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

As lessor, the District recognizes lease receivables with an initial, individual value of \$5,000 or more. If there is no stated rate in the lease contract (or if the stated rate is not the rate the District charges the lessee) and the implicit rate cannot be determined, the District uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The District's estimated incremental borrowing rate is calculated based on the applicable federal rate.

M. Pensions

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Long-term Obligations

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

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

O. Interfund Activity

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

P. Net Position Flow Assumption

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

Q. Estimates

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Governing Board. Those committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. No committed fund balance amounts are reported.

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

	General Fund	Other Federal Projects Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Fund Balances:				
Nonspendable:				
Prepaid items	\$ 647,608		\$ 102,922	
Restricted:				
Debt service				690,798
Capital projects			8,729,898	1,974
Voter approved initiatives				1,587,035
Federal and state projects				1,723,767
Food service				1,132,692
Civic center				160,310
Community school				2,443,909
Extracurricular activities				542,615
Gifts and donations				416,080
Student activities				233,458
Other purposes				240,236
Unassigned	11,047,875	(1,222,429)		(13,474)
Total fund balances	\$11,695,483	\$(1,222,429)	\$ 8,832,820	\$ 9,159,400

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Major Fund:	
Other Federal Projects	\$ 1,222,429
Non-Major Governmental Funds:	
Title I Grants	12,206
Professional Development and Technology Grants	1,050
Limited English & Immigrant Students	189
Vocational Education	29

The deficits arose because of operations during the year and because of pending grant reimbursements. Additional revenues received in fiscal year 2022-23 are expected to eliminate the deficits.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$1.3 million, and the bank balance was \$1.3 million. At year end, \$1.0 million of the District's deposits were covered by collateral held by the pledging financial institution's trust department or agent but not in the District's name.

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 4 – CASH AND INVESTMENTS

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer’s investment pool	166 days	\$ 25,916,875
State Treasurer’s investment pool 7	33 days	<u>257,776</u>
Total		<u>\$ 26,174,651</u>

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

Credit Risk. The District has no investment policy that would further limit its investment choices. At year end, the District’s investment in the County Treasurer’s investment pool did not receive a credit quality rating from a national rating agency. The State Treasurer’s Local Government Investment Pool 7 was rated AAA by Moody’s at year end.

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

NOTE 5 – RECEIVABLES

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

	<u>General Fund</u>	<u>Other Federal Projects Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Non-Major Governmental Funds</u>
Due from other governmental entities:				
Due from federal government	\$	\$ 1,283,725	\$	\$ 163,649
Due from state government	3,055,036		172,002	97,897
Due from county government	49,423			
Due from other districts				141,322
Net due from governmental entities	<u>\$ 3,104,459</u>	<u>\$ 1,283,725</u>	<u>\$ 172,002</u>	<u>\$ 402,868</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 6 – LEASES RECEIVABLE

The District leases land under the provisions of contracts classified as leases. The related receivables under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Lease revenue of \$158,434 is recorded as other local revenue in the General Fund.

Future minimum lease payments to be received under the lease agreements at year end are summarized as follows:

Year ending June 30:		
2023	\$	124,646
2024		132,705
2025		144,254
2026		145,472
2027		146,726
2028-32		824,293
2033-37		865,549
2038-39		238,879
Total	\$	<u>2,622,524</u>

NOTE 7 – CAPITAL ASSETS

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

	Beginning Balance, as restated	Increase	Decrease	Ending Balance
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 3,236,013	\$	\$	\$ 3,236,013
Construction in progress	1,006,918	1,109,686	366,196	1,750,408
Total capital assets, not being depreciated	<u>4,242,931</u>	<u>1,109,686</u>	<u>366,196</u>	<u>4,986,421</u>
Capital assets, being depreciated:				
Land improvements	11,165,865	55,825		11,221,690
Buildings and improvements	105,017,273	935,296		105,952,569
Vehicles, furniture and equipment	7,619,086	228,122	17,624	7,829,584
Total capital assets being depreciated	<u>123,802,224</u>	<u>1,219,243</u>	<u>17,624</u>	<u>125,003,843</u>
Less accumulated depreciation for:				
Land improvements	(7,436,572)	(424,379)		(7,860,951)
Buildings and improvements	(36,339,340)	(2,476,319)		(38,815,659)
Vehicles, furniture and equipment	(5,291,178)	(551,364)	(17,624)	(5,824,918)
Total accumulated depreciation	<u>(49,067,090)</u>	<u>(3,452,062)</u>	<u>(17,624)</u>	<u>(52,501,528)</u>
Total capital assets, being depreciated, net	<u>74,735,134</u>	<u>(2,232,819)</u>		<u>72,502,315</u>
Intangible right-to-use assets:				
Leased vehicles, furniture and equipment	353,211			353,211
Less accumulated amortization		(174,723)		(174,723)
Total intangible right-to-use assets, net	<u>353,211</u>	<u>(174,723)</u>		<u>178,488</u>
Governmental activities capital assets, net	<u>\$ 79,331,276</u>	<u>\$(1,297,856)</u>	<u>\$ 366,196</u>	<u>\$ 77,667,224</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 7 – CAPITAL ASSETS

Depreciation and amortization expense were charged to governmental functions as follows:

Instruction	\$ 1,287,399
Support services – students and staff	6,298
Support services – administration	23,440
Operation and maintenance of plant services	19,847
Student transportation services	296,113
Operation of non-instructional services	1,993,688
Total depreciation expense – governmental activities	<u>\$ 3,626,785</u>

Construction Commitments – At year end, the District had contractual commitments related to various capital projects for the construction of building improvements. At year end, the District had spent \$1.8 million on the projects and had estimated remaining contractual commitments of \$245,198. These projects are being funded primarily with the Unrestricted Capital Outlay Fund.

NOTE 8 – FINANCED PURCHASES PAYABLE

The District has acquired computers and a vehicle under the provisions of contracts classified as financed purchases payables. In accordance with GASB Statement No. 87 *Leases*, contracts previously recorded as capital leases have been reclassified as financed purchases payable in the fiscal year. Revenues from the Unrestricted Capital Outlay Fund are used to pay the debt obligations.

Annual debt service requirements to maturity on financed purchases payable at year end are summarized as follows:

		Governmental Activities	
		Principal	Interest
Year ending June 30:			
	2023	\$ 9,869	\$ 1,288
	2024	10,688	469
Total		<u>\$ 20,557</u>	<u>\$ 1,757</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 9 – LEASES PAYABLE

The District has acquired copiers and a postage meter under the provisions of contracts classified as leases. The related obligations under the lease agreements have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund are used to pay the lease obligations. Amortization of right-to-use assets recorded under leases is included with depreciation expense.

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

	Governmental Activities	
Year ending June 30:	Principal	Interest
2023	\$ 167,985	\$ 917
2024	17,033	29
2025	1,626	3
Total	\$ 186,644	\$ 949

The right-to-use assets recorded under leases that meet the District’s capitalization threshold are as follows:

	Governmental Activities
Asset:	
Vehicles, furniture and equipment	\$ 353,211
Less: Accumulated amortization	174,723
Total	\$ 178,488

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 10 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District’s legal debt limit is \$212.3 million, and the available margin is \$182.3 million.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2022	Due Within One Year
Governmental activities:					
General obligation bonds:					
School Improvement Bond, Projects of 2009, Series C	\$ 6,075,000	2.5-4.0%	7/1/23-27	\$ 5,050,000	\$ 600,000
School Improvement Bond, Projects of 2015, Series A	7,500,000	2.0-4.0%	7/1/23-32	6,975,000	375,000
School Improvement Bond, Projects of 2015, Series B	9,185,000	2.75-5.00%	7/1/23-35	8,870,000	190,000
School Improvement Bond, Projects of 2015, Series C	4,395,000	2.51-4.00%	7/1/23-35	3,920,000	100,000
Refunding Bonds, Series 2020	3,840,000	5.00%	7/1/23-25	2,915,000	960,000
Private placement general obligation bonds:					
Refunding Bonds, Series 2021	2,800,000	2.66%	07/1/23-26	2,260,000	630,000
Total				<u>\$ 29,990,000</u>	<u>\$ 2,855,000</u>

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

Year ending June 30:	Governmental Activities			
	General Obligation Bonds		Private Placement General Obligation Bonds	
	Principal	Interest	Principal	Interest
2023	\$ 2,225,000	\$ 1,033,450	\$ 630,000	\$ 60,116
2024	2,565,000	951,350	525,000	43,358
2025	2,705,000	860,800	490,000	29,393
2026	2,345,000	762,250	615,000	8,180
2027	3,115,000	678,450		
2028-32	10,585,000	2,009,902		
2033-35	4,190,000	340,000		
Total	<u>\$ 27,730,000</u>	<u>\$ 6,636,202</u>	<u>\$ 2,260,000</u>	<u>\$ 141,047</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 11 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance, as restated	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 30,380,000	\$	\$ 2,650,000	\$27,730,000	\$ 2,225,000
Private placement general obligation bonds	2,800,000		540,000	2,260,000	630,000
Premium	1,836,257		287,360	1,548,897	
Total bonds payable	<u>35,016,257</u>		<u>3,477,360</u>	<u>31,538,897</u>	<u>2,855,000</u>
Financed purchases payable	674,834		654,277	20,557	9,869
Leases payable	353,211		166,567	186,644	167,985
Net pension liability	41,521,273		10,727,410	30,793,863	
Compensated absences payable	523,311	388,319	467,237	444,393	444,393
Governmental activity long-term liabilities	<u>\$ 78,088,886</u>	<u>\$ 388,319</u>	<u>\$15,492,851</u>	<u>\$62,984,354</u>	<u>\$ 3,477,247</u>

NOTE 12 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds – At year end, the Other Federal Projects Fund and several non-major governmental funds had negative cash balances of \$845,646 in the Treasurer’s pooled cash accounts. Negative cash on deposit with the County Treasurer was reduced by interfund borrowing with the General Fund. All interfund balances are expected to be paid within one year.

Interfund transfers – Transfers between funds were used to (1) move investment income earned of \$3,152 in the Bond Building Fund, a non-major governmental fund, that is required by statute to be expended in the Debt Service Fund, a non-major governmental fund and (2) to move federal grant funds of \$36,877 restricted for indirect costs.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 13 – CONTINGENT LIABILITIES

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

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

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

NOTE 14 – RISK MANAGEMENT

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 14 – RISK MANAGEMENT

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

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

NOTE 15 – 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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 – PENSIONS

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

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

*With actuarially reduced benefits

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.41 percent (12.22 percent for retirement and 0.19 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 12.41 percent (12.01 percent for retirement, 0.21 percent for health insurance premium benefit, and 0.19 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, 2022 were \$3.2 million.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 – PENSIONS

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.22 percent (10.13 for retirement and 0.09 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, 2021. 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, 2020, to the measurement date of June 30, 2021. 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, 2021. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience study for the 5-year period ended June 30, 2020, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

At June 30, 2022, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2021, the District’s percentage proportion for the plan and the related change from its proportion measured as of June 30, 2020 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 30,793,863	0.234	(0.005)

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, 2022 was \$2.4 million.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 – PENSIONS

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 469,424	\$
Changes of assumptions or other inputs	4,008,068	
Net difference between projected and actual earnings on pension investments		9,756,579
Changes in proportion and differences between contributions and proportionate share of contributions		716,298
Contributions subsequent to the measurement date	3,194,469	
Total	\$ 7,671,961	\$ 10,472,877

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, 2023. 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:		
2023	\$	(337,758)
2024		(144,611)
2025		(2,150,826)
2026		(3,362,190)

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

Actuarial valuation date	June 30, 2020
Actuarial roll forward date	June 30, 2021
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 – PENSIONS

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 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.

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%	4.90%
Credit	20	5.20
Interest rate sensitive bonds	10	0.70
Real estate	20	5.70
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The discount rate was lowered in the roll forward for the year June 30, 2021 from 7.5 percent, which was used for the actuarial assumptions at the valuation date. 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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

NOTE 15 – 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 7.0 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	6.0%	7.0%	8.0%
Net liability	\$ 48,436,168	\$ 30,793,863	\$ 16,085,063

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.

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REQUIRED SUPPLEMENTARY INFORMATION

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 638,609	\$ 638,609
Property taxes			23,237,061	23,237,061
State aid and grants			12,286,114	12,286,114
Total revenues			<u>36,161,784</u>	<u>36,161,784</u>
Expenditures:				
Current -				
Instruction	21,140,855	20,492,958	18,764,388	1,728,570
Support services - students and staff	4,308,835	4,189,852	3,762,047	427,805
Support services - administration	5,159,800	5,087,048	4,817,226	269,822
Operation and maintenance of plant services	4,913,230	4,981,521	5,668,250	(686,729)
Student transportation services	1,869,883	1,833,468	2,002,031	(168,563)
Operation of non-instructional services	25,000	26,489	29,856	(3,367)
Total expenditures	<u>37,417,603</u>	<u>36,611,336</u>	<u>35,043,798</u>	<u>1,567,538</u>
Changes in fund balances	<u>(37,417,603)</u>	<u>(36,611,336)</u>	<u>1,117,986</u>	<u>37,729,322</u>
Fund balances, beginning of year			7,991,388	7,991,388
Increase (decrease) in reserve for prepaid items			647,608	647,608
Fund balances (deficits), end of year	<u>\$ (37,417,603)</u>	<u>\$ (36,611,336)</u>	<u>\$ 9,756,982</u>	<u>\$ 46,368,318</u>

See accompanying notes to this schedule.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OTHER FEDERAL PROJECTS
YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 1,117,226	\$ 1,117,226
Total revenues			<u>1,117,226</u>	<u>1,117,226</u>
Expenditures:				
Current -				
Instruction	1,766,630	2,653,599	948,012	1,705,587
Support services - students and staff			26,490	(26,490)
Support services - administration			2,612	(2,612)
Operation and maintenance of plant services			59,263	(59,263)
Student transportation services			422	(422)
Operation of non-instructional services			123,578	(123,578)
Capital outlay			<u>1,177,402</u>	<u>(1,177,402)</u>
Total expenditures	<u>1,766,630</u>	<u>2,653,599</u>	<u>2,337,779</u>	<u>315,820</u>
Changes in fund balances	<u>(1,766,630)</u>	<u>(2,653,599)</u>	<u>(1,220,553)</u>	<u>1,433,046</u>
Fund balances (deficits), beginning of year			(1,876)	(1,876)
Fund balances (deficits), end of year	<u>\$ (1,766,630)</u>	<u>\$ (2,653,599)</u>	<u>\$ (1,222,429)</u>	<u>\$ 1,431,170</u>

See accompanying notes to this schedule.

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Measurement date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
District's proportion of the net pension (assets) liability	0.23%	0.24%	0.24%	0.24%
District's proportionate share of the net pension (assets) liability	\$ 30,793,863	\$ 41,521,273	\$ 35,413,167	\$ 33,555,233
District's covered payroll	\$ 25,653,562	\$ 25,891,441	\$ 25,272,862	\$ 23,648,431
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	120.04%	160.37%	140.12%	141.89%
Plan fiduciary net position as a percentage of the total pension liability	78.58%	69.33%	73.24%	73.40%

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

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 3,194,469	\$ 2,988,640	\$ 2,964,570	\$ 2,825,506
Contributions in relation to the actuarially determined contribution	<u>3,194,469</u>	<u>2,988,640</u>	<u>2,964,570</u>	<u>2,825,506</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 26,598,410	\$ 25,653,562	\$ 25,891,441	\$ 25,272,862
Contributions as a percentage of covered payroll	12.01%	11.65%	11.45%	11.18%

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>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
0.23%	0.23%	0.24%	0.24%
\$ 35,855,999	\$ 37,200,173	\$ 36,700,116	\$ 34,326,151
\$ 21,777,403	\$ 21,404,498	\$ 21,673,838	\$ 20,890,131
164.65%	173.80%	169.33%	164.32%
69.92%	67.06%	68.35%	69.49%

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 2,577,679	\$ 2,347,604	\$ 2,322,388	\$ 2,360,281
<u>2,577,679</u>	<u>2,347,604</u>	<u>2,322,388</u>	<u>2,360,281</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 23,648,431	\$ 21,777,403	\$ 21,404,498	\$ 21,673,838
10.90%	10.78%	10.85%	10.89%

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 36,237,565	\$ 11,695,483
Activity budgeted as special revenue funds	(1,495,362)	(892,078)
Employee insurance account	301,595	(1,046,423)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 35,043,798	\$ 9,756,982

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, 2020, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. 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, 2020, actuarial valuation. The total liabilities as of June 30, 2021, reflect changes in actuarial assumptions based on the results of an actuarial experience, including decreasing the discount rate from 7.5 percent to 7.0 percent and changing the projected salary increases from 2.7-7.2 percent to 2.9-8.4 percent.

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

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GOVERNMENTAL FUNDS

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2022

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>ASSETS</u>			
Cash and investments	\$ 8,864,221	\$ 669,839	\$ 4,502
Property taxes receivable		88,263	
Accounts receivable	72,149		
Due from governmental entities	402,868		
Total assets	<u>\$ 9,339,238</u>	<u>\$ 758,102</u>	<u>\$ 4,502</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 113,650	\$	\$
Due to other funds	136,796		
Accrued payroll and employee benefits	608,690		2,528
Total liabilities	<u>859,136</u>		<u>2,528</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes		67,304	
Unavailable revenues - intergovernmental	13,474		
Total deferred inflows of resources	<u>13,474</u>	<u>67,304</u>	
Fund balances (deficits):			
Restricted	8,480,102	690,798	1,974
Unassigned	(13,474)		
Total fund balances	<u>8,466,628</u>	<u>690,798</u>	<u>1,974</u>
Total liabilities, deferred inflows of resources			
and fund balances	<u>\$ 9,339,238</u>	<u>\$ 758,102</u>	<u>\$ 4,502</u>

Total Non-Major
Governmental
Funds

\$ 9,538,562
88,263
72,149
402,868
\$ 10,101,842

\$ 113,650
136,796
611,218
861,664

67,304
13,474
80,778

9,172,874
(13,474)
9,159,400

\$ 10,101,842

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2022

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Revenues:			
Other local	\$ 5,974,844	\$ 2,845	\$ 3,566
Property taxes		4,467,835	
State aid and grants	5,583,802		
Federal aid, grants and reimbursements	4,014,730		
Total revenues	<u>15,573,376</u>	<u>4,470,680</u>	<u>3,566</u>
Expenditures:			
Current -			
Instruction	6,119,683		
Support services - students and staff	1,463,303		
Support services - administration	93,090		
Operation and maintenance of plant services	277,047		
Student transportation services	44,883		
Operation of non-instructional services	4,996,876		
Capital outlay	269,530		1,075,748
Debt service -			
Principal retirement		3,190,000	
Interest and fiscal charges		1,206,305	
Total expenditures	<u>13,264,412</u>	<u>4,396,305</u>	<u>1,075,748</u>
Excess (deficiency) of revenues over expenditures	<u>2,308,964</u>	<u>74,375</u>	<u>(1,072,182)</u>
Other financing sources (uses):			
Transfers in		3,152	
Transfers out	(36,877)		(3,152)
Total other financing sources (uses)	<u>(36,877)</u>	<u>3,152</u>	<u>(3,152)</u>
Changes in fund balances	<u>2,272,087</u>	<u>77,527</u>	<u>(1,075,334)</u>
Fund balances, beginning of year	6,194,541	613,271	1,077,308
Fund balances, end of year	<u>\$ 8,466,628</u>	<u>\$ 690,798</u>	<u>\$ 1,974</u>

Total Non-Major
Governmental
Funds

\$ 5,981,255
4,467,835
5,583,802
4,014,730
20,047,622

6,119,683
1,463,303
93,090
277,047
44,883
4,996,876
1,345,278

3,190,000
1,206,305
18,736,465

1,311,157

3,152
(40,029)
(36,877)

1,274,280

7,885,120

\$ 9,159,400

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>County, City, and Town Grants</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,653,934	\$ 111,988	\$ 28,308
Accounts receivable			
Due from governmental entities		97,214	
Total assets	<u>\$ 1,653,934</u>	<u>\$ 209,202</u>	<u>\$ 28,308</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Accrued payroll and employee benefits	254,179	21,922	
Total liabilities	<u>254,179</u>	<u>21,922</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	1,399,755	187,280	28,308
Unassigned			
Total fund balances	<u>1,399,755</u>	<u>187,280</u>	<u>28,308</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 1,653,934</u>	 <u>\$ 209,202</u>	 <u>\$ 28,308</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>	<u>E-Rate</u>
\$	\$	\$	\$	\$	\$
34,901	22,649	2,917	74,392	6,500	22,290
<u>\$ 34,901</u>	<u>\$ 22,649</u>	<u>\$ 2,917</u>	<u>\$ 74,392</u>	<u>\$ 6,500</u>	<u>\$ 22,290</u>
\$	\$	\$	\$	\$	\$
24,749	22,649	2,917	50,143	6,500	22,258
10,152			24,249		
<u>34,901</u>	<u>22,649</u>	<u>2,917</u>	<u>74,392</u>	<u>6,500</u>	<u>22,258</u>
<u>12,206</u>	<u>1,050</u>	<u>189</u>		<u>29</u>	
<u>(12,206)</u>	<u>(1,050)</u>	<u>(189)</u>		<u>(29)</u>	<u>32</u>
<u>(12,206)</u>	<u>(1,050)</u>	<u>(189)</u>		<u>(29)</u>	<u>32</u>
<u>\$ 34,901</u>	<u>\$ 22,649</u>	<u>\$ 2,917</u>	<u>\$ 74,392</u>	<u>\$ 6,500</u>	<u>\$ 22,290</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Food Service</u>
<u>ASSETS</u>			
Cash and investments	\$ 177,991	\$ 1,587,061	\$ 1,182,337
Accounts receivable			
Due from governmental entities			
Total assets	<u>\$ 177,991</u>	<u>\$ 1,587,061</u>	<u>\$ 1,182,337</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$ 49,645
Due to other funds			
Accrued payroll and employee benefits		41,317	
Total liabilities		<u>41,317</u>	<u>49,645</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	177,991	1,545,744	1,132,692
Unassigned			
Total fund balances	<u>177,991</u>	<u>1,545,744</u>	<u>1,132,692</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 177,991</u>	<u>\$ 1,587,061</u>	<u>\$ 1,182,337</u>

<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Textbooks</u>	<u>Litigation Recovery</u>
\$ 147,795 12,515	\$ 2,651,535 59,634	\$ 542,615	\$ 428,838	\$ 34,153	\$ 84,208
<u>\$ 160,310</u>	<u>\$ 2,711,169</u>	<u>\$ 542,615</u>	<u>\$ 428,838</u>	<u>\$ 34,153</u>	<u>\$ 84,208</u>
\$	\$ 64,005	\$	\$	\$	\$
	203,255		12,758		
	<u>267,260</u>		<u>12,758</u>		
160,310	2,443,909	542,615	416,080	34,153	84,208
<u>160,310</u>	<u>2,443,909</u>	<u>542,615</u>	<u>416,080</u>	<u>34,153</u>	<u>84,208</u>
<u>\$ 160,310</u>	<u>\$ 2,711,169</u>	<u>\$ 542,615</u>	<u>\$ 428,838</u>	<u>\$ 34,153</u>	<u>\$ 84,208</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2022

	<u>Career Technical Education</u>	<u>Arizona Industry Credentials Incentive</u>	<u>Student Activities</u>
<u>ASSETS</u>			
Cash and investments	\$	\$	\$ 233,458
Accounts receivable			
Due from governmental entities	141,322	683	
Total assets	<u>\$ 141,322</u>	<u>\$ 683</u>	<u>\$ 233,458</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds	6,897	683	
Accrued payroll and employee benefits	40,858		
Total liabilities	<u>47,755</u>	<u>683</u>	
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Restricted	93,567		233,458
Unassigned			
Total fund balances	<u>93,567</u>		<u>233,458</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 141,322</u>	<u>\$ 683</u>	<u>\$ 233,458</u>

Totals

\$	8,864,221
	72,149
	<u>402,868</u>
\$	<u><u>9,339,238</u></u>

\$	113,650
	136,796
	<u>608,690</u>
	<u>859,136</u>

13,474

8,480,102
<u>(13,474)</u>
<u>8,466,628</u>

\$ 9,339,238

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Classroom Site	Instructional Improvement	County, City, and Town Grants
Revenues:			
Other local	\$ 4,625	\$ 315	\$ 15
State aid and grants	4,472,760	296,991	
Federal aid, grants and reimbursements			
Total revenues	4,477,385	297,306	15
Expenditures:			
Current -			
Instruction	3,451,890	126,256	
Support services - students and staff	223,054	98,796	
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	3,674,944	225,052	
Excess (deficiency) of revenues over expenditures	802,441	72,254	15
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	802,441	72,254	15
Fund balances, beginning of year	597,314	115,026	28,293
Fund balances (deficits), end of year	\$ 1,399,755	\$ 187,280	\$ 28,308

English Language Learner	Title I Grants	Professional Development and Technology Grants	Limited English & Immigrant Students	Special Education Grants	Vocational Education
\$ 49,807	\$ 108,209	\$ 42,805	\$ 22,383	\$ 1,014,951	\$ 43,417
<u>49,807</u>	<u>108,209</u>	<u>42,805</u>	<u>22,383</u>	<u>1,014,951</u>	<u>43,417</u>
49,807	108,103	35,996	14,817	647,341	20,908
		6,364	7,131	335,294	22,046
	8,579				
<u>49,807</u>	<u>116,682</u>	<u>42,360</u>	<u>21,948</u>	<u>984,418</u>	<u>42,954</u>
	(8,473)	445	435	30,533	463
	(3,733)	(1,495)	(624)	(30,533)	(492)
	<u>(3,733)</u>	<u>(1,495)</u>	<u>(624)</u>	<u>(30,533)</u>	<u>(492)</u>
	(12,206)	(1,050)	(189)		(29)
<u>\$</u>	<u>\$ (12,206)</u>	<u>\$ (1,050)</u>	<u>\$ (189)</u>	<u>\$</u>	<u>\$ (29)</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	E-Rate	State Vocational Education	College Credit Exam Incentives
Revenues:			
Other local	\$ 74	\$	\$
State aid and grants		69,624	114,490
Federal aid, grants and reimbursements	42,448		
Total revenues	42,522	69,624	114,490
Expenditures:			
Current -			
Instruction		53,341	91,476
Support services - students and staff		16,283	
Support services - administration			
Operation and maintenance of plant services	63,366		
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	63,366	69,624	91,476
Excess (deficiency) of revenues over expenditures	(20,844)		23,014
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(20,844)		23,014
Fund balances, beginning of year	20,876		154,977
Fund balances, end of year	\$ 32	\$	\$ 177,991

<u>Results-based Funding</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>
\$ 580,130	\$ 193,088	\$ 80,904	\$ 4,268,716	\$ 264,084	\$ 211,027
	2,740,517				
<u>580,130</u>	<u>2,933,605</u>	<u>80,904</u>	<u>4,268,716</u>	<u>264,084</u>	<u>211,027</u>
549,064			428,810	125,107	55,452
315,365				7,897	148,732
73,090			2,128		8,995
	27,277	3,979	164,309	17,171	
			155	16,549	18,607
	2,015,778	25,780	2,955,153	165	
3,307	3,645	25,965	17,481	7,481	4,833
<u>940,826</u>	<u>2,046,700</u>	<u>55,724</u>	<u>3,568,036</u>	<u>174,370</u>	<u>236,619</u>
<u>(360,696)</u>	<u>886,905</u>	<u>25,180</u>	<u>700,680</u>	<u>89,714</u>	<u>(25,592)</u>
<u>(360,696)</u>	<u>886,905</u>	<u>25,180</u>	<u>700,680</u>	<u>89,714</u>	<u>(25,592)</u>
1,906,440	245,787	135,130	1,743,229	452,901	441,672
<u>\$ 1,545,744</u>	<u>\$ 1,132,692</u>	<u>\$ 160,310</u>	<u>\$ 2,443,909</u>	<u>\$ 542,615</u>	<u>\$ 416,080</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Textbooks	Litigation Recovery	Career Technical Education
Revenues:			
Other local	\$ 9,615	\$ 381	\$ 795,659
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	9,615	381	795,659
Expenditures:			
Current -			
Instruction	6,321		386,266
Support services - students and staff	1,301		124,188
Support services - administration			2,513
Operation and maintenance of plant services			945
Student transportation services			645
Operation of non-instructional services			
Capital outlay			202,739
Total expenditures	7,622		717,296
Excess (deficiency) of revenues over expenditures	1,993	381	78,363
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	1,993	381	78,363
Fund balances, beginning of year	32,160	83,827	15,204
Fund balances, end of year	\$ 34,153	\$ 84,208	\$ 93,567

Arizona Industry Credentials Incentive	Student Activities	Totals
\$ 4,287	\$ 142,054	\$ 5,974,844
		5,583,802
		4,014,730
<u>4,287</u>	<u>142,054</u>	<u>15,573,376</u>
4,287	437	6,119,683
	127,220	1,463,303
		93,090
		277,047
	348	44,883
		4,996,876
	2,296	269,530
<u>4,287</u>	<u>130,301</u>	<u>13,264,412</u>
	11,753	2,308,964
		(36,877)
		(36,877)
	11,753	2,272,087
	221,705	6,194,541
<u>\$</u>	<u>\$ 233,458</u>	<u>\$ 8,466,628</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 4,625	\$ 4,625
State aid and grants		4,472,760	4,472,760
Federal aid, grants and reimbursements			
Total revenues		<u>4,477,385</u>	<u>4,477,385</u>
Expenditures:			
Current -			
Instruction	5,150,919	3,451,890	1,699,029
Support services - students and staff	249,116	223,054	26,062
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>5,400,035</u>	<u>3,674,944</u>	<u>1,725,091</u>
Excess (deficiency) of revenues over expenditures	<u>(5,400,035)</u>	<u>802,441</u>	<u>6,202,476</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(5,400,035)</u>	<u>802,441</u>	<u>6,202,476</u>
Fund balances, beginning of year		597,314	597,314
Fund balances (deficits), end of year	<u>\$ (5,400,035)</u>	<u>\$ 1,399,755</u>	<u>\$ 6,799,790</u>

Instructional Improvement			County, City, and Town Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 315 296,991	\$ 315 296,991	\$	\$ 15	\$ 15
	<u>297,306</u>	<u>297,306</u>		<u>15</u>	<u>15</u>
216,728	126,256 98,796	90,472 (98,796)			
<u>216,728</u>	<u>225,052</u>	<u>(8,324)</u>			
<u>(216,728)</u>	<u>72,254</u>	<u>288,982</u>		<u>15</u>	<u>15</u>
<u>(216,728)</u>	<u>72,254</u>	<u>288,982</u>		<u>15</u>	<u>15</u>
	115,026	115,026		28,293	28,293
<u>\$ (216,728)</u>	<u>\$ 187,280</u>	<u>\$ 404,008</u>	<u>\$</u>	<u>\$ 28,308</u>	<u>\$ 28,308</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	English Language Learner		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		49,807	49,807
Federal aid, grants and reimbursements			
Total revenues		49,807	49,807
Expenditures:			
Current -			
Instruction	49,806	49,807	(1)
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	49,806	49,807	(1)
Excess (deficiency) of revenues over expenditures	(49,806)		49,806
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(49,806)		49,806
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (49,806)	\$	\$ 49,806

Title I Grants			Professional Development and Technology Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	108,209	108,209		42,805	42,805
	108,209	108,209		42,805	42,805
122,028	108,103	13,925	83,095	35,996	47,099
	8,579	(8,579)		6,364	(6,364)
122,028	116,682	5,346	83,095	42,360	40,735
(122,028)	(8,473)	113,555	(83,095)	445	83,540
	(3,733)	(3,733)		(1,495)	(1,495)
	(3,733)	(3,733)		(1,495)	(1,495)
(122,028)	(12,206)	109,822	(83,095)	(1,050)	82,045
\$ (122,028)	\$ (12,206)	\$ 109,822	\$ (83,095)	\$ (1,050)	\$ 82,045

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Limited English & Immigrant Students		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		22,383	22,383
Total revenues		22,383	22,383
Expenditures:			
Current -			
Instruction	51,549	14,817	36,732
Support services - students and staff		7,131	(7,131)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	51,549	21,948	29,601
Excess (deficiency) of revenues over expenditures	(51,549)	435	51,984
Other financing sources (uses):			
Transfers in			
Transfers out		(624)	(624)
Insurance recoveries			
Total other financing sources (uses)		(624)	(624)
Changes in fund balances	(51,549)	(189)	51,360
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (51,549)	\$ (189)	\$ 51,360

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	1,014,951	1,014,951		43,417	43,417
	1,014,951	1,014,951		43,417	43,417
1,463,206	647,341	815,865		20,908	(20,908)
	335,294	(335,294)	43,450	22,046	21,404
	1,783	(1,783)			
1,463,206	984,418	478,788	43,450	42,954	496
(1,463,206)	30,533	1,493,739	(43,450)	463	43,913
	(30,533)	(30,533)		(492)	(492)
	(30,533)	(30,533)		(492)	(492)
(1,463,206)		1,463,206	(43,450)	(29)	43,421
\$ (1,463,206)	\$	\$ 1,463,206	\$ (43,450)	\$ (29)	\$ 43,421

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Medicaid Reimbursement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures			
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances			
Fund balances, beginning of year		301	301
Fund balances (deficits), end of year	\$	\$ 301	\$ 301

E-Rate			State Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 74	\$ 74	\$	\$	\$
	42,448	42,448		69,624	69,624
	42,522	42,522		69,624	69,624
			70,446	53,341	17,105
				16,283	(16,283)
62,510	63,366	(856)			
<u>62,510</u>	<u>63,366</u>	<u>(856)</u>	<u>70,446</u>	<u>69,624</u>	<u>822</u>
<u>(62,510)</u>	<u>(20,844)</u>	<u>41,666</u>	<u>(70,446)</u>		<u>70,446</u>
<u>(62,510)</u>	<u>(20,844)</u>	<u>41,666</u>	<u>(70,446)</u>		<u>70,446</u>
	20,876	20,876			
<u>\$ (62,510)</u>	<u>\$ 32</u>	<u>\$ 62,542</u>	<u>\$ (70,446)</u>	<u>\$</u>	<u>\$ 70,446</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	College Credit Exam Incentives		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		114,490	114,490
Federal aid, grants and reimbursements			
Total revenues		114,490	114,490
Expenditures:			
Current -			
Instruction	204,376	91,476	112,900
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	204,376	91,476	112,900
Excess (deficiency) of revenues over expenditures	(204,376)	23,014	227,390
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(204,376)	23,014	227,390
Fund balances, beginning of year		154,977	154,977
Fund balances (deficits), end of year	\$ (204,376)	\$ 177,991	\$ 382,367

Results-based Funding			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	580,130	580,130		169,745	169,745
	<u>580,130</u>	<u>580,130</u>		<u>169,745</u>	<u>169,745</u>
1,541,578	549,064	992,514			
	315,365	(315,365)			
	73,090	(73,090)		264	(264)
	3,307	(3,307)	730,000	649,976	80,024
<u>1,541,578</u>	<u>940,826</u>	<u>600,752</u>	<u>730,000</u>	<u>650,240</u>	<u>79,760</u>
<u>(1,541,578)</u>	<u>(360,696)</u>	<u>1,180,882</u>	<u>(730,000)</u>	<u>(480,495)</u>	<u>249,505</u>
<u>(1,541,578)</u>	<u>(360,696)</u>	<u>1,180,882</u>	<u>(730,000)</u>	<u>(480,495)</u>	<u>249,505</u>
	1,906,440	1,906,440		718,541	718,541
<u>\$ (1,541,578)</u>	<u>\$ 1,545,744</u>	<u>\$ 3,087,322</u>	<u>\$ (730,000)</u>	<u>\$ 238,046</u>	<u>\$ 968,046</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Food Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 193,088	\$ 193,088
State aid and grants			
Federal aid, grants and reimbursements		2,740,517	2,740,517
Total revenues		<u>2,933,605</u>	<u>2,933,605</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services		27,277	(27,277)
Student transportation services			
Operation of non-instructional services	1,800,000	2,015,778	(215,778)
Capital outlay		3,645	(3,645)
Total expenditures	<u>1,800,000</u>	<u>2,046,700</u>	<u>(246,700)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,800,000)</u>	<u>886,905</u>	<u>2,686,905</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,800,000)</u>	<u>886,905</u>	<u>2,686,905</u>
Fund balances, beginning of year		245,787	245,787
Fund balances (deficits), end of year	<u>\$ (1,800,000)</u>	<u>\$ 1,132,692</u>	<u>\$ 2,932,692</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 80,904	\$ 80,904	\$	\$ 4,268,716	\$ 4,268,716
	<u>80,904</u>	<u>80,904</u>		<u>4,268,716</u>	<u>4,268,716</u>
				428,810	(428,810)
	3,979	(3,979)		2,128	(2,128)
	25,780	(25,780)		164,309	(164,309)
40,000	25,965	14,035	3,000,000	155	(155)
40,000	55,724	(15,724)		2,955,153	44,847
				17,481	(17,481)
(40,000)	25,180	65,180	3,000,000	3,568,036	(568,036)
(40,000)	25,180	65,180	(3,000,000)	700,680	3,700,680
	135,130	135,130		1,743,229	1,743,229
\$ (40,000)	\$ 160,310	\$ 200,310	\$ (3,000,000)	\$ 2,443,909	\$ 5,443,909

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 986,123	\$ 986,123
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	600,000	986,123	986,123
Expenditures:			
Current -			
Instruction	600,000	293,347	306,653
Support services - students and staff		187,715	(187,715)
Support services - administration		80	(80)
Operation and maintenance of plant services		54,016	(54,016)
Student transportation services		46,675	(46,675)
Operation of non-instructional services		60,645	(60,645)
Capital outlay		95,075	(95,075)
Total expenditures	600,000	737,553	(137,553)
Excess (deficiency) of revenues over expenditures	(600,000)	248,570	848,570
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(600,000)	248,570	848,570
Fund balances, beginning of year		375,410	375,410
Fund balances (deficits), end of year	\$ (600,000)	\$ 623,980	\$ 1,223,980

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 264,084	\$ 264,084	\$	\$ 211,027	\$ 211,027
	<u>264,084</u>	<u>264,084</u>		<u>211,027</u>	<u>211,027</u>
175,000	125,107	49,893		55,452	(55,452)
	7,897	(7,897)	250,000	148,732	101,268
	17,171	(17,171)		8,995	(8,995)
	16,549	(16,549)		18,607	(18,607)
	165	(165)			
	7,481	(7,481)		4,833	(4,833)
<u>175,000</u>	<u>174,370</u>	<u>630</u>	<u>250,000</u>	<u>236,619</u>	<u>13,381</u>
<u>(175,000)</u>	<u>89,714</u>	<u>264,714</u>	<u>(250,000)</u>	<u>(25,592)</u>	<u>224,408</u>
<u>(175,000)</u>	<u>89,714</u>	<u>264,714</u>	<u>(250,000)</u>	<u>(25,592)</u>	<u>224,408</u>
	452,901	452,901		441,672	441,672
<u>\$ (175,000)</u>	<u>\$ 542,615</u>	<u>\$ 717,615</u>	<u>\$ (250,000)</u>	<u>\$ 416,080</u>	<u>\$ 666,080</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 194	\$ 194
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>194</u>	<u>194</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	70,000	38,031	31,969
Student transportation services			
Operation of non-instructional services			
Capital outlay		<u>32,661</u>	<u>(32,661)</u>
Total expenditures	<u>70,000</u>	<u>70,692</u>	<u>(692)</u>
Excess (deficiency) of revenues over expenditures	<u>(70,000)</u>	<u>(70,498)</u>	<u>(498)</u>
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries		<u>63,036</u>	<u>63,036</u>
Total other financing sources (uses)		<u>63,036</u>	<u>63,036</u>
Changes in fund balances	<u>(70,000)</u>	<u>(7,462)</u>	<u>62,538</u>
Fund balances, beginning of year		34,773	34,773
Fund balances (deficits), end of year	<u>\$ (70,000)</u>	<u>\$ 27,311</u>	<u>\$ 97,311</u>

Textbooks			Litigation Recovery		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 9,615	\$ 9,615	\$	\$ 381	\$ 381
	<u>9,615</u>	<u>9,615</u>		<u>381</u>	<u>381</u>
10,000	6,321 1,301	3,679 (1,301)			
<u>10,000</u>	<u>7,622</u>	<u>2,378</u>			
<u>(10,000)</u>	<u>1,993</u>	<u>11,993</u>		<u>381</u>	<u>381</u>
<u>(10,000)</u>	<u>1,993</u>	<u>11,993</u>		<u>381</u>	<u>381</u>
	32,160	32,160		83,827	83,827
<u>\$ (10,000)</u>	<u>\$ 34,153</u>	<u>\$ 44,153</u>	<u>\$</u>	<u>\$ 84,208</u>	<u>\$ 84,208</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Indirect Costs		Variance - Positive (Negative)
	Budget	Non-GAAP Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration	24,000	36,877	(12,877)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>24,000</u>	<u>36,877</u>	<u>(12,877)</u>
Excess (deficiency) of revenues over expenditures	<u>(24,000)</u>	<u>(36,877)</u>	<u>(12,877)</u>
Other financing sources (uses):			
Transfers in		36,877	36,877
Transfers out			
Insurance recoveries			
Total other financing sources (uses)		<u>36,877</u>	<u>36,877</u>
Changes in fund balances	<u>(24,000)</u>		<u>24,000</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (24,000)</u>	<u>\$</u>	<u>\$ 24,000</u>

Advertisement			Career Technical Education		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 12	\$ 12	\$	\$ 795,659	\$ 795,659
	<u>12</u>	<u>12</u>		<u>795,659</u>	<u>795,659</u>
			630,000	386,266	243,734
				124,188	(124,188)
				2,513	(2,513)
				945	(945)
				645	(645)
				<u>202,739</u>	<u>(202,739)</u>
			<u>630,000</u>	<u>717,296</u>	<u>(87,296)</u>
	<u>12</u>	<u>12</u>	<u>(630,000)</u>	<u>78,363</u>	<u>708,363</u>
	<u>12</u>	<u>12</u>	<u>(630,000)</u>	<u>78,363</u>	<u>708,363</u>
	2,428	2,428		15,204	15,204
<u>\$</u>	<u>\$ 2,440</u>	<u>\$ 2,440</u>	<u>\$ (630,000)</u>	<u>\$ 93,567</u>	<u>\$ 723,567</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	Arizona Industry Credentials Incentive		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 4,287	\$ 4,287
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	4,288	4,287	4,287
Expenditures:			
Current -			
Instruction	4,288	4,287	1
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	4,288	4,287	1
Excess (deficiency) of revenues over expenditures	(4,288)		4,288
Other financing sources (uses):			
Transfers in			
Transfers out			
Insurance recoveries			
Total other financing sources (uses)			
Changes in fund balances	(4,288)		4,288
Fund balances, beginning of year			
Fund balances (deficits), end of year	\$ (4,288)	\$	\$ 4,288

Student Activities			Totals		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 142,054	\$ 142,054	\$	\$ 7,130,918	\$ 7,130,918
				5,583,802	5,583,802
				4,014,730	4,014,730
	<u>142,054</u>	<u>142,054</u>		<u>16,729,450</u>	<u>16,729,450</u>
	437	(437)	10,289,924	6,413,030	3,876,894
128,000	127,220	780	753,661	1,651,018	(897,357)
			24,000	130,047	(106,047)
			132,510	369,358	(236,848)
	348	(348)		91,558	(91,558)
			4,800,000	5,057,521	(257,521)
	2,296	(2,296)	770,000	1,047,242	(277,242)
<u>128,000</u>	<u>130,301</u>	<u>(2,301)</u>	<u>16,770,095</u>	<u>14,759,774</u>	<u>2,010,321</u>
<u>(128,000)</u>	<u>11,753</u>	<u>139,753</u>	<u>(16,770,095)</u>	<u>1,969,676</u>	<u>18,739,771</u>
				36,877	36,877
				(36,877)	(36,877)
				63,036	63,036
				63,036	63,036
<u>(128,000)</u>	<u>11,753</u>	<u>139,753</u>	<u>(16,770,095)</u>	<u>2,032,712</u>	<u>18,802,807</u>
	221,705	221,705		7,325,994	7,325,994
<u>\$ (128,000)</u>	<u>\$ 233,458</u>	<u>\$ 361,458</u>	<u>\$ (16,770,095)</u>	<u>\$ 9,358,706</u>	<u>\$ 26,128,801</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.

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 2,845	\$ 2,845
Property taxes		4,467,835	4,467,835
Total revenues		<u>4,470,680</u>	<u>4,470,680</u>
Expenditures:			
Debt service -			
Principal retirement	3,190,000	3,190,000	
Interest and fiscal charges	1,204,680	1,206,305	(1,625)
Total expenditures	<u>4,394,680</u>	<u>4,396,305</u>	<u>(1,625)</u>
Excess (deficiency) of revenues over expenditures	<u>(4,394,680)</u>	<u>74,375</u>	<u>4,469,055</u>
Other financing sources (uses):			
Transfers in		3,152	3,152
Total other financing sources (uses)		<u>3,152</u>	<u>3,152</u>
Changes in fund balances	<u>(4,394,680)</u>	<u>77,527</u>	<u>4,472,207</u>
Fund balances, beginning of year		613,271	613,271
Fund balances (deficits), end of year	<u>\$ (4,394,680)</u>	<u>\$ 690,798</u>	<u>\$ 5,085,478</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022

	<u>Adjacent Ways</u>	<u>Bond Building</u>	<u>Condemnation</u>
<u>ASSETS</u>			
Cash and investments	\$ 1,280	\$ 2,540	\$ 176
Total assets	\$ 1,280	\$ 2,540	\$ 176
 <u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accrued payroll and employee benefits	\$	\$ 2,528	\$
Total liabilities	\$	2,528	\$
Fund balances:			
Restricted	1,280	12	176
Total fund balances	1,280	12	176
 Total liabilities and fund balances	 \$ 1,280	 \$ 2,540	 \$ 176

<u>Energy and Water Savings</u>	<u>Building Renewal Grant</u>	<u>Totals</u>
\$ 448	\$ 58	\$ 4,502
<u>\$ 448</u>	<u>\$ 58</u>	<u>\$ 4,502</u>
<u>\$</u>	<u>\$</u>	<u>\$ 2,528</u>
 	 	<u>2,528</u>
<u>448</u>	<u>58</u>	<u>1,974</u>
<u>448</u>	<u>58</u>	<u>1,974</u>
<u>\$ 448</u>	<u>\$ 58</u>	<u>\$ 4,502</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Adjacent Ways</u>	<u>Bond Building</u>	<u>Condemnation</u>
Revenues:			
Other local	\$ 125	\$ 3,152	\$ 79
Total revenues	<u>125</u>	<u>3,152</u>	<u>79</u>
Expenditures:			
Capital outlay	<u> </u>	1,031,525	<u> </u>
Total expenditures	<u> </u>	<u>1,031,525</u>	<u> </u>
Excess (deficiency) of revenues over expenditures	<u>125</u>	<u>(1,028,373)</u>	<u>79</u>
Other financing sources (uses):			
Transfers out	<u> </u>	(3,152)	<u> </u>
Total other financing sources (uses)	<u> </u>	<u>(3,152)</u>	<u> </u>
Changes in fund balances	<u>125</u>	<u>(1,031,525)</u>	<u>79</u>
Fund balances, beginning of year	1,155	1,031,537	97
Fund balances, end of year	<u>\$ 1,280</u>	<u>\$ 12</u>	<u>\$ 176</u>

Energy and Water Savings	Building Renewal Grant	Totals
\$ 202	\$ 8	\$ 3,566
<u>202</u>	<u>8</u>	<u>3,566</u>
44,223		1,075,748
<u>44,223</u>		<u>1,075,748</u>
(44,021)	8	(1,072,182)
		(3,152)
		<u>(3,152)</u>
(44,021)	8	(1,075,334)
44,469	50	1,077,308
<u>\$ 448</u>	<u>\$ 58</u>	<u>\$ 1,974</u>

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2022

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 78,630	\$ 78,630
Property taxes		2,011,780	2,011,780
State aid and grants		673,011	673,011
Total revenues		2,763,421	2,763,421
Expenditures:			
Capital outlay	7,560,120	1,921,777	5,638,343
Debt service -			
Principal retirement	820,844	820,844	
Interest and fiscal charges	4,379	4,379	
Total expenditures	8,385,343	2,747,000	5,638,343
Excess (deficiency) of revenues over expenditures	(8,385,343)	16,421	8,401,764
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(8,385,343)	16,421	8,401,764
Fund balances, beginning of year		8,713,477	8,713,477
Increase (decrease) in reserve for prepaid items		102,922	102,922
Fund balances (deficits), end of year	\$ (8,385,343)	\$ 8,832,820	\$ 17,218,163

Adjacent Ways			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 125	\$ 125	\$	\$ 3,152	\$ 3,152
	<u>125</u>	<u>125</u>		<u>3,152</u>	<u>3,152</u>
			994,279	1,031,525	(37,246)
			<u>994,279</u>	<u>1,031,525</u>	<u>(37,246)</u>
	<u>125</u>	<u>125</u>	<u>(994,279)</u>	<u>(1,028,373)</u>	<u>(34,094)</u>
				<u>(3,152)</u>	<u>(3,152)</u>
				<u>(3,152)</u>	<u>(3,152)</u>
	<u>125</u>	<u>125</u>	<u>(994,279)</u>	<u>(1,031,525)</u>	<u>(37,246)</u>
	1,155	1,155		1,031,537	1,031,537
<u>\$</u>	<u>\$ 1,280</u>	<u>\$ 1,280</u>	<u>\$ (994,279)</u>	<u>\$ 12</u>	<u>\$ 994,291</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2022

	Condemnation		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 79	\$ 79
Property taxes			
State aid and grants			
Total revenues		<u>79</u>	<u>79</u>
Expenditures:			
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Total expenditures			
Excess (deficiency) of revenues over expenditures		<u>79</u>	<u>79</u>
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances		<u>79</u>	<u>79</u>
Fund balances, beginning of year		97	97
Increase (decrease) in reserve for prepaid items			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 176</u>	<u>\$ 176</u>

Energy and Water Savings			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 202	\$ 202	\$	\$ 8	\$ 8
	202	202		8	8
44,223	44,223				
44,223	44,223				
(44,223)	(44,021)	202		8	8
(44,223)	(44,021)	202		8	8
	44,469	44,469		50	50
\$ (44,223)	\$ 448	\$ 44,671	\$	\$ 58	\$ 58

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2022

	Totals		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 82,196	\$ 82,196
Property taxes		2,011,780	2,011,780
State aid and grants		673,011	673,011
Total revenues		<u>2,766,987</u>	<u>2,766,987</u>
Expenditures:			
Capital outlay	8,598,622	2,997,525	5,601,097
Debt service -			
Principal retirement	820,844	820,844	
Interest and fiscal charges	4,379	4,379	
Total expenditures	<u>9,423,845</u>	<u>3,822,748</u>	<u>5,601,097</u>
Excess (deficiency) of revenues over expenditures	<u>(9,423,845)</u>	<u>(1,055,761)</u>	<u>8,368,084</u>
Other financing sources (uses):			
Transfers out		(3,152)	(3,152)
Total other financing sources (uses)		<u>(3,152)</u>	<u>(3,152)</u>
Changes in fund balances	<u>(9,423,845)</u>	<u>(1,058,913)</u>	<u>8,364,932</u>
Fund balances, beginning of year		9,790,785	9,790,785
Increase (decrease) in reserve for prepaid items		102,922	102,922
Fund balances (deficits), end of year	<u>\$ (9,423,845)</u>	<u>\$ 8,834,794</u>	<u>\$ 18,258,639</u>

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Note: For locally assessed property (i.e., excluding mines, utilities, etc.) Proposition 117, approved by voters in 2012, amended the Arizona Constitution to require that all property taxes after fiscal year 2014-15 be based upon property values limited to 5 percent in annual growth. The aggregate assessed value of all taxable properties within a taxing jurisdiction (i.e., after applying assessment ratios based on the use of a property), including property values with a growth limit, is currently referred to as net limited assessed value and formerly as primary assessed value. In accordance with Proposition 117, this value is used for all taxing purposes beginning fiscal year 2015-16. Aggregate assessed value without a growth limit is currently referred to as net full cash assessed value and formerly as secondary assessed value. This remains the value utilized for determining debt capacity limits.

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CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Position:					
Net investment in capital assets	\$ 45,975,540	\$ 45,076,637	\$ 45,103,807	\$ 42,923,747	\$ 44,049,130
Restricted	18,101,580	15,676,919	14,072,235	14,669,630	13,830,242
Unrestricted	<u>(21,757,417)</u>	<u>(25,110,084)</u>	<u>(24,740,631)</u>	<u>(24,663,730)</u>	<u>(27,643,030)</u>
Total net position	<u><u>\$ 42,319,703</u></u>	<u><u>\$ 35,643,472</u></u>	<u><u>\$ 34,435,411</u></u>	<u><u>\$ 32,929,647</u></u>	<u><u>\$ 30,236,342</u></u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net Position:					
Net investment in capital assets	\$ 43,907,650	\$ 40,217,126	\$ 42,828,165	\$ 43,381,053	\$ 41,201,148
Restricted	12,790,848	14,208,596	14,422,369	15,607,395	16,754,678
Unrestricted	<u>(35,011,585)</u>	<u>(38,122,345)</u>	<u>(35,593,736)</u>	<u>3,302,247</u>	<u>7,014,598</u>
Total net position	<u><u>\$ 21,686,913</u></u>	<u><u>\$ 16,303,377</u></u>	<u><u>\$ 21,656,798</u></u>	<u><u>\$ 62,290,695</u></u>	<u><u>\$ 64,970,424</u></u>

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses					
Instruction	\$ 28,347,223	\$ 28,431,299	\$ 26,370,783	\$ 25,203,094	\$ 21,491,831
Support services - students and staff	5,451,256	5,351,967	6,211,089	5,636,336	4,782,289
Support services - administration	5,034,112	5,757,680	5,631,434	5,439,361	4,416,534
Operation and maintenance of plant services	5,735,422	6,380,374	5,854,957	5,245,151	4,737,093
Student transportation services	3,011,627	1,482,261	1,744,651	2,687,879	2,145,328
Operation of non-instructional services	7,286,104	4,510,934	6,919,856	6,381,273	5,746,203
Interest on long-term debt	981,884	1,109,207	1,158,717	1,384,250	1,078,097
Total expenses	<u>55,847,628</u>	<u>53,023,722</u>	<u>53,891,487</u>	<u>51,977,344</u>	<u>44,397,375</u>
Program Revenues					
Charges for services:					
Instruction	1,880,320	875,598	1,353,125	2,326,410	740,484
Operation of non-instructional services	4,537,117	2,543,066	3,995,844	4,948,311	4,744,055
Other activities	307,233	243,226	809,901	951,967	1,283,976
Operating grants and contributions	6,434,769	5,929,720	3,716,977	3,339,373	3,748,238
Capital grants and contributions	1,187,202	224,759	85,151	837,618	352,975
Total program revenues	<u>14,346,641</u>	<u>9,816,369</u>	<u>9,960,998</u>	<u>12,403,679</u>	<u>10,869,728</u>
Net (Expense)/Revenue	<u>\$ (41,500,987)</u>	<u>\$ (43,207,353)</u>	<u>\$ (43,930,489)</u>	<u>\$ (39,573,665)</u>	<u>\$ (33,527,647)</u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenses					
Instruction	\$ 21,927,938	\$ 25,637,978	\$ 21,163,312	\$ 20,964,259	\$ 22,650,491
Support services - students and staff	5,106,814	5,285,127	4,799,037	5,014,881	5,289,050
Support services - administration	4,772,574	4,932,269	4,544,420	4,682,728	4,674,775
Operation and maintenance of plant services	4,701,355	4,689,680	4,611,702	4,588,399	4,617,584
Student transportation services	1,861,775	1,869,972	1,734,626	1,755,654	2,016,367
Operation of non-instructional services	5,202,421	4,623,477	4,339,557	4,330,692	4,347,959
Interest on long-term debt	1,143,968	1,184,554	1,276,782	1,247,451	1,324,417
Total expenses	<u>44,716,845</u>	<u>48,223,057</u>	<u>42,469,436</u>	<u>42,584,064</u>	<u>44,920,643</u>
Program Revenues					
Charges for services:					
Instruction	4,532,575	3,681,911	3,634,111	3,540,709	3,502,710
Operation of non-instructional services	1,839,152	1,863,125	1,626,390	1,923,626	1,754,179
Other activities	170,829	114,066	111,487	97,653	43,900
Operating grants and contributions	2,434,196	2,593,115	2,425,393	2,256,504	2,363,864
Capital grants and contributions	30,047	94,534	37,046	22,286	27,220
Total program revenues	<u>9,006,799</u>	<u>8,346,751</u>	<u>7,834,427</u>	<u>7,840,778</u>	<u>7,691,873</u>
Net (Expense)/Revenue	<u>\$ (35,710,046)</u>	<u>\$ (39,876,306)</u>	<u>\$ (34,635,009)</u>	<u>\$ (34,743,286)</u>	<u>\$ (37,228,770)</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net (Expense)/Revenue	\$ (41,500,987)	\$ (43,207,353)	\$ (43,930,489)	\$ (39,573,665)	\$ (33,527,647)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	23,261,046	22,682,575	21,982,015	21,864,569	22,360,179
Property taxes, levied for debt service	4,467,475	4,449,598	4,285,559	3,396,997	4,028,144
Property taxes, levied for capital outlay	1,998,179	2,202,560	1,798,315	2,575,927	2,304,444
Investment income	93,623	158,240	422,322	519,343	263,957
Unrestricted county aid	628,019	565,002	552,059	446,883	411,165
Unrestricted state aid	17,728,876	14,357,439	15,078,716	13,463,251	11,735,761
Total general revenues	48,177,218	44,415,414	44,118,986	42,266,970	41,103,650
Changes in Net Position	\$ 6,676,231	\$ 1,208,061	\$ 188,497	\$ 2,693,305	\$ 7,576,003

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Net (Expense)/Revenue	\$ (35,710,046)	\$ (39,876,306)	\$ (34,635,009)	\$ (34,743,286)	\$ (37,228,770)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	24,032,623	18,137,386	16,024,482	18,165,220	19,869,578
Property taxes, levied for debt service	3,970,289	3,761,655	3,723,102	1,381,319	15,013
Property taxes, levied for capital outlay	2,007,519	2,033,886	1,984,462	2,009,288	2,275,167
Investment income	141,050	174,944	70,532	90,492	187,789
Unrestricted county aid	346,465	325,033	365,064	421,934	416,385
Unrestricted state aid	10,595,636	10,089,981	9,337,926	9,995,010	9,839,838
Unrestricted federal aid			15,288	294	1,886
Total general revenues	<u>41,093,582</u>	<u>34,522,885</u>	<u>31,520,856</u>	<u>32,063,557</u>	<u>32,605,656</u>
Changes in Net Position	<u>\$ 5,383,536</u>	<u>\$ (5,353,421)</u>	<u>\$ (3,114,153)</u>	<u>\$ (2,679,729)</u>	<u>\$ (4,623,114)</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund:					
Nonspendable	\$ 647,608	\$	\$ 27,477	\$	\$ 473,759
Unassigned	11,047,875	9,867,669	9,579,783	7,165,221	5,850,789
Total General Fund	\$ 11,695,483	\$ 9,867,669	\$ 9,607,260	\$ 7,165,221	\$ 6,324,548
All Other Governmental Funds:					
Nonspendable	\$ 102,922	\$	\$ 28,237	\$	\$
Restricted	17,902,772	16,598,597	17,132,721	17,461,903	22,393,191
Unassigned	(1,235,903)	(1,876)	(14,534)	(2,081)	(92,747)
Total all other governmental funds	\$ 16,769,791	\$ 16,596,721	\$ 17,146,424	\$ 17,459,822	\$ 22,300,444

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
General Fund:					
Nondisposable	\$ 468,136	\$ 421,759	\$ 2,299,132	\$ 2,036,635	\$ 2,145,470
Unassigned	2,274,537	(1,845,258)	(219,008)	2,745,767	3,028,069
Total General Fund	<u>\$ 2,742,673</u>	<u>\$ (1,423,499)</u>	<u>\$ 2,080,124</u>	<u>\$ 4,782,402</u>	<u>\$ 5,173,539</u>
All Other Governmental Funds:					
Restricted	\$ 16,023,595	\$ 20,936,511	\$ 19,819,749	\$ 16,524,110	\$ 19,953,619
Unassigned	(43,206)			(8,516)	
Total all other governmental funds	<u>\$ 15,980,389</u>	<u>\$ 20,936,511</u>	<u>\$ 19,819,749</u>	<u>\$ 16,515,594</u>	<u>\$ 19,953,619</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Federal sources:					
Federal grants	\$ 2,391,439	\$ 3,591,844	\$ 1,336,598	\$ 1,337,842	\$ 1,525,523
National School Lunch Program	2,740,517	939,062	451,582	383,152	339,559
Total federal sources	<u>5,131,956</u>	<u>4,530,906</u>	<u>1,788,180</u>	<u>1,720,994</u>	<u>1,865,082</u>
State sources:					
State equalization assistance	12,959,125	11,458,821	11,903,856	10,399,308	9,189,755
State grants	814,051	896,290	1,411,706	1,035,932	1,101,360
School Facilities Board		185,431		803,902	341,088
Other revenues	4,769,751	2,898,618	3,174,860	3,063,943	2,564,566
Total state sources	<u>18,542,927</u>	<u>15,439,160</u>	<u>16,490,422</u>	<u>15,303,085</u>	<u>13,196,769</u>
Local sources:					
Property taxes	29,716,676	29,271,966	27,991,656	27,805,615	28,614,530
County aid	628,019	565,002	552,059	446,883	411,165
Food service sales	190,659	70,628	816,429	956,474	875,572
Investment income	93,623	158,240	422,322	519,343	263,957
Other revenues	6,942,267	4,137,159	5,861,530	7,914,550	6,611,033
Total local sources	<u>37,571,244</u>	<u>34,202,995</u>	<u>35,643,996</u>	<u>37,642,865</u>	<u>36,776,257</u>
Total revenues	<u><u>\$ 61,246,127</u></u>	<u><u>\$ 54,173,061</u></u>	<u><u>\$ 53,922,598</u></u>	<u><u>\$ 54,666,944</u></u>	<u><u>\$ 51,838,108</u></u>

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Federal sources:					
Federal grants	\$ 1,323,118	\$ 1,355,382	\$ 1,295,836	\$ 1,262,795	\$ 1,399,543
National School Lunch Program	368,617	428,583	337,873	294,921	295,408
Total federal sources	<u>1,691,735</u>	<u>1,783,965</u>	<u>1,633,709</u>	<u>1,557,716</u>	<u>1,694,951</u>
State sources:					
State equalization assistance	8,425,060	7,708,855	7,211,829	7,951,799	8,121,930
State grants	85,645	106,931	92,994	105,930	90,145
School Facilities Board	11,602	60,943	208,565		
Other revenues	2,170,576	2,381,126	1,917,532	2,043,211	1,717,908
Total state sources	<u>10,692,883</u>	<u>10,257,855</u>	<u>9,430,920</u>	<u>10,100,940</u>	<u>9,929,983</u>
Local sources:					
Property taxes	29,840,255	23,955,426	21,968,537	21,440,523	22,308,346
County aid	346,465	325,033	365,064	421,934	416,385
Food service sales	894,984	757,111	822,683	968,769	975,154
Investment income	141,050	174,944	70,532	90,492	187,789
Other revenues	6,322,833	5,594,640	5,300,329	5,211,791	4,933,509
Total local sources	<u>37,545,587</u>	<u>30,807,154</u>	<u>28,527,145</u>	<u>28,133,509</u>	<u>28,821,183</u>
Total revenues	<u>\$ 49,930,205</u>	<u>\$ 42,848,974</u>	<u>\$ 39,591,774</u>	<u>\$ 39,792,165</u>	<u>\$ 40,446,117</u>

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenditures:					
Current -					
Instruction	\$ 26,125,430	\$ 24,905,824	\$ 23,055,958	\$ 22,504,227	\$ 19,570,378
Support services - students and staff	5,439,555	4,968,016	5,986,632	5,677,634	4,843,130
Support services - administration	4,648,290	5,098,784	5,034,795	4,533,653	4,069,582
Operation and maintenance of plant services	6,096,871	6,151,501	5,641,622	4,491,062	4,558,954
Student transportation services	2,094,011	702,590	1,046,579	1,315,201	1,256,011
Operation of non-instructional services	5,210,955	2,700,224	5,494,576	5,384,679	4,985,190
Capital outlay	5,222,169	4,928,639	6,696,870	11,747,153	7,743,316
Debt service -					
Interest and fiscal charges	1,210,684	1,323,063	3,743,812	1,505,461	1,194,093
Principal retirement	4,010,844	3,698,578	1,295,373	3,905,013	3,403,084
Bond issuance costs		50,855	202,482		166,609
Total expenditures	<u>\$ 60,058,809</u>	<u>\$ 54,528,074</u>	<u>\$ 58,198,699</u>	<u>\$ 61,064,083</u>	<u>\$ 51,790,347</u>
Expenditures for capitalized assets	\$ 1,962,733	\$ 2,293,000	\$ 4,580,215	\$ 6,084,178	\$ 4,624,341
Debt service as a percentage of noncapital expenditures	9%	10%	9%	10%	10%

(Continued)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Expenditures:					
Current -					
Instruction	\$ 19,157,525	\$ 19,311,509	\$ 18,199,947	\$ 17,312,203	\$ 17,038,992
Support services - students and staff	4,870,465	4,745,055	4,471,270	4,618,540	4,515,459
Support services - administration	4,546,771	4,500,439	4,284,106	4,340,549	4,038,860
Operation and maintenance of plant services	4,519,129	4,476,971	4,394,740	4,368,808	4,300,139
Student transportation services	1,243,463	1,082,502	1,131,005	1,142,843	1,119,930
Operation of non-instructional services	4,409,677	4,004,967	3,720,883	3,719,865	3,709,238
Capital outlay	6,971,694	11,641,992	4,230,227	3,710,129	6,969,617
Debt service -					
Interest and fiscal charges	1,226,714	1,267,301	1,314,402	1,254,497	1,336,909
Principal retirement	3,821,094	3,150,606	3,755,980	3,045,058	3,467,546
Bond issuance costs		256,864	115,535		
Total expenditures	<u>\$ 50,766,532</u>	<u>\$ 54,438,206</u>	<u>\$ 45,618,095</u>	<u>\$ 43,512,492</u>	<u>\$ 46,496,690</u>
Expenditures for capitalized assets	\$ 3,635,230	\$ 6,487,415	\$ 1,091,582	\$ 469,370	\$ 577,464
Debt service as a percentage of noncapital expenditures	11%	9%	11%	10%	10%

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

(Concluded)

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Excess (deficiency) of revenues over expenditures	\$ 1,187,318	\$ (355,013)	\$ (4,276,101)	\$ (6,397,139)	\$ 47,761
Other financing sources (uses):					
Issuance of refunding bonds		2,800,000	3,840,000		
Issuance of school improvement bonds			4,395,000		9,185,000
Premium on sale of bonds		130,736	926,705		650,224
Capital lease agreements		38,084		2,857,492	
Transfers in	40,029	87,812	65,806	182,375	102,056
Transfers out	(40,029)	(87,812)	(65,806)	(182,375)	(102,056)
Payment to refunded bond escrow agent		(2,856,000)	(4,187,063)		
Insurance recoveries	63,036	8,613	57,119	13,457	13,322
Total other financing sources (uses)	<u>63,036</u>	<u>121,433</u>	<u>5,031,761</u>	<u>2,870,949</u>	<u>9,848,546</u>
Changes in fund balances	<u>\$ 1,250,354</u>	<u>\$ (233,580)</u>	<u>\$ 755,660</u>	<u>\$ (3,526,190)</u>	<u>\$ 9,896,307</u>
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Excess (deficiency) of revenues over expenditures	\$ (836,327)	\$ (11,589,232)	\$ (6,026,321)	\$ (3,720,327)	\$ (6,050,573)
Other financing sources (uses):					
Issuance of refunding bonds		7,360,000			
Issuance of school improvement bonds		7,500,000	6,075,000		
Premium on sale of bonds		772,688	290,701		
Capital lease agreements		3,063,762			3,024,680
Transfers in	71,292	280,539	233,032	23,858	4,759,455
Transfers out	(71,292)	(280,539)	(233,032)	(23,858)	(4,759,455)
Payment to refunded bond escrow agent		(7,616,706)			
Total other financing sources (uses)		<u>11,079,744</u>	<u>6,365,701</u>		<u>3,024,680</u>
Changes in fund balances	<u>\$ (836,327)</u>	<u>\$ (509,488)</u>	<u>\$ 339,380</u>	<u>\$ (3,720,327)</u>	<u>\$ (3,025,893)</u>

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 73,667,635	\$ 69,473,960	\$ 69,823,940	\$ 68,520,723	\$ 69,004,115
Agricultural and Vacant	13,778,261	13,913,895	14,031,759	14,376,996	16,282,101
Residential (Owner Occupied)	445,556,400	431,043,273	424,172,636	407,611,942	394,398,509
Residential (Rental)	143,104,993	137,451,151	123,791,848	122,304,787	120,685,941
Historical Property	<u>1,034,228</u>	<u>977,478</u>	<u>957,045</u>	<u>809,194</u>	<u>587,850</u>
Total	<u>\$ 677,141,517</u>	<u>\$ 652,859,757</u>	<u>\$ 632,777,228</u>	<u>\$ 613,623,642</u>	<u>\$ 600,958,516</u>
Gross Full Cash Value	\$ 6,812,364,025	\$ 6,608,453,355	\$ 6,315,357,174	\$ 6,095,913,499	\$ 5,912,401,878
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Total Direct Rate	5.20	5.59	4.99	5.42	5.67

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 69,043,427	\$ 65,364,064	\$ 67,574,587	\$ 67,471,833	\$ 68,892,346
Agricultural and Vacant	17,092,680	18,817,444	20,170,277	19,317,556	21,702,419
Residential (Owner Occupied)	385,303,207	372,022,934	362,355,188	394,401,017	428,263,724
Residential (Rental)	117,952,583	116,138,866	105,121,410	67,217,317	64,358,482
Historical Property	<u>479,914</u>	<u>475,805</u>	<u>456,764</u>	<u>397,248</u>	<u>299,468</u>
Total	<u>\$ 589,871,811</u>	<u>\$ 572,819,113</u>	<u>\$ 555,678,226</u>	<u>\$ 548,804,971</u>	<u>\$ 583,516,439</u>
Gross Full Cash Value	\$ 5,843,239,702	\$ 5,705,341,292	\$ 5,357,684,940	\$ 5,261,361,840	\$ 5,516,662,678
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	11%
Total Direct Rate	5.99	5.00	4.71	4.83	4.75

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

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

CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 80,105,519	\$ 75,772,302	\$ 76,200,642	\$ 72,391,528	\$ 69,926,380
Agricultural and Vacant	15,371,271	14,977,902	14,925,350	15,217,419	16,742,819
Residential (Owner Occupied)	455,734,891	445,304,663	433,504,768	413,867,479	400,357,880
Residential (Rental)	155,434,368	148,491,842	130,698,731	130,700,750	125,355,743
Historical Property	<u>1,091,365</u>	<u>1,033,571</u>	<u>1,018,513</u>	<u>841,624</u>	<u>626,491</u>
Total	<u>\$ 707,737,414</u>	<u>\$ 685,580,280</u>	<u>\$ 656,348,004</u>	<u>\$ 633,018,800</u>	<u>\$ 613,009,313</u>
Gross Full Cash Value	\$ 6,812,364,025	\$ 6,608,453,355	\$ 6,315,357,174	\$ 6,095,913,499	\$ 5,912,401,878
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	10%
Estimated Net Full Cash Value	6,623,310,448	6,139,465,534	5,915,950,757	5,910,187,933	5,710,262,864
Total Direct Rate	5.20	5.59	4.99	5.42	5.67

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	\$ 70,290,001	\$ 65,902,707	\$ 68,278,351	\$ 68,629,109	\$ 70,045,912
Agricultural and Vacant	17,585,484	19,333,541	20,413,779	19,522,282	21,966,125
Residential (Owner Occupied)	396,475,854	385,365,305	363,273,388	394,486,812	428,411,338
Residential (Rental)	121,293,050	120,392,716	106,010,257	67,317,139	64,620,873
Historical Property	<u>511,036</u>	<u>489,487</u>	<u>457,581</u>	<u>399,444</u>	<u>299,772</u>
Total	<u>\$ 606,155,425</u>	<u>\$ 591,483,756</u>	<u>\$ 558,433,356</u>	<u>\$ 550,354,786</u>	<u>\$ 585,344,020</u>
Gross Full Cash Value	\$ 5,843,239,702	\$ 5,705,341,292	\$ 5,357,684,940	\$ 5,261,361,840	\$ 5,516,662,678
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%	11%
Estimated Net Full Cash Value	5,634,582,615	5,462,348,868	5,102,360,953	5,015,761,306	5,371,584,691
Total Direct Rate	5.99	5.00	4.71	4.83	4.75

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

Note: On November 6, 2012, voters approved Proposition 117, an amendment to the Arizona Constitution. Beginning with Tax Year 2015 (Fiscal Year 2016), both primary and secondary taxes are levied against the net limited assessed value. The net full cash assessed value is used for determining the District's bonding capacity and as the ceiling for net limited assessed value.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	15	14	15

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Commercial, Industrial, Utilities and Mining	18 %	19 %	19 %	20 %	20 %
Agricultural and Vacant	15	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	15	16	15	15

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

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

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

Fiscal Year Ended June 30	Overlapping Rates							District Direct Rates		
	State Equalization	County	County Free Library	Flood Control District	Community College District	Fire District Assistance	Central Arizona Water	Primary	Secondary	Total
	2022	0.43	4.33	0.54	0.33	1.27	0.04	0.14	3.65	1.55
2021	0.44	4.44	0.54	0.33	1.34	0.04	0.14	3.71	1.87	5.59
2020	0.46	4.69	0.54	0.33	1.38	0.04	0.14	3.69	1.31	4.99
2019	0.47	4.76	0.52	0.33	1.40	0.04	0.14	3.98	1.44	5.42
2018	0.49	5.16	0.51	0.31	1.39	0.05	0.14	4.12	1.55	5.67
2017	0.50	4.99	0.52	0.33	1.37	0.05	0.14	4.44	1.55	5.99
2016	0.51	5.09	0.52	0.31	1.37	0.05	0.14	3.46	1.54	5.00
2015	0.51	4.28	0.44	0.30	1.33	0.05	0.14	3.13	1.58	4.71
2014	0.51	4.45	0.38	0.26	1.29	0.05	0.14	3.66	1.16	4.83
2013	0.47	3.42	0.35	0.26	1.17	0.04	0.10	3.88	0.87	4.75

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

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

<u>Taxpayer</u>	<u>2022</u>		<u>2013</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Assessed Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
SGC Tucson Property LLC	\$ 10,743,266	1.59 %	\$ 9,691,929	1.66 %
LVC Hotel LLC	7,236,326	1.07		
TWC II Tucson LLC	6,045,512	0.89	5,544,039	0.95
Unisource Energy Corp.	6,718,496	0.99	9,888,662	1.69
Southwest Gas Corporation	3,766,892	0.56	2,086,526	0.36
N A Legends-90 LP	2,723,342	0.40		
Plaza Colonial LLC	2,395,346	0.35	2,055,809	0.35
United Insurance Company of America	1,860,675	0.27	4,695,780	0.80
LDK Tucson LLC	1,884,275	0.28		
Sunrise Campbell Investors LLC/River Center Pads LLC	1,625,306	0.24		
Ventana Canyon Hotel Associates			5,007,620	0.86
Qwest Corporation			2,249,368	0.38
Ventana 20/20 LP			1,720,500	0.29
Reseda Ventana LLC			1,365,000	0.23
Total	<u>\$ 44,999,436</u>	<u>6.65 %</u>	<u>\$ 44,305,233</u>	<u>7.57 %</u>

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

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

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2022	\$ 29,488,747	\$ 29,119,805	98.75 %	\$	\$ 29,119,805	98.75 %
2021	29,092,386	28,726,854	98.74	336,408	29,063,262	99.90
2020	27,835,703	27,338,888	98.22	362,075	27,700,963	99.52
2019	27,598,098	27,231,638	98.67	352,961	27,584,599	99.95
2018	28,395,219	28,030,556	98.72	349,332	28,379,888	99.95
2017	29,951,685	29,553,552	98.67	323,313	29,876,865	99.75
2016	23,942,805	23,315,943	97.38	594,452	23,910,395	99.86
2015	21,837,884	21,321,988	97.64	479,336	21,801,324	99.83
2014	21,600,641	21,035,018	97.38	527,050	21,562,068	99.82
2013	22,260,269	21,681,906	97.40	546,577	22,228,483	99.86

Source: The source of this information is the 2022 Pima County Treasurer's records.

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

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

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Financed Purchases and Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2022	\$ 31,538,897	\$ 758,102	\$ 30,780,795	0.45 %	\$ 913	\$ 207,201	\$ 31,746,098	0.47 %	\$ 941	0.06 %
2021	35,016,257	680,935	34,335,322	0.52	1,030	674,834	35,691,091	0.54	1,071	0.07
2020	38,298,080	582,147	37,715,933	0.60	1,141	1,290,328	39,588,408	0.63	1,197	0.08
2019	36,284,447	397,108	35,887,339	0.59	1,088	2,109,140	38,393,587	0.63	1,164	0.08
2018	39,047,330	813,936	38,233,394	0.65	1,183	551,661	39,598,991	0.67	1,225	0.09
2017	32,219,774	616,218	31,603,556	0.54	1,001	2,067,668	34,287,442	0.59	1,086	0.09
2016	35,164,192	515,266	34,648,926	0.61	1,097	3,063,762	38,227,954	0.67	1,211	0.10
2015	29,760,923	250,340	29,510,583	0.55	703	400,606	30,161,529	0.56	718	0.08
2014	26,017,842		26,017,842	0.49	635	1,571,586	27,589,428	0.52	673	0.08
2013	28,289,888	1,979,711	26,310,177	0.48	642	2,351,644	30,641,532	0.56	747	0.09

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

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaces the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2013-2021 information within this column relates to the transactions previously designated as capital leases.

**CATALINA FOOTHILLS UNIFIED SCHOOL DISTRICT NO. 16
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2022**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Pima County	\$ 133,965,000	7.14 %	\$ 9,565,101
Pima County Community College District	None	7.14	None
Hidden Valley Fire District	None	34.28	None
Northwest Fire District	29,525,000	0.06	17,715
Subtotal, Overlapping Debt			<u>9,582,816</u>
Direct:			
Catalina Foothills Unified School District No. 16			<u>31,746,098</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 41,328,914</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		4.55 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 1,197	
As a Percentage of Net Limited Assessed Valuation		5.96 %
As a Percentage of Gross Full Cash Value		0.59 %

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, 2021 is presented for the overlapping governments as this is the most recent available information.

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

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2022:

Net full cash assessed valuation	\$ 707,737,414
Debt limit (20% of assessed value)	141,547,483
Debt applicable to limit	<u>29,990,000</u>
Legal debt margin	<u>\$ 111,557,483</u>

Total Legal Debt Margin Calculation for Fiscal Year 2022:

Net full cash assessed valuation	\$ 707,737,414
Debt limit (30% of assessed value)	212,321,224
Debt applicable to limit	<u>29,990,000</u>
Legal debt margin	<u>\$ 182,331,224</u>

Fiscal Year Ended June 30

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Debt Limit	\$ 212,321,224	\$ 205,674,084	\$ 196,904,401	\$ 189,905,640	\$ 183,902,794
Total net debt applicable to limit	<u>\$ 29,990,000</u>	<u>\$ 34,305,917</u>	<u>\$ 37,374,954</u>	<u>\$ 35,499,954</u>	<u>\$ 38,110,000</u>
Legal debt margin	<u>\$ 182,331,224</u>	<u>\$ 171,368,167</u>	<u>\$ 159,529,447</u>	<u>\$ 154,405,686</u>	<u>\$ 145,792,794</u>
Total net debt applicable to the limit as a percentage of debt limit	14%	17%	19%	19%	21%

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Debt Limit	\$ 181,846,628	\$ 177,445,127	\$ 167,530,007	\$ 165,106,436	\$ 175,603,206
Total net debt applicable to limit	<u>\$ 31,265,000</u>	<u>\$ 34,090,000</u>	<u>\$ 29,340,000</u>	<u>\$ 25,850,000</u>	<u>\$ 28,115,000</u>
Legal debt margin	<u>\$ 150,581,628</u>	<u>\$ 143,355,127</u>	<u>\$ 138,190,007</u>	<u>\$ 139,256,436</u>	<u>\$ 147,488,206</u>
Total net debt applicable to the limit as a percentage of debt limit	17%	19%	18%	16%	16%

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

- Notes:** 1) The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds outstanding and the statutory debt limit on Class B bonds outstanding. The calculations of the debt margins are presented in detail for the current fiscal year only.
- 2) Prior to FY17, net bond premium was restricted by amount and not subject to the statutory debt limit. Beginning with FY17, any additional net premium used for capital projects, bond counsel, printing and preparation of offering documents, a financial advisor, paying agent costs or to pay down debt is counted against both debt limits with the exception of amounts of premium deposited into the Debt Service Fund or a refunding escrow to pay interest payments.

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

<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>
2021	1,058,318	\$ 55,696,681	\$ 52,942	5.0 %	33,722
2020	1,052,375	51,331,920	48,373	7.4	33,330
2019	1,044,675	47,604,994	45,456	4.0	33,069
2018	1,034,201	45,748,033	44,028	4.5	32,979
2017	1,026,099	42,585,356	41,637	4.5	32,332
2016	1,013,103	38,922,402	38,536	4.9	31,574
2015	1,009,371	37,198,714	37,031	5.6	31,574
2014	1,007,162	36,935,363	37,063	6.2	42,000
2013	992,394	36,058,871	36,335	6.9	41,000
2012	989,569	34,596,360	34,961	6.7	41,000

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

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

Employer	2022		2013	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
United States Department of the Air Force	13,830	3.86 %		
Raytheon Company	12,610	3.52	10,300	2.46
University of Arizona	12,420	3.46	10,846	2.59
Pima County	7,550	2.11	6,076	1.45
Tucson Unified School District	6,830	1.91	6,790	1.62
State of Arizona	6,420	1.79	8,807	2.10
Banner University of Arizona Health Network	5,380	1.50	6,099	1.46
Wal-Mart Stores, Inc.	4,560	1.27	7,450	1.78
Tucson Medical Center	4,480	1.25	2,977	0.71
City of Tucson	4,010	1.12	4,585	1.09
Davis Monthan AFB			9,100	2.17
U.S. Customs and Border Protection			6,500	1.55
Freeport-McMoran Mining			5,463	1.30
Fort Huachuca			5,096	1.22
Carondelet Health Network			3,668	0.88
Tohono O'odham Nation			4,350	1.04
Fry's Food Stores			2,700	0.64
Total	64,260	17.93 %	100,807	24.06 %
Total employment	358,530		418,900	

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

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

	Full-time Equivalent Employees as of June 30				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Supervisory					
Superintendents	1	1	1	1	1
Associate superintendents	1	1	1	1	1
Assistant superintendents	1	1	1	1	1
Consultants/supervisors of instruction	4	4	4	4	10
Principals	8	8	8	8	8
Assistant principals	8	7	7	7	5
Total supervisory	<u>23</u>	<u>22</u>	<u>22</u>	<u>22</u>	<u>26</u>
Instruction					
Teachers	308	305	306	302	308
Other professionals (instructional)	12	7	8	8	
Aides	70	68	68	76	85
Total instruction	<u>390</u>	<u>380</u>	<u>382</u>	<u>386</u>	<u>393</u>
Student Services					
Nurses	4	4	4	5	5
Counselors/advisors/school psychologists	18	15	15	15	15
Technicians	20	20	20	21	35
Total student services	<u>42</u>	<u>39</u>	<u>39</u>	<u>41</u>	<u>55</u>
Support and Administration					
Service workers	67	67	68	68	24
Other classified	10	10	10	15	68
Total support and administration	<u>77</u>	<u>77</u>	<u>78</u>	<u>83</u>	<u>92</u>
Total	<u><u>532</u></u>	<u><u>518</u></u>	<u><u>521</u></u>	<u><u>532</u></u>	<u><u>566</u></u>

(Continued)

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Supervisory					
Superintendents	1	1	1		
Associate superintendents	1	1	1		
Assistant superintendents	1	1	1		
Consultants/supervisors of instruction	10	10	9	8	6
Principals	8	7	7	7	7
Assistant principals	6	6	6	6	5
Total supervisory	<u>27</u>	<u>26</u>	<u>25</u>	<u>21</u>	<u>18</u>
Instruction					
Teachers	305	277	281	272	280
Other professionals (instructional)					
Aides	86	88	87	87	92
Total instruction	<u>391</u>	<u>365</u>	<u>368</u>	<u>359</u>	<u>372</u>
Student Services					
Nurses	5	5	5		
Counselors/advisors/school psychologists	13	13	13		
Technicians	30	31	30	30	28
Total student services	<u>48</u>	<u>49</u>	<u>48</u>	<u>30</u>	<u>28</u>
Support and Administration					
Service workers	29	48	51	54	58
Other classified	61	63	62	59	62
Total support and administration	<u>90</u>	<u>111</u>	<u>113</u>	<u>113</u>	<u>120</u>
Total	<u><u>556</u></u>	<u><u>551</u></u>	<u><u>554</u></u>	<u><u>523</u></u>	<u><u>538</u></u>

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

(Concluded)

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

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2022	4,939	\$ 49,615,112	\$ 10,046	9.96 %	\$ 55,847,628	\$ 11,307	3.94 %	390	12.7	11.5 %
2021	4,874	44,526,939	9,136	(0.39)	53,023,722	10,879	1.82	380	12.8	11.9
2020	5,044	46,260,162	9,171	4.61	53,891,487	10,684	2.94	382	13.2	11.9
2019	5,008	43,906,456	8,767	10.85	51,977,344	10,379	16.11	386	13.0	12.0
2018	4,967	39,283,245	7,909	(1.13)	44,397,375	8,938	(3.17)	393	12.6	12.0
2017	4,844	38,747,030	7,999	(0.42)	44,716,845	9,231	(9.15)	391	12.4	13.0
2016	4,746	38,121,443	8,032	6.23	48,223,057	10,161	14.55	365	13.0	12.6
2015	4,788	36,201,951	7,561	2.48	42,469,436	8,870	0.23	368	13.0	12.6
2014	4,812	35,502,808	7,378	1.78	42,584,064	8,850	(5.63)	359	13.4	12.0
2013	4,790	34,722,618	7,249	(0.66)	44,920,643	9,378	8.62	372	12.9	11.6

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

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

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

	Fiscal Year Ended June 30									
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<u>Schools</u>										
Elementary										
Buildings	44	44	44	44	44	44	44	44	44	44
Square feet	259,687	259,687	259,687	259,687	259,687	259,687	259,687	259,687	259,687	257,800
Capacity	2,500	2,500	2,500	2,500	2,500	2,500	2,000	2,000	2,000	2,000
Enrollment	2,081	1,992	2,162	2,089	2,168	2,085	2,003	1,932	1,958	1,914
Middle										
Buildings	18	18	18	18	18	18	18	18	18	18
Square feet	171,287	171,287	171,287	171,287	171,287	171,287	171,287	171,287	171,287	171,287
Capacity	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400
Enrollment	1,189	1,217	1,294	1,315	1,328	1,275	1,215	1,220	1,210	1,216
High										
Buildings	8	8	8	8	8	8	8	8	8	8
Square feet	349,971	349,971	349,971	349,971	349,971	349,971	349,971	349,971	349,971	349,971
Capacity	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Enrollment	1,801	1,753	1,750	1,729	1,691	1,677	1,628	1,631	1,671	1,817
Other										
Buildings	1	1	1	1	1	1	1	1	1	1
Square feet	32,217	32,217	32,217	32,217	32,217	32,217	32,217	12,100	12,100	12,100
Capacity	270	270	270	270	270	270	270	80	80	80
Enrollment	248	8	8	8	8	8	7	6	6	7
<u>Administrative</u>										
Buildings	7	7	7	7	7	7	7	7	7	7
Square feet	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,932
<u>Athletics</u>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	3	3	3	3	3	3	3	3	3	3
Running tracks	3	3	3	3	3	3	3	3	3	3
Baseball	3	3	3	3	3	3	3	3	3	3
Softball	3	3	3	3	2	2	2	2	2	2
Playgrounds	10	10	10	10	10	10	10	10	10	10
Multi-purpose	4	4	4	4	4	4	4	4	4	4
Ropes field	1	1	1	1	1	1	1	1	1	1

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

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