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PUBLIC SCHOOLS

Maricopa County, Arizona

 **GILBERT**
PUBLIC SCHOOLS

140 South Gilbert Road, Gilbert, AZ 85296

Annual Comprehensive Financial Report
FISCAL YEAR ENDING JUNE 31, 2021

GILBERT UNIFIED SCHOOL DISTRICT NO. 41

GILBERT, ARIZONA

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

Issued by:
Business Services Department

GILBERT UNIFIED SCHOOL DISTRICT NO. 41

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INTRODUCTORY SECTION



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140 S. Gilbert Road, Gilbert, AZ 85296
480-497-3300 | www.gilbertschools.net

SUPERINTENDENT

Dr. Shane McCord

**ASSISTANT
SUPERINTENDENTS**

*Ms. Bonnie J. Betz
Mr. Shawn McIntosh
Dr. Barbara Newman*

**GILBERT PUBLIC SCHOOLS
GOVERNING BOARD**

*Dr. J. Charles Santa Cruz, President
Mrs. Lori Wood, Clerk
Mrs. Jill Humpherys, Member
Mr. Bill Parker, Member
Mrs. Sheila Rogers Uggetti, Member*

December 11, 2021

Citizens and Governing Board
Gilbert Unified School District No. 41
140 South Gilbert Road
Gilbert, Arizona 85296

It is our pleasure to submit to you the Gilbert Unified School District No. 41 (the District otherwise known as Gilbert Public Schools) Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona.

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

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

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

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

PROFILE OF THE DISTRICT

Gilbert Public Schools is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from preschool through grade twelve.

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.

The Governing Board consists of five members elected by the public. At the beginning of FY 2021, these five individuals included Board President, Mr. Reed Carr, Board Clerk, Dr. J. Charles Santa Cruz, Mrs. Lori Wood, Mrs. Jill Humpherys, and Mrs. Sheila Rogers-Uggetti. Mr. Carr, Mrs. Wood and Mrs. Rogers-Uggetti ran unopposed for the November, 2020 election and at the January Governing Board organizational meeting, Dr. J. Charles Santa Cruz was elected Board President and Mrs. Lori Wood was elected Board Clerk.

As of July 1, 2021, Mr. Reed Carr resigned his Governing Board seat. Through a comprehensive selection process which included input from the Gilbert Public Schools Governing Board, the County Superintendent, Mr. Steve Watson, appointed William Parker as the Governing Board member to complete Mr. Carr's term which is up December 31, 2024. In order for Mr. Parker to complete Mr. Carr's term, he is required by statute to run for election in November of 2022, the next scheduled GPS Governing Board election. At this election, both Mrs. Jill Humpherys and Dr. J. Charles Santa Cruz are up for re-election.

Under existing statutes, the duties and powers of the Governing Board 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 major operations of the District include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

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, the component unit combined with the District for financial statement purposes and the District are not included in any other governmental entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable.

FACTORS AFFECTING FINANCIAL CONDITION

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 budget as approved by the District Governing Board.

The expenditure budget is prepared by fund for all Governmental Funds, and includes function and object code detail for the General Fund, and some Special Revenue and Capital Projects Funds. The legal level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the individual fund level for all required funds. Funds that are not required to legally adopt a budget may have over-expenditures of budgeted funds. The budget for these funds is simply an estimate of revenues expected 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. A deficit budgeted fund balance does not affect the District's ability to expend monies. The various circumstances impacting the financial condition of Gilbert Public Schools in this reporting year as well as the current year is discussed below.

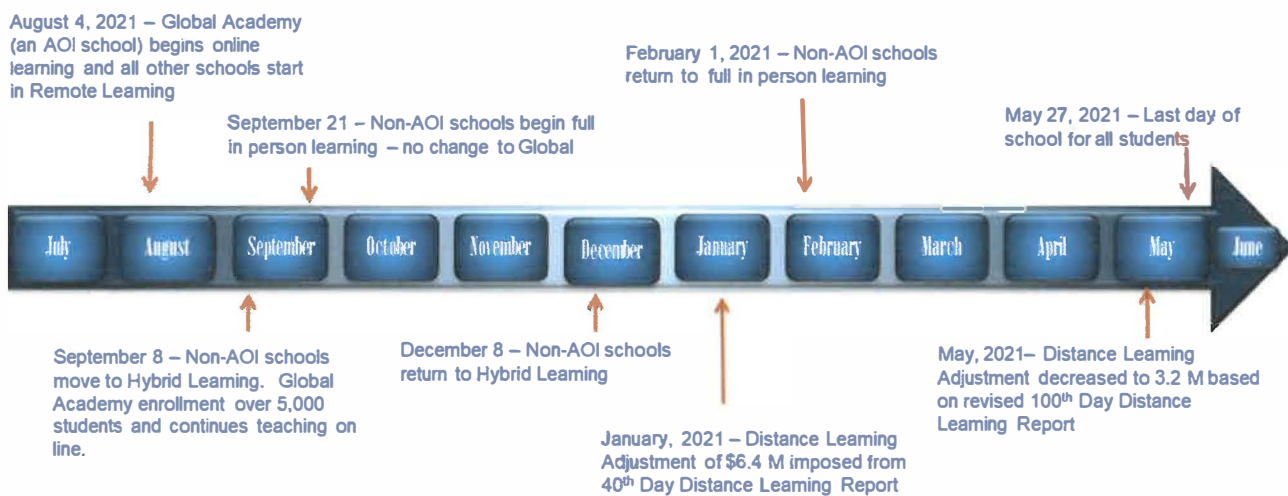
The FY 2021 Budget and the Financial Impact of the Coronavirus (Covid-19)

In spite of the unknowns associated with the ongoing coronavirus pandemic, the State enacted a budget for FY 2021 that included ongoing inflation adjusted funding and a commitment to maintaining transportation funding at FY 2020 levels. Also, the Governor committed to funding Maintenance and Operations budgets in FY 2021 to a level consistent with 98% of the prior year student count funding calculation.

The District, in addition to budgeting for a 15% override up from 10% in the prior year, and considering the legislative actions associated with the State budget, adopted a FY 2021 budget assuming a loss of 400 students from FY 2020. The District adopted a budget of about \$259 million, a value nearly \$20 million higher than FY 2020.

The Coronavirus pandemic, however, worsened throughout the summer precipitating additional actions by the Arizona State Governor. Governor Ducey signed Executive Order, EO 2020-51, Arizona Open for Learning. In this executive order, Governor Ducey outlined potential data points to be used to guide school districts in determining their Open for Learning Plan.

This order also required that each school district and charter school in Arizona begin distance learning, the earlier of their originally scheduled start date or August 15, 2020. Gilbert Public Schools provided distance learning (all school days provided through a remote access model) through early September and began operating a hybrid instructional model (students attended in person two days on and two days off depending upon the last name where on Wednesdays all students were remote) on September 8, 2020 through September 21, 2020. The figure below depicts the student learning model schedules throughout FY 2021. Please note that in the figure, Global Academy is identified as an AOI school – an Arizona On-line Instruction school.



In addition to the creation of the Open for Learning Plan, the Governor also imposed a Distance Learning adjustment to be included in FY 2021 budget capacity calculations. Due to the late start of in-person learning and the hybrid instructional models approved by the Governing Board in September and again in December, Gilbert Public Schools budget capacity decrease associated with this Distance Learning adjustment was originally about \$6.6 M.

Though GPS expected a 400 student count decrease in FY 2021, the final decrease was substantially higher to over a 2,300 ADM (Average Daily Membership) loss. Please see the table below illustrating the student count and budget capacity changes realized throughout this reporting fiscal year.

Budget Item	FY 2020 Final Revised	FY 2021 Adopted	FY 2021 Revised #1	FY 2021 Revised #2	FY 2021 Revised #3
Average Daily Membership (ADM)	33,154	32,801	28,918	30,903	30,823
M&O Override	\$ 20.7 M	\$ 32.3 M	\$ 32.3 M	\$ 32.3 M	\$ 32.3 M
Budget Balance Carryforward	9.0 M	11.0 M	30.9 M	31.6 M	31.6 M
M&O Budget Limit	\$ 239.2 M	258.7 M	\$ 252.9 M	\$ 260.5 M	\$ 263.7 M

Fortunately, Federal assistance in the form of ESSER I and II (Elementary & Secondary School Emergency Relief) was provided to pK-12 LEAs (Local Education Agencies) throughout the Nation as a part of the CARES Act - the Coronavirus Aid, Relief and Economic Security Act for ESSER I and the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA) for ESSER II. GPS received \$2.3 million in ESSER I allocations and \$9.7 M in ESSER II allocations. These Federal grants were used to offset direct Coronavirus expenditures in this reporting year, FY 2021.

State governments also received federal funding and the Governor opted to distribute amounts received for Arizona to school districts through the Enrollment Stabilization Grant (ESG). This Grant was specifically designed to mitigate the impact of the Coronavirus pandemic on FY 2020 and FY 2021. Gilbert Public Schools ESG allocation amounted to about \$14.3 million, an amount about \$15 M less than requested based on the Governor's commitment to fund budget capacity based on at least 98% of FY 2020 student counts. The overall State loss of ADM (student count) was greater than the Governor had anticipated.

GPS applied \$12 million of the ESG allocation to FY 2020, reclassifying Maintenance and Operations (M&O or General Fund) expenditures into this Grant. All salary and benefit expenditures incurred in the final quarter of FY 2020 were directly due to the Coronavirus shutdown. This process resulted in a substantially higher cash balance and a substantial budget balance carryforward (BBCF) into FY 2021, accounting for the positive financial position as of June 30, 2020 and positioning the District with greater flexibility to weather the unknowns associated with this reporting year, FY 2021.

As expected, the District realized increases in spending associated with the Coronavirus. For example, at the beginning of the school year, GPS offered an online option for K-12 students. Last year (FY 2020), the enrollment in Global Academy, the District AOI online school, was reported at about 150 students in grades 7-12. This reporting year, total enrollment, full-time and part-time, was over 4,500 K-12 students. Because of this increase, online software licensing was expanded to the elementary grades. Also, computer equipment and teaching equipment such as document cameras have been purchased. In addition, numerous personal protective equipment items (N-95 masks, Plexiglas barriers, face shields) had been purchased as well as additional cleaning materials and equipment. All of these expenditures have been accounted for and have been applied to remaining ESSER monies.

Again, due to the movement of M&O expenses into the ESG Grant, the increased BBCF compensated for the FY 2021 decrease in enrollment and ADM directly related to the Coronavirus pandemic. As you can see from the table above, the final revised budget for FY 2021 amounted to just over \$263.7 M. This final budget also reflected the new Distance Learning adjustment of \$3.3 M down from \$6.6 M.

Additionally, during the last quarter of FY 2021, the District significantly and purposefully controlled spend of local funds and judiciously used ESSER I and ESSER II Federal funds to maximize budget balance carry forward (BBCF) into FY 2022. The control of spend was important due to the uncertainty of the ongoing pandemic and the resulting potential enrollment loss.

Finally, President-Elect, Joseph Biden, worked with congress to provide ESSER III allocations to districts and charters throughout the nation. Gilbert was notified of this new ESSER III allocation on May 24, 2021. A total amount of \$22.4 M was allocated to Gilbert Public Schools in this newest Federal Grant. GPS plans to use this new allocation over the next three years to maintain high quality staff and address the learning loss associated with students most highly impacted by the pandemic.

Local Economy

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. Many of the details presented below can also be found in the Town of Gilbert Annual Comprehensive Financial Report found at:

<https://www.gilbertaz.gov/departments/finance-mgmt-services/cafr>

The District is located in the southeast portion of Maricopa County. Gilbert is the principal town within the District along with portions of Maricopa County property and portions of the cities of Mesa and Chandler. For the past 10 years, Gilbert Public Schools has been ranked first as the largest employer within the Town.

Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such other towns as Paradise Valley and Fountain Hills along with Gilbert. Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. Maricopa County has a very wide range of economic sectors supporting its substantial growth. Less than 16 percent of the County is incorporated in cities and towns. The County's 2016 population was estimated at 4.1 million and is expected to reach 6 million by 2030.

Service is the largest employment sector in the County, partly fueled by the tourist industry. The County has excellent accommodations, diverse cultural and recreational activities, national sports, and a favorable climate attracting millions to the area annually. Wholesale and retail trade is the second largest employment category, employing over a quarter million people. The metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university with four campuses.

The Town of Gilbert is a young, affluent community that saw tremendous growth during the past two decades. Gilbert became a prime farming community fueled by the construction of a railroad line in 1902 as well as construction of the Roosevelt Dam and the Eastern and Consolidated Irrigation Canals in 1911.

Gilbert has experienced a rapid transition from a historically agriculture-based community to an urban center and suburb in the Phoenix Metropolitan area, which is ranked in the top ten best areas in the country for business, with technology leading the field of growth. Gilbert has grown at a pace unparalleled by most communities in the United States, increasing in population from 5,717 in 1980 to over an estimated population of 259,386 in 2020. As Gilbert has aged and grown – the Town turned 100 in 2020 - the community has recognized the need to develop a strong, diverse economy while reserving its highly desirable quality of life.

Over the past few years, the Town of Gilbert has received numerous awards and recognitions, a few of which are included below.

- AAA Bond rating from all three major rating agencies (S&P, Moody's, and Fitch)
- Best City for Business in Arizona (Arizona Chamber of Commerce and Industry, 2019)
- 4th Best City to Buy a Family Home in the U.S. (SmartAsset, 2019)
- 7th Best Place to Raise a Family in the U.S. (WalletHub, 2019)
- 8th Best Midsize Real Estate Market in the U.S. (WalletHub, 2019)

Gilbert is a community committed to education; 44.1% of residents age 25 and older hold a bachelor's degree or higher compared with about 32% nationally. Notable employers like Banner Health, Dignity Health, Banner MD Anderson Cancer Center, Go Daddy, the worldwide headquarters of Isagenix, Mapfre Insurance, Silent-Aire, Unicon, Northrop Grumman, Lockheed Martin, and Deloitte, benefit from this commitment to education. Also, in spite of the current COVID-19 pandemic, the unemployment rate reported in Gilbert, 4.9% as of June 2021, is considerably lower than the State and the US. It is reported at a lower rate than the same time last year (formerly at 8.4% due to the pandemic) and so the Town has been ranked as having the second best recovery in the nation. In comparison, the State and US unemployment rates are 5.9% and 8.4% respectively.

Finally, the housing market within the Town of Gilbert continues to be strong. Through FY 2021, sales prices increased by over 20% on average. Based on this strong housing market, the assessed value of property within Gilbert Public Schools has grown substantially over the past two years. The limited assessed value grew by 7.1% and the full value increased by 9.3%. This continued assessed value growth decreases the risk of greater property tax delinquencies associated with economic declines related to the Coronavirus pandemic.

Long-term Financial Planning

Beginning in 1985, the District experienced a twenty-year period of rapid enrollment growth. This enrollment growth began slowing down in 2006. Since the 2010-2011 school year the District has experienced a trend of declining enrollment. Though there was an uptick in student counts in FY 2020, as previously mentioned, in FY 2021 student counts decreased by over 2,300 due to the Coronavirus pandemic.

In response to long term student enrollment declines at one of Gilbert's lowest populated schools, Superintendent, Dr. Shane McCord, recommended to the Governing Board that Houston Elementary be closed. Instead of shuttering this building, however, the recommendation included moving Neely Traditional Academy to the former Houston Elementary location and then shutter the Neely Traditional Academy building located near the Town of Gilbert's Heritage District. The Governing Board approved the expansion of the Burk Elementary attendance boundary to include the former Houston Elementary boundary. This past summer, the Neely Traditional Academy was moved into the Houston Elementary building. This move of Neely Traditional Academy to the Houston Elementary building provides an opportunity for the Neely Traditional Academy to accept students on waitlists and allows for the addition of a preschool program.

As previously mentioned, the District held an election in November 2019 to seek electorate approval for a 15% Maintenance & Operations Override and authorization to issue \$100 million in general obligation (G.O.) bonds. Both the Maintenance & Operations Override and Bond questions were approved. The Maintenance & Operations Override provides additional budget limit authority for the next seven years estimated at about \$12 million more than in fiscal year 2020. This new override is projected to provide approximately \$30 to \$32 million in total budget limit authority over the State formula through fiscal year 2027. Without an Override renewal election, no later than November of 2024, the Override authority decreases to about \$21 million in fiscal year 2026 and decreases to about \$11 million in fiscal year 2027.

As the school buildings at GPS continue to age (23 school buildings are older than 20 years and 16 additional schools were built between 2000 and 2010) there is increasing pressure to reinvest capital resources ensuring the continued safe and comfortable learning environments for the District's over 33,000 students. This reinvestment began in earnest following the 2015 and 2019 successful Bond elections in which the local voter approved a total of \$ 198 M of bond authority to meet ongoing building, technology, security and transportation needs through FY 2025. A bond sale of about \$50 M is being requested of the Governing Board at the December 14, 2021 Governing Board meeting.

Funding from the issuance of bonds will continue to allow the District to address the highest priority needs in facility upgrades and safety additions, extracurricular spaces, technology and student transportation. This most recent Bond approval did not result in a tax increase for the residents of Gilbert Public Schools as the amortization of outstanding debt has been over shorter timeframes allowing new debt to fill in older debt as it is being paid off.

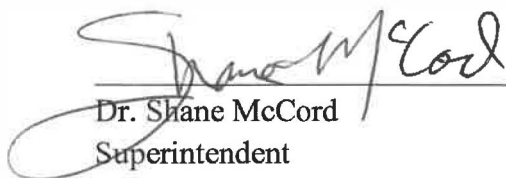
AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2020. This was the 35th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2020. In order to be awarded these certificates, the District publishes an easily readable and efficiently organized comprehensive annual 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.

Acknowledgments. The preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the business services department, most notably, Ms. Jackie Mattinen, the Director of Finance. 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. Shane McCord
Superintendent



Ms. Bonnie J. Betz
Assistant Superintendent
Business Services



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Gilbert Unified School District 41

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

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



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

W. Edward Chabal
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Gilbert Unified School District No. 41
Arizona**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



GPS GOVERNING BOARD & ADMINISTRATION 2021-2022



Dr. J. Charles Santa Cruz
President



Lori Wood
Clerk



Bill Parker
Member



Jill Humpherys
Member



Sheila Rogers Uggetti
Member



Shane McCord Ed.D.
Superintendent



Bonnie Betz
Assistant Superintendent



Shawn McIntosh
Assistant Superintendent



Barbara Newman Ed.D.
Assistant Superintendent



Dawn Antstenis
Director I
Marketing &
Communications



Jon Castelhana
Executive Director
Technology



Jason Martin
Executive Director
Administrative
Services Elementary



Joyce Meyer
Executive Director
Talent Management



Jared Ryan
Executive Director
Community Engagement
&
Strategic Initiatives



Marcie Taylor
Executive Director
Administrative
Services Secondary



Missy Udall
Executive Director
Talent Management

GILBERT UNIFIED SCHOOL DISTRICT NO. 41

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

J. Charles Santa Cruz, Ed.D., President

Lori Wood, Clerk

Jill Humpherys, Member

Sheila Rogers-Uggetti, Member

William H. Parker, Member

ADMINISTRATIVE STAFF

Dr. Shane McCord, Superintendent

Bonnie J. Betz, Assistant Superintendent of Business Services

Mr. Shawn McIntosh, Assistant Superintendent of Talent Management

Dr. Barbara Newman, Assistant Superintendent of Teaching and Learning



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FINANCIAL SECTION



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Independent Auditor's Report

Governing Board
Gilbert Unified School District No. 41

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 Gilbert Unified School District No. 41 (District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Gilbert Unified School District No. 41, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Gilbert Unified School District No. 41 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2021, on our consideration of Gilbert Unified School District No. 41'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 Gilbert Unified School District No. 41'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 Gilbert Unified School District No. 41's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 11, 2021



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



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GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

As management of the Gilbert Unified School District No. 41 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. The Management's Discussion and Analysis is presented as required supplementary information to 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 \$31.7 million which represents a 12 percent increase from the prior fiscal year primarily due to increased revenues from Federal sources and increases in property tax revenues.
 - Federal ESSER (Elementary and Secondary Schools Emergency Relief) Fund allocations, \$2.3 million from ESSER I and \$9.7 million from ESSER II, allowed the district to maintain the budgeted spend in spite of losses in State revenues due to loss of students.
 - Though charges for services revenues decreased significantly due to the Coronavirus pandemic, much of this revenue was offset by operating grants and contributions provided by the National School Lunch Program (NSLP). The NSLP reimbursements accounted for over \$14.0 million in comparison to prior year reimbursements of about \$6.0 million. This increase in Federal reimbursements more than offset the loss in local revenue associated with students buying breakfast and lunch
 - Property tax revenues were increased due to the successful election of November 2019 resulting in the 10% M&O override increasing to 15%. This 5% increase resulted in over \$10.0 million of additional property tax revenues
 - Finally, again, due to the unknowns associated with the Coronavirus pandemic, conservative spending was initiated particularly in the Capital Projects Fund resulting in the increase in the Capital Projects Fund balance of over \$4.0 million.
- General revenues from the government-wide activities accounted for \$292.8 million in revenue, or 81 percent of all current fiscal year revenues. This revenue amounts to about a \$7.3 million increase over the prior year. Program specific revenue in the form of charges for services and grants and contributions accounted for \$70.4 million or 19 percent of total current fiscal year revenues. This value is an increase of over \$26.2 million from the prior year due to the additional ESSER Federal funds and the increases in Food Service revenues due to the nation-wide universal free breakfast and lunch.
- The District reported approximately \$331.5 million in expenses related to governmental activities, an increase of seven percent from the prior fiscal year for a total increase of about \$21.5 million.

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

FINANCIAL HIGHLIGHTS (Cont'd)

- 15% Override Commitments: About \$11.6 million of this increased spend was funded by the additional override revenues. Gilbert Public Schools (GPS) committed to adding social emotional supports to all of our schools in the form of additional social workers and mental health counselor FTEs as well as overall increases in salaries and wages. Also, \$2.0 million was allocated towards class size reduction efforts. This budget line provided about 25 more teacher FTE to be allocated based on where the additional teacher FTE would make the greatest impact.
- Pandemic related expectations: All school districts and charter schools - in Arizona as well as throughout the nation – regardless of enrollment, were incentivized by the State and Federal government to maintain staffing levels as much as possible to ensure the ongoing sustainability of education programming. The advent of the ESSER funds as well as the Enrollment Stabilization Grant utilized in FY 2020 resulting in higher budget balance carryforward (BBCF) provided the necessary resources needed to ensure the District would not overspend its budget and meet these expectations.
- Among major funds, the General Fund reported \$239.6 million in current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$227.8 million in expenditures. The ending fund balance of the General Fund increased from \$71.9 million to \$84.5 million primarily due to moving General Fund expenses to ESSER and other available funds. As was true in FY 2020, this strategy was again deployed to provide as much carryforward as possible into FY 2022. The coronavirus pandemic was still raging on and the student enrollment for FY 2022 was unknown.
- Net position for the Internal Service Funds increased \$6.1 million from the prior fiscal year. Operating revenues of \$30.4 million exceeded operating expenses of \$24.4 million at the end of the current fiscal year. As the largest internal service fund, the Employee Benefit Trust performed exceptionally well during FY 2021. The favorable change was a result of increases in premium rates going into FY 2021 as well as decreased health claims associated with decreased access to non-urgent medical procedures directly related to the general economic shutdown associated with the ongoing Coronavirus pandemic. In addition, GPS changed the pharmacy benefit manager resulting in a realization of increased pharmaceutical rebates from prescription claims.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is 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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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 are reported by functional area and include instruction, support services, operation and maintenance of plant services, student transportation services, operation of non-instructional services, and interest on long-term debt.

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

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, 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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

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 include a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

Proprietary funds. The District maintains one type of proprietary fund, Internal Service Funds. These funds are accounting devices used to accumulate and allocate costs internally among the District's various functions. The District uses an internal service fund to account for its Employee Benefit Trust activity. Because this service predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements. The Employee Benefit Trust, although a legally separate component unit, functions for all employees of the District, and therefore has been included as an internal service fund. The other internal service fund is the District Services Fund, which accounts for the operation of District functions that provide goods or services to other district departments on a cost reimbursement basis. The District Services Fund accounts for Print Shop activity as well as Technology equipment repairs requested by various school and departmental entities within the District.

The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

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

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS (Cont'd)

Other information. In addition to the basic financial statements and accompanying Notes, this report also presents certain required supplementary information concerning the District's budget process and pension plan. The District adopts an annual expenditure budget for all governmental funds. A schedule of revenues, expenditures and changes in fund balances – budget and actual has been provided for the General Fund and major Special Revenue Fund as required supplementary information. Schedules for the pension benefit plan have also 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 \$289.7 million at the current fiscal year end. This net position represents an increase over the prior year of \$31.7 million.

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.

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

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

	As of June 30, 2021	As of June 30, 2020
Current and other assets	\$ 225,645,395	\$ 173,572,660
Capital assets, net	485,171,629	481,226,978
Total assets	<u>710,817,024</u>	<u>654,799,638</u>
Deferred outflows	<u>55,065,968</u>	<u>28,900,597</u>
Current and other liabilities	27,053,001	26,842,097
Long-term liabilities	448,849,043	381,236,179
Total liabilities	<u>475,902,044</u>	<u>408,078,276</u>
Deferred inflows	<u>261,136</u>	<u>17,575,692</u>
Net position:		
Net investment in capital assets	373,364,234	373,732,581
Restricted	41,719,577	34,192,545
Unrestricted	(125,363,999)	(149,878,859)
Total net position	<u>\$ 289,719,812</u>	<u>\$ 258,046,267</u>

At the end of the current fiscal year the District reported positive balances in two categories of net position; Net investment in capital assets and restricted. The District reports a negative or deficit unrestricted net position of \$125.4 million, an increase or improvement of \$24.5 million from the deficit of \$149.9 million in the prior year. As was the case in the prior year, this deficit is due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$19.1 million of bonds.
- The addition of \$20.5 million in capital assets through school and administrative building and land improvements and purchases of vehicles, furniture, and equipment.
- The increase of \$47.9 million in pension liabilities and a decrease in related deferred inflows of \$17.3 million.

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

Changes in net position. The District's total revenues for the current fiscal year were \$363.2 million. The total cost of all programs and services was \$331.5 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2021 and June 30, 2020.

	Fiscal Year Ended June 30, 2021	Fiscal Year Ended June 30, 2020
Revenues:		
Program revenues:		
Charges for services	\$ 14,495,584	\$ 21,656,499
Operating grants and contributions	54,368,656	21,527,404
Capital grants and contributions	1,501,749	939,213
General revenues:		
Property taxes	125,597,704	105,082,914
Investment income	1,096,272	2,142,036
Unrestricted county aid	12,388,665	12,124,808
Unrestricted state aid	152,201,630	162,992,543
Unrestricted federal aid	1,523,069	3,157,695
Total revenues	<u>363,173,329</u>	<u>329,623,112</u>
Expenses:		
Instruction	197,355,466	183,861,160
Support services - students and staff	39,203,942	34,929,905
Support services - administration	27,652,584	25,427,659
Operation and maintenance of plant services	28,203,969	26,601,544
Student transportation services	15,312,352	15,026,792
Operation of non-instructional services	19,498,371	19,719,237
Interest on long-term debt	4,273,100	4,486,819
Total expenses	<u>331,499,784</u>	<u>310,053,116</u>
Changes in net position	<u>31,673,545</u>	<u>19,569,996</u>
Net position, beginning	<u>258,046,267</u>	<u>238,476,271</u>
Net position, ending	<u><u>\$ 289,719,812</u></u>	<u><u>\$ 258,046,267</u></u>

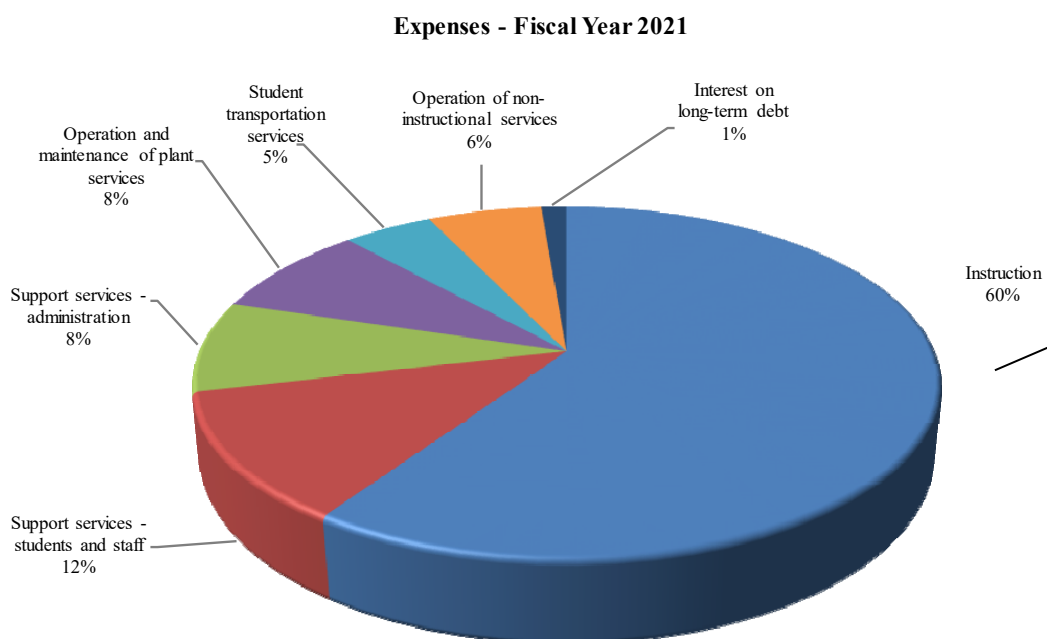
**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

The following graph and 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.

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

- A decrease in state equalization revenue of \$10.8 million from the prior year due to a significant loss of enrollment and associated student counts – Average Daily Membership or ADM. Recall from the Letter of Transmittal that Governor Ducey committed to funding no less than 95% of the student counts from FY 2020. As the student counts or ADM dropped significantly state-wide, the Governor did not meet that commitment.
- The advent of ESSER I and II Grant funds that offset the decrease in State equalization revenues.
- An increase in instruction expenses of \$13.5 million as a result of retaining all instructional staff already contracted in spite of the decrease in enrollment. This additional staffing level resulted in significant class size reductions. In addition, the increase in instruction expenses was also due to 5% salary increase awarded to all staff in the District.



**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
Instruction	\$ 197,355,466	\$(153,935,467)	\$ 183,861,160	\$(161,234,739)
Support services - students and staff	39,203,942	(34,950,132)	34,929,905	(32,618,553)
Support services - administration	27,652,584	(27,405,666)	25,427,659	(25,333,852)
Operation and maintenance of plant services	28,203,969	(27,615,951)	26,601,544	(25,316,631)
Student transportation services	15,312,352	(15,310,809)	15,026,792	(15,019,444)
Operation of non-instructional services	19,498,371	2,314,236	19,719,237	(2,041,415)
Interest on long-term debt	4,273,100	(4,230,006)	4,486,819	(4,365,366)
Total	<u>\$ 331,499,784</u>	<u>\$(261,133,795)</u>	<u>\$ 310,053,116</u>	<u>\$(265,930,000)</u>

- The cost of all governmental activities this year was \$331.5 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$70.4 million.
- Net cost of governmental activities of \$261.1 million was financed by general revenues, which are made up of primarily property taxes of \$125.6 million and state and county aid of \$164.6 million. Investment earnings accounted for \$1.1 million of funding, along with about \$1.5 million in Medicaid reimbursements.

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 \$145.9 million, an increase of \$33.1 million over the prior year:

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS (Cont'd)

- The General Fund contributed \$12.6 million to the fund balance due to the movement of expenses into Federal ESSER funds as well as some of the eligible Non-Major Governmental Funds.
- The Bond Building Fund contributed about \$19.7 million due to the issuance of school improvement bonds in the amount of \$40.2 million which included about \$5.9 million of premium.

The General Fund comprises 58 percent of the total fund balance. Approximately \$83.3 million, or 99 percent of the General Fund fund balance is unassigned.

The General Fund is the principal operating fund of the District. In spite of significant increases in State Equalization formula parameters, the loss in student counts or ADM severely constrained the actual increases in General Fund revenues. These revenues increased by a meager \$931,849 primarily due to the M&O Override revenues increasing by over \$10 M due to going from a 10% override to a 15% override. General Fund expenditures increased \$10.0 million or five percent, as a result primarily of commitments made to the taxpayer regarding the increased override revenues as well as maintaining staffing levels to ensure that Gilbert Public Schools retains needed staff well into the future.

Fund balance in the Other Federal Projects Fund was a deficit of \$12.2 million. The District has requested the reimbursement associated with the \$2.3 million of ESSER I as well as the \$9.7 million in ESSER II.

The fund balance in the Debt Service Fund increased \$15,017 to \$1.4 million at year end primarily due to intrinsic property growth realized during FY 2021. New property added to the tax rolls are still subject to the approved tax rate even though they were not included in the overall Net Assessed Value for GPS back in August of 2020 when the tax rate was set.

The fund balance in the Bond Building Fund increased \$14.7 million due to the issuance of \$34.4 million in General Obligation bonds in addition to the \$5.9 million in premium. Gilbert Public Schools continues to quickly spend bond proceeds to catch up with various building renewal projects deferred in the past due to lack of funds

Proprietary funds. Unrestricted net position of the Internal Service Fund at the end of the fiscal year amounted to \$17.8 million. The increase of \$6.1 million from prior fiscal year was primarily due to increases in premium and decreases in claims due to the shutdown of voluntary medical procedures associated with the Coronavirus pandemic.

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in legislative allowances to include ADM decreases from the Adopted Budget. Arizona school districts are now funded based on current year ADM or student counts. The difference between the original budget and the final amended budget was a \$16.0 million increase, or five percent.

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

- Instruction expenditures were \$37.3 million less than budgeted due primarily to the movement of expenditures into the Federal ESSER funds.
- Student transportation services expenditures were \$2.3 million less than budgeted due to:
 - The delay in in person learning at the beginning of the FY 2021 school year. GPS was in a remote learning environment through all of August and then moved to Hybrid (all students in remote learning on Wednesdays with ½ of students attending in person on Monday and Thursday or Tuesday and Friday depending upon the last name) immediately after Labor Day. Under this remote or hybrid learning environment, the amount of transportation services was greatly reduced. Full time in person learning began on September 21, 2021
 - The decision to close the Power Base Transportation site and combine all transportation personnel into the Gilbert Main Transportation Depot within the District Office complex. This decision offered opportunities to make the transportation operation more efficient.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$721.9 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$18.0 million from the prior fiscal year, primarily due to ongoing building renewal projects and replacements of vehicles. Total depreciation expense for the current fiscal year was \$15.9 million.

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Cont'd)

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

	As of June 30, 2021	As of June 30, 2020
Capital assets - non-depreciable	\$ 42,740,211	\$ 39,654,576
Capital assets - depreciable, net	442,431,418	441,572,402
Total	<u>\$ 485,171,629</u>	<u>\$ 481,226,978</u>

The estimated cost to complete current construction projects is \$6.3 million.

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

Debt Administration. At year-end, the District had \$147.3 million in long-term debt outstanding, \$21.1 million due within one year. Long-term debt increased by \$18.2 million due to the issuance of school improvement GO bonds closing in August of 2020.

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 \$886.0 million and the Class B debt limit is \$590.7 million, both of which are more than the District's total outstanding general obligation and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 8 through 10.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the fiscal year 2021-22 budget. The main assumptions are discussed below:

- FY 2021 budget balance carryforward – at FY 2022 Budget Adoption, was estimated at about \$24.0 million. Based on the end of year work to maximize budget balance carryforward (BBCF) as much as possible due to the unknowns associated with the ongoing Coronavirus pandemic and the impact on student enrollment, the final BBCF increased to just over \$42.0 million. Again, this increase was directly attributable to moving general fund expenses into Federal ESSER funds as well as into other eligible Special Revenue Funds.

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES (Cont'd)

- Estimated average daily membership of 400 ADM less than the final revised budget for FY 2021 for a total of 30,423. The total student counts realized in FY 2020 – the year that ended with the pandemic – was 33,154 so the projected loss from FY 2020 was over 2,700 student counts into FY 2022. Fortunately, as of November, 2021, Gilbert's student counts have increased to 31,910, an increase of nearly 1,500 student counts from FY 2022 adopted.
- The State legislature approved a State budget that included a 1.22% inflationary increase to the Base Level Amount per student and added \$32.79 on top of that completing the final year of the 20% by 2020 for teacher salary increases.
- The State legislature approved the full restoration of the District Additional Assistance (a capital allocation) resulting in an allocation of about \$1.5 million more
- Finally, the Classroom Site Fund Allocation was increased by over \$308/student though more than ½ of this increase is considered one-time.

Budgeted expenditures in the General Fund increased one percent to \$260.9 million in fiscal year 2021-22 due to an ongoing 2% pay increase approved by the Governing Board last spring. The FY 2022 budget included the closure of Houston Elementary and the movement of the Neely Traditional Academy to the Houston Elementary school site resulting in ongoing savings of about \$1.0 million.

State aid and property taxes are expected to be the primary funding sources for the General Fund. Due to various parameters, the final tax rate levied for Gilbert Public Schools for both primary and secondary purposes was 0.23 less than FY 2021 for a total rate of 6.0292 per \$100 of assessed valuation. No new programs were added to the 2021-22 budget.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business Services Department, Gilbert Unified School District No. 41, 140 South Gilbert Road, Gilbert, Arizona 85296 or (480) 497-3444.



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BASIC FINANCIAL STATEMENTS



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GOVERNMENT-WIDE FINANCIAL STATEMENTS

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 169,232,867
Property taxes receivable	2,395,709
Accounts receivable	117,979
Deposits	201,278
Due from governmental entities	52,484,873
Inventory	1,212,689
Total current assets	<u>225,645,395</u>
Noncurrent assets:	
Capital assets not being depreciated	42,740,211
Capital assets, net of accumulated depreciation	<u>442,431,418</u>
Total noncurrent assets	<u>485,171,629</u>
Total assets	<u><u>710,817,024</u></u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	1,085,656
Pension plan items	<u>53,980,312</u>
Total deferred outflows of resources	<u><u>55,065,968</u></u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	9,382,163
Claims payable	3,424,500
Accrued payroll and employee benefits	10,967,570
Compensated absences payable	1,040,793
Accrued interest payable	2,722,409
Unearned revenues	556,359
Obligations under capital leases	705,136
Bonds payable	<u>20,355,000</u>
Total current liabilities	<u><u>49,153,930</u></u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>426,748,114</u>
Total noncurrent liabilities	<u>426,748,114</u>
Total liabilities	<u><u>475,902,044</u></u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	<u>261,136</u>
<u>NET POSITION</u>	
Net investment in capital assets	373,364,234
Restricted for:	
State funds/grants	9,531,668
Career technical education	8,213,750
Other local	13,400,396
Debt service	1,538,450
Capital outlay	8,261,739
Unrestricted	<u>(124,590,425)</u>
Total net position	<u><u>\$ 289,719,812</u></u>

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 197,355,466	\$ 6,510,181	\$ 35,408,069	\$ 1,501,749	\$ (153,935,467)
Support services - students and staff	39,203,942		4,253,810		(34,950,132)
Support services - administration	27,652,584		246,918		(27,405,666)
Operation and maintenance of plant services	28,203,969	231,071	356,947		(27,615,951)
Student transportation services	15,312,352		1,543		(15,310,809)
Operation of non-instructional services	19,498,371	7,754,332	14,058,275		2,314,236
Interest on long-term debt	4,273,100		43,094		(4,230,006)
Total governmental activities	<u>\$ 331,499,784</u>	<u>\$ 14,495,584</u>	<u>\$ 54,368,656</u>	<u>\$ 1,501,749</u>	<u>(261,133,795)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	88,148,665
Property taxes, levied for debt service	25,009,847
Property taxes, levied for capital outlay	12,439,192
Investment income	1,096,272
Unrestricted county aid	12,388,665
Unrestricted state aid	152,201,630
Unrestricted federal aid	1,523,069
Total general revenues	<u>292,807,340</u>

Changes in net position 31,673,545

Net position, beginning of year 258,046,267

Net position, end of year \$ 289,719,812

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



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FUND FINANCIAL STATEMENTS

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General</u>	<u>Other Federal Projects</u>	<u>Debt Service</u>
<u>ASSETS</u>			
Cash and investments	\$ 43,226,511	\$	\$ 24,352,719
Property taxes receivable	2,132,569		263,140
Accounts receivable	11,686		
Deposits			
Due from governmental entities	37,102,863	12,163,920	
Due from other funds	14,061,276		
Inventory	687,786		
Total assets	<u>\$ 97,222,691</u>	<u>\$ 12,163,920</u>	<u>\$ 24,615,859</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 1,888,356	\$ 38,716	\$
Due to other funds		12,079,473	
Accrued payroll and employee benefits	9,357,426	89,454	
Unearned revenues			
Bonds payable			20,355,000
Bond interest payable			2,722,409
Total liabilities	<u>11,245,782</u>	<u>12,207,643</u>	<u>23,077,409</u>
Deferred inflows of resources:			
Unavailable revenues - property taxes	1,462,531		97,421
Unavailable revenues - intergovernmental		12,158,025	
Total deferred inflows of resources	<u>1,462,531</u>	<u>12,158,025</u>	<u>97,421</u>
Fund balances (deficits):			
Nonspendable	687,786		
Restricted	481,931		1,441,029
Unassigned	83,344,661	(12,201,748)	
Total fund balances	<u>84,514,378</u>	<u>(12,201,748)</u>	<u>1,441,029</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 97,222,691</u>	<u>\$ 12,163,920</u>	<u>\$ 24,615,859</u>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 40,617,391	\$ 39,888,042	\$ 148,084,663
		2,395,709
	19,704	31,390
	201,278	201,278
	3,218,090	52,484,873
		14,061,276
	524,903	1,212,689
<u>\$ 40,617,391</u>	<u>\$ 43,852,017</u>	<u>\$ 218,471,878</u>
\$ 6,163,545	\$ 1,283,400	\$ 9,374,017
	1,981,803	14,061,276
	1,520,690	10,967,570
	556,359	556,359
		20,355,000
		2,722,409
<u>6,163,545</u>	<u>5,342,252</u>	<u>58,036,631</u>
		1,559,952
	862,075	13,020,100
	<u>862,075</u>	<u>14,580,052</u>
	524,903	1,212,689
34,453,846	38,400,719	74,777,525
	(1,277,932)	69,864,981
<u>34,453,846</u>	<u>37,647,690</u>	<u>145,855,195</u>
<u>\$ 40,617,391</u>	<u>\$ 43,852,017</u>	<u>\$ 218,471,878</u>



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GILBERT UNIFIED SCHOOL DISTRICT NO. 41
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total governmental fund balances	\$	145,855,195
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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	\$ 721,932,699	
Less accumulated depreciation	<u>(236,761,070)</u>	485,171,629

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

Property taxes	1,559,952	
Intergovernmental	<u>13,020,100</u>	14,580,052

Deferred items related to the net cost of issuance of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds.	1,085,656
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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	53,980,312	
Deferred inflows of resources related to pensions	<u>(261,136)</u>	53,719,176

The Internal Service Fund is used by management to charge the cost of insurance and other services to the individual funds. The assets and liabilities of the Internal Service Fund are included in the Statement of Net Position.	17,802,147
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences payable	(12,386,635)	
Obligations under capital leases	(978,988)	
Net pension liability	(289,115,511)	
Bonds payable	<u>(126,012,909)</u>	<u>(428,494,043)</u>

Net position of governmental activities	\$	<u>289,719,812</u>
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The notes to the basic financial statements are an integral part of this statement.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Other Federal Projects	Debt Service
Revenues:			
Other local	\$ 15,459,274	\$	\$ 22,295
Property taxes	88,351,629		25,088,869
State aid and grants	133,514,064		
Federal aid, grants and reimbursements	2,295,794	14,571,379	43,094
Total revenues	<u>239,620,761</u>	<u>14,571,379</u>	<u>25,154,258</u>
Expenditures:			
Current -			
Instruction	134,305,341	12,357,678	
Support services - students and staff	31,795,113	477,301	
Support services - administration	23,302,275	22,195	
Operation and maintenance of plant services	26,501,014	566,419	
Student transportation services	10,837,448		
Operation of non-instructional services	738,571		
Capital outlay	275,162	1,037,985	
Debt service -			
Principal retirement			20,355,000
Interest and fiscal charges			5,267,437
Bond issuance costs			
Total expenditures	<u>227,754,924</u>	<u>14,461,578</u>	<u>25,622,437</u>
Excess (deficiency) of revenues over expenditures	<u>11,865,837</u>	<u>109,801</u>	<u>(468,179)</u>
Other financing sources (uses):			
Transfer in	1,543,567		483,196
Transfer out	(769,811)	(290,716)	
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)	<u>773,756</u>	<u>(290,716)</u>	<u>483,196</u>
Changes in fund balances	<u>12,639,593</u>	<u>(180,915)</u>	<u>15,017</u>
Fund balances (deficits), beginning of year	71,919,653	(12,020,833)	1,426,012
Increase (decrease) in reserve for inventory	(44,868)		
Fund balances (deficits), end of year	<u>\$ 84,514,378</u>	<u>\$ (12,201,748)</u>	<u>\$ 1,441,029</u>

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

<u>Bond Building</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 477,160	\$ 13,689,073	\$ 29,647,802
	12,439,192	125,879,690
	20,912,562	154,426,626
	24,877,694	41,787,961
<u>477,160</u>	<u>71,918,521</u>	<u>351,742,079</u>
	29,038,711	175,701,730
	6,057,669	38,330,083
	516,627	23,841,097
	252,203	27,319,636
	57,900	10,895,348
	17,918,709	18,657,280
25,145,991	10,653,843	37,112,981
	1,087,635	21,442,635
	54,008	5,321,445
351,951		351,951
<u>25,497,942</u>	<u>65,637,305</u>	<u>358,974,186</u>
<u>(25,020,782)</u>	<u>6,281,216</u>	<u>(7,232,107)</u>
	769,811	2,796,574
(483,196)	(1,252,851)	(2,796,574)
34,345,000		34,345,000
5,882,376		5,882,376
<u>39,744,180</u>	<u>(483,040)</u>	<u>40,227,376</u>
<u>14,723,398</u>	<u>5,798,176</u>	<u>32,995,269</u>
19,730,448	31,721,206	112,776,486
	128,308	83,440
<u>\$ 34,453,846</u>	<u>\$ 37,647,690</u>	<u>\$ 145,855,195</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Changes in fund balances - total governmental funds **\$ 32,995,269**

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

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

Expenditures for capitalized assets	\$ 20,507,289	
Less current year depreciation	<u>(15,949,662)</u>	4,557,627

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

Issuance of school improvement bonds		(40,227,376)
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Some revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	(281,986)	
Intergovernmental	<u>11,664,473</u>	11,382,487

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

Capital lease principal retirement	1,087,635	
Bond principal retirement	<u>20,355,000</u>	21,442,635

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/OPEB liability, adjusted for deferred items, is reported as pension expense in the Statement of Activities.

Current year pension contributions	22,453,671	
Pension expense	<u>(26,034,089)</u>	(3,580,418)

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

Inventory	83,440	
Deferred charges on issuance of debt	(805,606)	
Loss on disposal of assets	(612,976)	
Amortization of deferred bond items	1,853,951	
Compensated absences	<u>(1,516,123)</u>	(997,314)

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

		<u>6,100,635</u>
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Changes in net position in governmental activities **\$ 31,673,545**

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Governmental Activities: Internal Service Funds
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 21,148,204
Accounts receivable	86,589
Total current assets	<u>21,234,793</u>
Total assets	<u>21,234,793</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	8,146
Claims payable	<u>3,424,500</u>
Total current liabilities	<u>3,432,646</u>
Total liabilities	<u>3,432,646</u>
<u>NET POSITION</u>	
Unrestricted	<u>17,802,147</u>
Total net position	<u><u>\$ 17,802,147</u></u>

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Governmental Activities: Internal Service Funds
Operating revenues:	
Contributions	\$ 29,452,409
Other	489,134
Charges for services	495,723
Total operating revenues	<u>30,437,266</u>
Operating expenses:	
Other	422,007
Claims	20,550,625
Premiums	1,864,003
Administrative fees	1,548,759
Total operating expenses	<u>24,385,394</u>
Operating income (loss)	<u>6,051,872</u>
Nonoperating revenues (expenses):	
Investment income	48,763
Total nonoperating revenues (expenses)	<u>48,763</u>
Changes in net position	<u>6,100,635</u>
Total net position, beginning of year	11,701,512
Total net position, end of year	<u><u>\$ 17,802,147</u></u>

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Governmental Activities: Internal Service Funds
<u>Increase/Decrease in Cash and Cash Equivalents</u>	
Cash flows from operating activities:	
Cash received from contributions	\$ 29,923,629
Cash received from other sources	495,723
Cash payments to suppliers for goods and services	(3,826,849)
Cash payments for claims	<u>(20,579,125)</u>
Net cash provided by/used for operating activities	<u>6,013,378</u>
Cash flows from investing activities:	
Investment income	<u>48,763</u>
Net cash provided by/used for investing activities	<u>48,763</u>
Net increase/decrease in cash and cash equivalents	<u>6,062,141</u>
Cash and cash equivalents, beginning of year	<u>15,086,063</u>
Cash and cash equivalents, end of year	<u><u>\$ 21,148,204</u></u>
<u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>	
Operating income/loss	\$ 6,051,872
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:	
Changes in assets and liabilities:	
Increase/decrease in accounts receivable	(17,914)
Increase/decrease in accounts payable	7,920
Increase/decrease in claims payable	<u>(28,500)</u>
Total adjustments	<u>(38,494)</u>
Net cash provided by/used for operating activities	<u><u>\$ 6,013,378</u></u>

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Gilbert Unified School District No. 41 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, the component unit combined with the District for financial statement presentation purposes and the District are not included in any other governmental reporting entity. Consequently, the District's financial statements include the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Blended Component Unit – Blended component units, although legally separate entities, are, in substance, part of the District operations. The Gilbert Unified School District No. 41 Employee Benefit Trust is responsible for providing health insurance for the District's employees. The District's Governing Board also serves as the Trust's Board of Directors. The Gilbert Unified School District No. 41 Employee Benefit Trust provides services entirely to the District and therefore has been included as an Internal Service Fund, in accordance with the criteria established by GASB.

Separate financial statements are prepared monthly for the Employee Benefit Trust and may be obtained at the Gilbert Unified School District No. 41's administrative offices, 140 South Gilbert Road, Gilbert, Arizona 85296.

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 and its component unit. For the most part, the effect of interfund activity has been removed from these statements. These statements are to distinguish between the governmental and business-type activities of the District. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The District does not have any business-type activities or fiduciary activities.

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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

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

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

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

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 Internal Service funds are presented in a single column on the face of the proprietary fund statements.

The District reports the following major governmental funds:

General Fund – The General Fund is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District's Maintenance and Operation Fund as well as certain activities budgeted in separate funds in accordance with Arizona Revised Statutes (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 supplemental federal projects.

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

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

Additionally, the District reports the following fund types:

Proprietary Funds – The Proprietary Funds are Internal Service Funds that account for activities related to the District's self-insurance program and for providing goods and services to departments or schools within the District.

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Cash and Investments

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

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

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

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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Investment Income

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

F. Receivables and Payables

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

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

G. Property Tax Calendar

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

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

H. Inventory

Inventories are valued using the first-in/first-out (FIFO) method for food service inventories and the average cost method for supplies and custodial inventories. Inventories consist of expendable supplies held for consumption. Inventories are recorded as expenses when consumed on the government-wide financial statements, and as expenditures when purchased on the fund financial statements.

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

I. Prepaid Items

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

J. Capital Assets

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

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

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

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

Land improvements	10 – 35 years
Buildings and improvements	8 - 80 years
Vehicles, furniture and equipment	7 - 35 years

K. Deferred Outflows/Inflows of Resources

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

L. Compensated Absences

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

M. Pensions

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

N. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund 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 and after nonoperating revenues/expenses in proprietary funds.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Net Position Flow Assumption

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

Q. Estimates

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

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS (Cont'd)

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

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

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

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

	General Fund	Debt Service Fund	Other Federal Projects Fund	Bond Building Fund	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 687,786	\$	\$	\$	\$ 524,903
Restricted:					
Debt service		1,441,029			
Capital projects	481,931				8,261,739
Bond building projects				34,453,846	
Voter approved initiatives					8,918,418
Federal and state projects					613,250
Food service					4,562,038
Civic center					1,881,730
Community school					793,189
Extracurricular activities					3,380,407
Career technical education					8,213,750
Student activities					1,323,655
Other purposes					452,543
Unassigned	83,344,661		(12,201,748)		(1,277,932)
Total fund balances	<u>\$ 84,514,378</u>	<u>\$ 1,441,029</u>	<u>\$ (12,201,748)</u>	<u>\$34,453,846</u>	<u>\$ 37,647,690</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	<u>Deficit</u>
Major Fund:	
Other Federal Projects Fund	\$ 12,201,748
Non-Major Governmental and Other Funds:	
English Language Learner	407,036
Title I Grants	389,382
Professional Development and Technology Grants	153,400
Title IV Grants	17,657
Limited English & Immigrant Students	43,521
Special Education Grants	222,337
Vocational Education	35,778
Building Renewal Grant	8,821

The deficits arose because of operations during the year and prior years and/or because of pending grant reimbursements. Additional revenues received in fiscal year 2021-22 are expected to eliminate the deficits.

Excess Expenditures Over Budget – At year end, the District had expenditures in several funds that exceeded the budget, 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 \$24,684,599 and the bank balance was \$25,004,176. At year end, \$3,512,180 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 and \$19,494,669 were uninsured and uncollateralized.

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – CASH AND INVESTMENTS (Cont'd)

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 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.

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. At year end, the District's investments consisted of the following:

	Average Maturities	Fair Value
County Treasurer's investment pool	842 days	\$144,548,268

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

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

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

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 and non-major governmental funds in the aggregate, were as follows:

	General Fund	Other Federal Projects Fund	Non-Major Governmental Funds
Due from other governmental entities:			
Due from federal government	\$ 195,304	\$ 12,163,920	\$ 2,491,493
Due from state government	36,907,559		7,182
Due from other districts			719,415
Net due from governmental entities	<u>\$ 37,102,863</u>	<u>\$ 12,163,920</u>	<u>\$ 3,218,090</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 – CAPITAL ASSETS

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

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 36,269,065	\$	\$	\$ 36,269,065
Construction in progress	3,385,511	6,471,146	3,385,511	6,471,146
Total capital assets, not being depreciated	<u>39,654,576</u>	<u>6,471,146</u>	<u>3,385,511</u>	<u>42,740,211</u>
Capital assets, being depreciated:				
Land improvements	30,380,482	1,933,912		32,314,394
Buildings and improvements	581,968,964	11,798,405		593,767,369
Vehicles, furniture and equipment	51,903,663	3,689,337	2,482,275	53,110,725
Total capital assets being depreciated	<u>664,253,109</u>	<u>17,421,654</u>	<u>2,482,275</u>	<u>679,192,488</u>
Less accumulated depreciation for:				
Land improvements	(12,239,310)	(1,269,757)		(13,509,067)
Buildings and improvements	(186,653,697)	(11,678,495)		(198,332,192)
Vehicles, furniture and equipment	(23,787,700)	(3,001,410)	(1,869,299)	(24,919,811)
Total accumulated depreciation	<u>(222,680,707)</u>	<u>(15,949,662)</u>	<u>(1,869,299)</u>	<u>(236,761,070)</u>
Total capital assets, being depreciated, net	441,572,402	1,471,992	612,976	442,431,418
Governmental activities capital assets, net	<u>\$ 481,226,978</u>	<u>\$ 7,943,138</u>	<u>\$ 3,998,487</u>	<u>\$ 485,171,629</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 12,796,665
Support services – students and staff	288,824
Support services – administration	1,024,326
Operation and maintenance of plant services	317,396
Student transportation services	1,430,765
Operation of non-instructional services	91,686
Total depreciation expense – governmental activities	<u>\$ 15,949,662</u>

Construction Commitments – At year end, the District had contractual commitments related to renovations at several school sites. At year end the District had spent \$6.5 million on the projects and had estimated remaining contractual commitments of \$6.3 million. These projects are being funded with bond proceeds.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 – SHORT TERM DEBT

Tax Anticipation Notes – In August 2019 the District issued \$10,000,000 in tax anticipation notes in advance of property tax collections, depositing the proceeds in the General Fund. These notes are necessary to provide cash flow as most tax revenue is collected in November and May. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Tax anticipation notes	\$ 10,000,000	\$	\$ 10,000,000	\$

Revolving Line of Credit – The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$45 million in unused line of credit. The District did not use the line of credit during the current fiscal year.

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

The District has acquired energy and lighting upgrades, and copiers under the provisions of long-term lease agreements classified as capital leases. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay and Energy and Water Savings Funds, non-major governmental funds, are used to pay the capital lease obligations. Amortization of assets recorded under capital leases is included with depreciation expense.

In addition, the District's energy upgrades lease qualifies under the Qualified School Construction (QSCB) lease program, and as such it is expected the District will receive direct subsidy payments from the United States of America for a portion of the interest due on the QSCBs.

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

	Governmental Activities
Asset:	
Building improvements	\$ 7,466,625
Vehicles, furniture and equipment	2,454,739
Less: Accumulated depreciation	3,146,631
Total	<u>\$ 6,774,733</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES (Cont'd)

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

Year Ending June 30:	Governmental Activities
2022	\$ 721,114
2023	278,874
Total minimum lease payments	999,988
Less: amount representing interest	21,000
Present value of minimum lease payments	978,988
Due within one year	\$ 705,136

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. Of the total amount originally authorized, \$62,345,000 remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$886.0 million, and the available margin is \$741.5 million. In addition, a portion of the District's school improvement bonds are Qualified Build America Bonds, as such it is expected the District will receive direct subsidy payments from the United States of America for a portion of the interest due on the bonds.

Purpose	Original Amount Issued	Interest Rates	Remaining Maturities	Outstanding Principal June 30, 2021	Due Within One Year
Governmental activities:					
School Improvement Bonds, Project of 2007, Series C (2010) - BABs	\$ 4,000,000	4.00-5.00%	7/1/21-23	\$ 1,750,000	\$ 525,000
Refunding Bonds, Series 2012	29,710,000	5.50-5.88%	7/1/21	6,375,000	6,375,000
School Improvement Bonds, Project of 2015, Series A (2016)	31,300,000	2.00-3.75%	7/1/21-31	20,125,000	2,315,000
Refunding Bonds, Series 2016	38,445,000	2.00-4.00%	7/1/21-23	18,940,000	9,640,000
School Improvement Bonds, Project of 2015, Series B (2018)	27,810,000	2.50-5.00%	7/1/22-31	27,310,000	
School Improvement Bonds, Project of 2015, Series C (2019)	24,620,000	2.00-5.00%	7/1/21-25	23,870,000	1,500,000
School Improvement Bonds, Project of 2015 and 2019, Series 2020	34,345,000	1.00-5.00%	7/1/23-28	34,345,000	
Total				<u>\$ 132,715,000</u>	<u>\$ 20,355,000</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE (Cont'd)

The amounts reported as due within one year represent the amounts payable on July 1, 2021 and as previously discussed, the District has elected the early recognition option for these payments. As a result, the amounts were recorded as expenditures during the current fiscal year.

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2022	\$ 20,355,000	\$ 5,033,181
2023	20,450,000	4,220,506
2024	17,700,000	3,419,390
2025	16,250,000	2,656,812
2026	9,805,000	2,152,887
2027-31	41,770,000	5,187,124
2032	6,385,000	137,218
Total	<u>\$ 132,715,000</u>	<u>\$ 22,807,118</u>

NOTE 10 – CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 117,425,000	\$ 34,345,000	\$ 19,055,000	\$ 132,715,000	\$ 20,355,000
Premium	9,624,484	5,882,376	1,853,951	13,652,909	
Total bonds payable	<u>127,049,484</u>	<u>40,227,376</u>	<u>20,908,951</u>	<u>146,367,909</u>	<u>20,355,000</u>
Obligations under capital leases	2,066,623		1,087,635	978,988	705,136
Net pension liability	241,249,560	47,865,951		289,115,511	
Compensated absences payable	10,870,512	3,507,713	1,991,590	12,386,635	1,040,793
Governmental activity long-term liabilities	<u>\$ 381,236,179</u>	<u>\$ 91,601,040</u>	<u>\$ 23,988,176</u>	<u>\$ 448,849,043</u>	<u>\$ 22,100,929</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

At year end, the Other Federal Projects Fund and several non-major governmental funds had negative cash balances in the Treasurer's pooled cash accounts of \$12,079,473 and \$1,981,803, respectively, totaling \$14,061,276. 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 in			
	General Fund	Debt Service Fund	Non-Major Governmental Funds	Total
Transfers out				
General Fund	\$	\$	\$ 769,811	\$ 769,811
Bond Building Fund		483,196		483,196
Other Federal Projects Fund	290,716			290,716
Non-Major Governmental Funds	1,252,851			1,252,851
Total	<u>\$ 1,543,567</u>	<u>\$ 483,196</u>	<u>\$ 769,811</u>	<u>\$ 2,796,574</u>

Transfers between funds were used to (1) to move federal grant funds restricted for indirect costs, (2) to move monies from the General Fund to the Energy and Water Savings Fund, a non-major governmental fund, for repayment of the capital investment of the qualified provider or utility, energy or water services company based on the established repayment schedule in accordance with A.R.S. §15.910.02(H), and 3) to move investment income and premium earned in the Bond Building Fund that is required by statute to be expended in the Debt Service Fund.

NOTE 12 – CONTINGENT LIABILITIES

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – RISK MANAGEMENT

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

The District 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 established an employee benefit management program for workers' health issues. Premiums are paid into the internal service fund by all other funds and are available to pay claims, premiums, claim reserves, and administrative costs of the program. Under this program, the Employee Benefit Trust Fund provides coverage for up to a maximum of \$350,000 for each claim. The Fund purchases commercial insurance for claims in excess of this coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – RISK MANAGEMENT (Cont'd)

Changes in the balances of claims liabilities during the past two years are as follows:

	Year ended June 30, 2021	Year ended June 30, 2020
Unpaid claims, beginning of fiscal year	\$ 3,453,000	\$ 2,890,000
Incurred claims (including IBNRs)	20,550,625	19,191,824
Claim payments	(20,579,125)	(18,628,824)
Unpaid claims, end of fiscal year	<u>\$ 3,424,500</u>	<u>\$ 3,453,000</u>

NOTE 14 – PENSIONS

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

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

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

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

*With actuarially reduced benefits

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS (Cont'd)

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2021 were \$22,453,671.

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

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS (Cont'd)

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

Net Liability	District % Proportion	Increase (Decrease)
\$ 289,115,511	1.669	0.011

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2021 was \$26,034,089.

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	\$ 2,615,551	\$
Net difference between projected and actual earnings on pension investments	27,885,529	
Changes in proportion and differences between contributions and proportionate share of contributions	1,025,561	261,136
Contributions subsequent to the measurement date	22,453,671	
Total	<u>\$ 53,980,312</u>	<u>\$ 261,136</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS (Cont'd)

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

Year Ending June 30:		
2022	\$	3,517,575
2023		9,036,589
2024		10,086,493
2025		8,624,848

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

Actuarial valuation date	June 30, 2019
Actuarial roll forward date	June 30, 2020
Actuarial cost method	Entry age normal
Investment rate of return	7.5%
Inflation	2.3%
Projected salary increases	2.7-7.2%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

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

The long-term expected rate of return on ASRS plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS (Cont'd)

On June 29, 2018, the ASRS Board approved updated strategic asset allocation targets, to be effective July 2018. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

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

Discount Rate. The discount rate used to measure the total pension liability was 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 395,361,539	\$ 289,115,511	\$ 200,299,291

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.

NOTE 15 – SUBSEQUENT EVENT

Houston Elementary School was closed and the Neely Traditional Academy moved from the present site on 321 W. Juniper Ave to the former Houston Elementary School site at Burk St. and Houston Avenue. On Tuesday, December 7, 2021, the Gilbert Public Schools Governing Board approved the sale of the former Neely Traditional Academy, a 13.6 acre site located at 321 W. Juniper Avenue, to the Town of Gilbert for the sum of \$6,850,000. It is expected that the Town Council will approve this sale on December 14, 2021 at their Town Council meeting.

REQUIRED SUPPLEMENTARY INFORMATION

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Non-GAAP Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Other local	\$	\$	\$ 11,376,518	\$ 11,376,518
Property taxes			88,351,629	88,351,629
State aid and grants			133,514,064	133,514,064
Total revenues			<u>233,242,211</u>	<u>233,242,211</u>
Expenditures:				
Current -				
Instruction	165,515,067	166,317,241	132,434,813	33,882,428
Support services - students and staff	30,832,863	32,154,978	31,218,665	936,313
Support services - administration	22,478,019	23,464,319	22,166,583	1,297,736
Operation and maintenance of plant services	27,103,794	29,762,875	25,987,890	3,774,985
Student transportation services	12,526,594	11,776,594	10,223,423	1,553,171
Operation of non-instructional services	240,673	240,673	504,341	(263,668)
Total expenditures	<u>258,697,010</u>	<u>263,716,680</u>	<u>222,535,715</u>	<u>41,180,965</u>
Excess (deficiency) of revenues over expenditures	<u>(258,697,010)</u>	<u>(263,716,680)</u>	<u>10,706,496</u>	<u>274,423,176</u>
Other financing sources (uses):				
Transfer out			(769,811)	(769,811)
Total other financing sources (uses)			<u>(769,811)</u>	<u>(769,811)</u>
Changes in fund balances	<u>(258,697,010)</u>	<u>(263,716,680)</u>	<u>9,936,685</u>	<u>273,653,365</u>
Fund balances, beginning of year			53,159,522	53,159,522
Increase (decrease) in reserve for inventory			(44,868)	(44,868)
Fund balances (deficits), end of year	<u>\$ (258,697,010)</u>	<u>\$ (263,716,680)</u>	<u>\$ 63,051,339</u>	<u>\$ 326,768,019</u>

See accompanying notes to this schedule.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OTHER FEDERAL PROJECTS
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal aid, grants and reimbursements	\$	\$	\$ 14,571,379	\$ 14,571,379
Total revenues			<u>14,571,379</u>	<u>14,571,379</u>
Expenditures:				
Current -				
Instruction	2,206,659	16,740,664	12,357,678	4,382,986
Support services - students and staff			477,301	(477,301)
Support services - administration			22,195	(22,195)
Operation and maintenance of plant services			566,419	(566,419)
Capital outlay			1,037,985	(1,037,985)
Total expenditures	<u>2,206,659</u>	<u>16,740,664</u>	<u>14,461,578</u>	<u>2,279,086</u>
Excess (deficiency) of revenues over expenditures	<u>(2,206,659)</u>	<u>(16,740,664)</u>	<u>109,801</u>	<u>16,850,465</u>
Other financing sources (uses):				
Transfer out			(290,716)	(290,716)
Total other financing sources (uses)			<u>(290,716)</u>	<u>(290,716)</u>
Changes in fund balances	<u>(2,206,659)</u>	<u>(16,740,664)</u>	<u>(180,915)</u>	<u>16,559,749</u>
Fund balances (deficits), beginning of year			(12,020,833)	(12,020,833)
Fund balances (deficits), end of year	<u>\$ (2,206,659)</u>	<u>\$ (16,740,664)</u>	<u>\$ (12,201,748)</u>	<u>\$ 4,538,916</u>

See accompanying notes to this schedule.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
District's proportion of the net pension (assets) liability	1.67%	1.66%	1.66%	1.70%
District's proportionate share of the net pension (assets) liability	\$ 289,115,511	\$ 241,249,560	\$ 231,985,761	\$ 264,893,848
District's covered payroll	\$ 182,030,707	\$ 174,839,222	\$ 165,443,248	\$ 166,403,998
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	158.83%	137.98%	140.22%	159.19%
Plan fiduciary net position as a percentage of the total pension liability	69.33%	73.24%	73.40%	69.92%

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

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 22,453,671	\$ 20,842,516	\$ 19,547,025	\$ 18,033,314
Contributions in relation to the actuarially determined contribution	<u>22,453,671</u>	<u>20,842,516</u>	<u>19,547,025</u>	<u>18,033,314</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 192,735,373	\$ 182,030,707	\$ 174,839,222	\$ 165,443,248
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%

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

See accompanying notes to this schedule.

<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2016	June 30, 2015	June 30, 2014
1.62%	1.72%	1.72%
\$ 261,907,169	\$ 267,181,478	\$ 265,286,960
\$ 151,958,046	\$ 156,701,414	\$ 159,795,860
172.35%	170.50%	166.02%
67.06%	68.35%	69.49%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 17,938,351	\$ 16,487,448	\$ 17,064,784
<u>17,938,351</u>	<u>16,487,448</u>	<u>17,064,784</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 166,403,998	\$ 151,958,046	\$ 156,701,414
10.78%	10.85%	10.89%

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	<u>Total Expenditures</u>	<u>Fund Balances End of Year</u>
Statement of Revenues, Expenditures and Changes in		
Fund Balances – Governmental Funds	\$ 227,754,924	\$ 84,514,378
Activity budgeted as special revenue funds	(5,651,794)	(17,783,986)
Activity budgeted as capital projects funds	(1,141)	(481,931)
Employee insurance account	<u>433,726</u>	<u>(3,197,122)</u>
Schedule of Revenues, Expenditures and Changes in Fund		
Balances – Budget and Actual – General Fund	<u>\$ 222,535,715</u>	<u>\$ 63,051,339</u>

NOTE 2 – PENSION PLAN SCHEDULES

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

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

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



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GOVERNMENTAL FUNDS

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<u>ASSETS</u>			
Cash and investments	\$ 30,820,861	\$ 9,067,181	\$ 39,888,042
Accounts receivable	19,704		19,704
Deposits	201,278		201,278
Due from governmental entities	3,218,090		3,218,090
Inventory	524,903		524,903
Total assets	<u><u>\$ 34,784,836</u></u>	<u><u>\$ 9,067,181</u></u>	<u><u>\$ 43,852,017</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 477,958	\$ 805,442	\$ 1,283,400
Due to other funds	1,972,982	8,821	1,981,803
Accrued payroll and employee benefits	1,520,690		1,520,690
Unearned revenues	556,359		556,359
Total liabilities	<u>4,527,989</u>	<u>814,263</u>	<u>5,342,252</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>862,075</u>		<u>862,075</u>
Fund balances (deficits):			
Nonspendable	524,903		524,903
Restricted	30,138,980	8,261,739	38,400,719
Unassigned	(1,269,111)	(8,821)	(1,277,932)
Total fund balances	<u>29,394,772</u>	<u>8,252,918</u>	<u>37,647,690</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 34,784,836</u></u>	<u><u>\$ 9,067,181</u></u>	<u><u>\$ 43,852,017</u></u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
YEAR ENDED JUNE 30, 2021

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
Revenues:			
Other local	\$ 12,461,469	\$ 1,227,604	\$ 13,689,073
Property taxes		12,439,192	12,439,192
State aid and grants	20,912,562		20,912,562
Federal aid, grants and reimbursements	24,877,694		24,877,694
Total revenues	<u>58,251,725</u>	<u>13,666,796</u>	<u>71,918,521</u>
Expenditures:			
Current -			
Instruction	29,038,711		29,038,711
Support services - students and staff	6,057,669		6,057,669
Support services - administration	516,627		516,627
Operation and maintenance of plant services	252,203		252,203
Student transportation services	57,900		57,900
Operation of non-instructional services	17,918,709		17,918,709
Capital outlay	1,571,003	9,082,840	10,653,843
Debt service -			
Principal retirement		1,087,635	1,087,635
Interest and fiscal charges		54,008	54,008
Total expenditures	<u>55,412,822</u>	<u>10,224,483</u>	<u>65,637,305</u>
Excess (deficiency) of revenues over expenditures	<u>2,838,903</u>	<u>3,442,313</u>	<u>6,281,216</u>
Other financing sources (uses):			
Transfer in		769,811	769,811
Transfer out	(1,252,851)		(1,252,851)
Total other financing sources (uses)	<u>(1,252,851)</u>	<u>769,811</u>	<u>(483,040)</u>
Changes in fund balances	<u>1,586,052</u>	<u>4,212,124</u>	<u>5,798,176</u>
Fund balances, beginning of year	27,680,412	4,040,794	31,721,206
Increase (decrease) in reserve for inventory	128,308		128,308
Fund balances, end of year	<u>\$ 29,394,772</u>	<u>\$ 8,252,918</u>	<u>\$ 37,647,690</u>

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

Adult Education - to account for financial assistance from the federal government for adult education programs.

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.

Adult Basic Education - to account for State financial assistance for continuous adult education.

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

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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Classroom Site</u>	<u>Instructional Improvement</u>	<u>English Language Learner</u>
<u>ASSETS</u>			
Cash and investments	\$ 7,950,587	\$ 1,519,545	\$
Accounts receivable			
Deposits			
Due from governmental entities			
Inventory			
Total assets	<u><u>\$ 7,950,587</u></u>	<u><u>\$ 1,519,545</u></u>	<u><u>\$</u></u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$ 25,330	\$
Due to other funds			407,036
Accrued payroll and employee benefits	494,566	31,818	
Unearned revenues			
Total liabilities	<u>494,566</u>	<u>57,148</u>	<u>407,036</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	7,456,021	1,462,397	
Unassigned			(407,036)
Total fund balances	<u>7,456,021</u>	<u>1,462,397</u>	<u>(407,036)</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 7,950,587</u></u>	<u><u>\$ 1,519,545</u></u>	<u><u>\$</u></u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
842,451	214,512	37,810	65,504	757,740	7,462
<u>\$ 842,451</u>	<u>\$ 214,512</u>	<u>\$ 37,810</u>	<u>\$ 65,504</u>	<u>\$ 757,740</u>	<u>\$ 7,462</u>
\$ 56,543	\$	\$	\$ 25,938	\$ 59,868	\$
625,690	214,512	37,810	39,566	513,799	2,474
160,218				184,073	
					4,988
<u>842,451</u>	<u>214,512</u>	<u>37,810</u>	<u>65,504</u>	<u>757,740</u>	<u>7,462</u>
<u>389,382</u>	<u>153,400</u>	<u>17,657</u>	<u>43,521</u>	<u>222,337</u>	
(389,382)	(153,400)	(17,657)	(43,521)	(222,337)	
<u>(389,382)</u>	<u>(153,400)</u>	<u>(17,657)</u>	<u>(43,521)</u>	<u>(222,337)</u>	
<u>\$ 842,451</u>	<u>\$ 214,512</u>	<u>\$ 37,810</u>	<u>\$ 65,504</u>	<u>\$ 757,740</u>	<u>\$ 7,462</u>

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	Vocational Education	State Vocational Education	Adult Basic Education
<u>ASSETS</u>			
Cash and investments	\$	\$ 88,155	\$ 2,606
Accounts receivable			
Deposits			
Due from governmental entities	161,323		
Inventory			
Total assets	<u>\$ 161,323</u>	<u>\$ 88,155</u>	<u>\$ 2,606</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 29,228	\$	\$
Due to other funds	132,095		
Accrued payroll and employee benefits			
Unearned revenues		88,155	2,606
Total liabilities	<u>161,323</u>	<u>88,155</u>	<u>2,606</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>35,778</u>		
Fund balances (deficits):			
Nonspendable			
Restricted			
Unassigned	(35,778)		
Total fund balances	<u>(35,778)</u>		
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 161,323</u>	<u>\$ 88,155</u>	<u>\$ 2,606</u>

<u>College Credit Exam Incentives</u>	<u>Results-based Funding</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>
\$ 386,779	\$ 219,289	\$ 38,177	\$ 4,663,695	\$ 1,895,899 19,704	\$ 1,224,423
	7,182		201,278		
			404,691		
			524,903		
<u>\$ 386,779</u>	<u>\$ 226,471</u>	<u>\$ 38,177</u>	<u>\$ 5,794,567</u>	<u>\$ 1,915,603</u>	<u>\$ 1,224,423</u>
\$	\$	\$	\$ 155,838	\$	\$ 59,081
			129,355	33,873	372,153
		38,177	422,433		
		<u>38,177</u>	<u>707,626</u>	<u>33,873</u>	<u>431,234</u>
			524,903		
386,779	226,471		4,562,038	1,881,730	793,189
<u>386,779</u>	<u>226,471</u>		<u>5,086,941</u>	<u>1,881,730</u>	<u>793,189</u>
<u>\$ 386,779</u>	<u>\$ 226,471</u>	<u>\$ 38,177</u>	<u>\$ 5,794,567</u>	<u>\$ 1,915,603</u>	<u>\$ 1,224,423</u>

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	Extracurricular Activities Fees Tax Credit	Career and Technical Education Projects	Fingerprint
<u>ASSETS</u>			
Cash and investments	\$ 3,446,539	\$ 866	\$ 13,526
Accounts receivable			
Deposits			
Due from governmental entities			
Inventory			
Total assets	<u>\$ 3,446,539</u>	<u>\$ 866</u>	<u>\$ 13,526</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 66,132	\$	\$
Due to other funds			
Accrued payroll and employee benefits			
Unearned revenues			
Total liabilities	<u>66,132</u>		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			
Fund balances (deficits):			
Nonspendable			
Restricted	3,380,407	866	13,526
Unassigned			
Total fund balances	<u>3,380,407</u>	<u>866</u>	<u>13,526</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,446,539</u>	<u>\$ 866</u>	<u>\$ 13,526</u>

<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Career Technical Education</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 112,441	\$ 325,710	\$ 7,608,969	\$ 1,323,655	\$ 30,820,861
				19,704
				201,278
		719,415		3,218,090
				524,903
<u>\$ 112,441</u>	<u>\$ 325,710</u>	<u>\$ 8,328,384</u>	<u>\$ 1,323,655</u>	<u>\$ 34,784,836</u>
\$	\$	\$	\$	\$ 477,958
				1,972,982
		114,634		1,520,690
				556,359
		<u>114,634</u>		<u>4,527,989</u>
				<u>862,075</u>
112,441	325,710	8,213,750	1,323,655	524,903
				30,138,980
<u>112,441</u>	<u>325,710</u>	<u>8,213,750</u>	<u>1,323,655</u>	<u>(1,269,111)</u>
				<u>29,394,772</u>
<u>\$ 112,441</u>	<u>\$ 325,710</u>	<u>\$ 8,328,384</u>	<u>\$ 1,323,655</u>	<u>\$ 34,784,836</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Classroom Site	Instructional Improvement	English Language Learner
Revenues:			
Other local	\$ 86,864	\$ 59,654	\$
State aid and grants	17,237,845	1,449,721	85,827
Federal aid, grants and reimbursements			
Total revenues	<u>17,324,709</u>	<u>1,509,375</u>	<u>85,827</u>
Expenditures:			
Current -			
Instruction	16,604,074	920,973	487,748
Support services - students and staff	604,073	571,497	
Support services - administration		120,030	
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	570		
Capital outlay			
Total expenditures	<u>17,208,717</u>	<u>1,612,500</u>	<u>487,748</u>
Excess (deficiency) of revenues over expenditures	<u>115,992</u>	<u>(103,125)</u>	<u>(401,921)</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>115,992</u>	<u>(103,125)</u>	<u>(401,921)</u>
Fund balances (deficits), beginning of year	7,340,029	1,565,522	(5,115)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ 7,456,021</u>	<u>\$ 1,462,397</u>	<u>\$ (407,036)</u>

<u>Title I Grants</u>	<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Special Education Grants</u>	<u>Adult Education</u>
\$	\$	\$	\$	\$	\$
<u>2,918,007</u>	<u>514,302</u>	<u>224,289</u>	<u>98,567</u>	<u>6,556,142</u>	<u>99,223</u>
<u>2,918,007</u>	<u>514,302</u>	<u>224,289</u>	<u>98,567</u>	<u>6,556,142</u>	<u>99,223</u>
2,047,551		73,886	59,446	3,814,243	8,740
696,521	404,334	117,624	81,488	2,573,449	87,959
18,543	107,999		290	11,509	20
				964	
421					
<u>43,812</u>				<u>16,502</u>	
<u>2,806,848</u>	<u>512,333</u>	<u>191,510</u>	<u>141,224</u>	<u>6,416,667</u>	<u>96,719</u>
<u>111,159</u>	<u>1,969</u>	<u>32,779</u>	<u>(42,657)</u>	<u>139,475</u>	<u>2,504</u>
<u>(71,563)</u>	<u>(13,269)</u>	<u>(4,960)</u>		<u>(160,555)</u>	<u>(2,504)</u>
<u>(71,563)</u>	<u>(13,269)</u>	<u>(4,960)</u>		<u>(160,555)</u>	<u>(2,504)</u>
<u>39,596</u>	<u>(11,300)</u>	<u>27,819</u>	<u>(42,657)</u>	<u>(21,080)</u>	
(428,978)	(142,100)	(45,476)	(864)	(201,257)	
<u>\$ (389,382)</u>	<u>\$ (153,400)</u>	<u>\$ (17,657)</u>	<u>\$ (43,521)</u>	<u>\$ (222,337)</u>	<u>\$</u>

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Vocational Education	State Vocational Education	Adult Basic Education
Revenues:			
Other local	\$	\$	\$
State aid and grants		272,233	69,010
Federal aid, grants and reimbursements	440,380		
Total revenues	<u>440,380</u>	<u>272,233</u>	<u>69,010</u>
Expenditures:			
Current -			
Instruction	27,623	200,392	68,221
Support services - students and staff	53,375	16,305	789
Support services - administration	1,090		
Operation and maintenance of plant services		21,345	
Student transportation services		1,546	
Operation of non-instructional services			
Capital outlay	357,748	32,645	
Total expenditures	<u>439,836</u>	<u>272,233</u>	<u>69,010</u>
Excess (deficiency) of revenues over expenditures	<u>544</u>		
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>544</u>		
Fund balances (deficits), beginning of year	(36,322)		
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (35,778)</u>	<u>\$</u>	<u>\$</u>

College Credit Exam Incentives	Results-based Funding	Other State Projects	Food Service	Civic Center	Community School
\$	\$	\$	\$	\$	\$
249,465	1,483,282	59,274	394,964	848,078	6,558,807
			14,026,784		
<u>249,465</u>	<u>1,483,282</u>	<u>59,274</u>	<u>14,421,748</u>	<u>848,078</u>	<u>6,558,807</u>
240,741	1,147,067			64,542	565,967
15,914	140,678	59,274		3,945	131,976
	55,320		45,455	5,212	150,193
	43,793			153,517	25,416
					11,369
	39,578		10,606,829	157,563	7,113,784
	13,057		280,274	58,618	20,567
<u>256,655</u>	<u>1,439,493</u>	<u>59,274</u>	<u>10,932,558</u>	<u>443,397</u>	<u>8,019,272</u>
<u>(7,190)</u>	<u>43,789</u>		<u>3,489,190</u>	<u>404,681</u>	<u>(1,460,465)</u>
			(1,000,000)		
			<u>(1,000,000)</u>		
<u>(7,190)</u>	<u>43,789</u>		<u>2,489,190</u>	<u>404,681</u>	<u>(1,460,465)</u>
393,969	182,682		2,469,443	1,477,049	2,253,654
			128,308		
<u>\$ 386,779</u>	<u>\$ 226,471</u>	<u>\$</u>	<u>\$ 5,086,941</u>	<u>\$ 1,881,730</u>	<u>\$ 793,189</u>

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Extracurricular Activities Fees Tax Credit	Career and Technical Education Projects	Fingerprint
Revenues:			
Other local	\$ 1,191,142	\$ 866	\$ 437
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	<u>1,191,142</u>	<u>866</u>	<u>437</u>
Expenditures:			
Current -			
Instruction	552,441		
Support services - students and staff	152,112		
Support services - administration			
Operation and maintenance of plant services			
Student transportation services	43,769		
Operation of non-instructional services	385		
Capital outlay	167,293		
Total expenditures	<u>916,000</u>		
Excess (deficiency) of revenues over expenditures	<u>275,142</u>	<u>866</u>	<u>437</u>
Other financing sources (uses):			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>275,142</u>	<u>866</u>	<u>437</u>
Fund balances (deficits), beginning of year	3,105,265		13,089
Increase (decrease) in reserve for inventory			
Fund balances, end of year	<u><u>\$ 3,380,407</u></u>	<u><u>\$ 866</u></u>	<u><u>\$ 13,526</u></u>

<u>Textbooks</u>	<u>Insurance Refund</u>	<u>Career Technical Education</u>	<u>Arizona Industry Credentials Incentive</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 19,056	\$	\$ 2,886,514	\$ 5,905	\$ 415,087	\$ 12,461,469
					20,912,562
					24,877,694
<u>19,056</u>		<u>2,886,514</u>	<u>5,905</u>	<u>415,087</u>	<u>58,251,725</u>
	485	2,148,666	5,905		29,038,711
7,625		338,731			6,057,669
		966			516,627
		7,168			252,203
		795			57,900
					17,918,709
		20,262		560,225	1,571,003
<u>7,625</u>	<u>485</u>	<u>2,516,588</u>	<u>5,905</u>	<u>560,225</u>	<u>55,412,822</u>
<u>11,431</u>	<u>(485)</u>	<u>369,926</u>		<u>(145,138)</u>	<u>2,838,903</u>
					(1,252,851)
					(1,252,851)
<u>11,431</u>	<u>(485)</u>	<u>369,926</u>		<u>(145,138)</u>	<u>1,586,052</u>
101,010	326,195	7,843,824		1,468,793	27,680,412
					128,308
<u>\$ 112,441</u>	<u>\$ 325,710</u>	<u>\$ 8,213,750</u>	<u>\$</u>	<u>\$ 1,323,655</u>	<u>\$ 29,394,772</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Classroom Site		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 86,864	\$ 86,864
State aid and grants		17,237,845	17,237,845
Federal aid, grants and reimbursements			
Total revenues		<u>17,324,709</u>	<u>17,324,709</u>
Expenditures:			
Current -			
Instruction	24,214,567	16,604,074	7,610,493
Support services - students and staff	363,308	604,073	(240,765)
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services		570	(570)
Capital outlay			
Total expenditures	<u>24,577,875</u>	<u>17,208,717</u>	<u>7,369,158</u>
Excess (deficiency) of revenues over expenditures	<u>(24,577,875)</u>	<u>115,992</u>	<u>24,693,867</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(24,577,875)</u>	<u>115,992</u>	<u>24,693,867</u>
Fund balances (deficits), beginning of year		7,340,029	7,340,029
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (24,577,875)</u>	<u>\$ 7,456,021</u>	<u>\$ 32,033,896</u>

Instructional Improvement			English Language Learner		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 59,654 1,449,721	\$ 59,654 1,449,721	\$	\$ 85,827	\$ 85,827
	<u>1,509,375</u>	<u>1,509,375</u>		<u>85,827</u>	<u>85,827</u>
3,100,000	920,973 571,497 120,030	2,179,027 (571,497) (120,030)	487,747	487,748	(1)
<u>3,100,000</u>	<u>1,612,500</u>	<u>1,487,500</u>	<u>487,747</u>	<u>487,748</u>	<u>(1)</u>
<u>(3,100,000)</u>	<u>(103,125)</u>	<u>2,996,875</u>	<u>(487,747)</u>	<u>(401,921)</u>	<u>85,826</u>
<u>(3,100,000)</u>	<u>(103,125)</u>	<u>2,996,875</u>	<u>(487,747)</u>	<u>(401,921)</u>	<u>85,826</u>
	1,565,522	1,565,522		(5,115)	(5,115)
<u>\$ (3,100,000)</u>	<u>\$ 1,462,397</u>	<u>\$ 4,562,397</u>	<u>\$ (487,747)</u>	<u>\$ (407,036)</u>	<u>\$ 80,711</u>

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Title I Grants		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		2,918,007	2,918,007
Total revenues		<u>2,918,007</u>	<u>2,918,007</u>
Expenditures:			
Current -			
Instruction	3,577,002	2,047,551	1,529,451
Support services - students and staff		696,521	(696,521)
Support services - administration		18,543	(18,543)
Operation and maintenance of plant services			
Student transportation services		421	(421)
Operation of non-instructional services			
Capital outlay		43,812	(43,812)
Total expenditures	<u>3,577,002</u>	<u>2,806,848</u>	<u>770,154</u>
Excess (deficiency) of revenues over expenditures	<u>(3,577,002)</u>	<u>111,159</u>	<u>3,688,161</u>
Other financing sources (uses):			
Transfer in			
Transfer out		(71,563)	(71,563)
Total other financing sources (uses)		<u>(71,563)</u>	<u>(71,563)</u>
Changes in fund balances	<u>(3,577,002)</u>	<u>39,596</u>	<u>3,616,598</u>
Fund balances (deficits), beginning of year		(428,978)	(428,978)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (3,577,002)</u>	<u>\$ (389,382)</u>	<u>\$ 3,187,620</u>

Professional Development and Technology Grants			Title IV Grants		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	514,302	514,302		224,289	224,289
	514,302	514,302		224,289	224,289
1,195,007	404,334	790,673	347,970	73,886	(73,886)
	107,999	(107,999)		117,624	230,346
1,195,007	512,333	682,674	347,970	191,510	156,460
(1,195,007)	1,969	1,196,976	(347,970)	32,779	380,749
	(13,269)	(13,269)		(4,960)	(4,960)
	(13,269)	(13,269)		(4,960)	(4,960)
(1,195,007)	(11,300)	1,183,707	(347,970)	27,819	375,789
	(142,100)	(142,100)		(45,476)	(45,476)
\$ (1,195,007)	\$ (153,400)	\$ 1,041,607	\$ (347,970)	\$ (17,657)	\$ 330,313

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Limited English & Immigrant Students		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		98,567	98,567
Total revenues		<u>98,567</u>	<u>98,567</u>
Expenditures:			
Current -			
Instruction		59,446	(59,446)
Support services - students and staff	193,606	81,488	112,118
Support services - administration		290	(290)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	<u>193,606</u>	<u>141,224</u>	<u>52,382</u>
Excess (deficiency) of revenues over expenditures	<u>(193,606)</u>	<u>(42,657)</u>	<u>150,949</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(193,606)</u>	<u>(42,657)</u>	<u>150,949</u>
Fund balances (deficits), beginning of year		(864)	(864)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (193,606)</u>	<u>\$ (43,521)</u>	<u>\$ 150,085</u>

Special Education Grants			Adult Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	6,556,142	6,556,142		99,223	99,223
	6,556,142	6,556,142		99,223	99,223
7,047,856	3,814,243	3,233,613		8,740	(8,740)
	2,573,449	(2,573,449)	269,490	87,959	181,531
	11,509	(11,509)		20	(20)
	964	(964)			
	16,502	(16,502)			
7,047,856	6,416,667	631,189	269,490	96,719	172,771
(7,047,856)	139,475	7,187,331	(269,490)	2,504	271,994
	(160,555)	(160,555)		(2,504)	(2,504)
	(160,555)	(160,555)		(2,504)	(2,504)
(7,047,856)	(21,080)	7,026,776	(269,490)		269,490
	(201,257)	(201,257)			
\$ (7,047,856)	\$ (222,337)	\$ 6,825,519	\$ (269,490)	\$	\$ 269,490

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		440,380	440,380
Total revenues		<u>440,380</u>	<u>440,380</u>
Expenditures:			
Current -			
Instruction		27,623	(27,623)
Support services - students and staff	448,556	53,375	395,181
Support services - administration		1,090	(1,090)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay		357,748	(357,748)
Total expenditures	<u>448,556</u>	<u>439,836</u>	<u>8,720</u>
Excess (deficiency) of revenues over expenditures	<u>(448,556)</u>	<u>544</u>	<u>449,100</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(448,556)</u>	<u>544</u>	<u>449,100</u>
Fund balances (deficits), beginning of year		(36,322)	(36,322)
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (448,556)</u>	<u>\$ (35,778)</u>	<u>\$ 412,778</u>

Medicaid Reimbursement			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 37,330	\$ 37,330	\$	\$ 15,075	\$ 15,075
	1,523,069	1,523,069		772,725	772,725
	1,560,399	1,560,399		787,800	787,800
7,500,802	137,526	7,363,276	1,920,254	518,487	1,401,767
	5,847	(5,847)		346,472	(346,472)
7,500,802	143,373	7,357,429	1,920,254	864,959	1,055,295
(7,500,802)	1,417,026	8,917,828	(1,920,254)	(77,159)	1,843,095
(7,500,802)	1,417,026	8,917,828	(1,920,254)	(77,159)	1,843,095
	5,874,481	5,874,481		120,882	120,882
\$ (7,500,802)	\$ 7,291,507	\$ 14,792,309	\$ (1,920,254)	\$ 43,723	\$ 1,963,977

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	State Vocational Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		272,233	272,233
Federal aid, grants and reimbursements			
Total revenues		<u>272,233</u>	<u>272,233</u>
Expenditures:			
Current -			
Instruction	272,224	200,392	71,832
Support services - students and staff		16,305	(16,305)
Support services - administration			
Operation and maintenance of plant services		21,345	(21,345)
Student transportation services		1,546	(1,546)
Operation of non-instructional services			
Capital outlay		32,645	(32,645)
Total expenditures	<u>272,224</u>	<u>272,233</u>	<u>(9)</u>
Excess (deficiency) of revenues over expenditures	<u>(272,224)</u>		<u>272,224</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(272,224)</u>		<u>272,224</u>
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (272,224)</u>	<u>\$</u>	<u>\$ 272,224</u>

Adult Basic Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	69,010	69,010		249,465	249,465
	69,010	69,010		249,465	249,465
119,100	68,221 789	50,879 (789)	640,838	240,741 15,914	400,097 (15,914)
119,100	69,010	50,090	640,838	256,655	384,183
(119,100)		119,100	(640,838)	(7,190)	633,648
(119,100)		119,100	(640,838)	(7,190)	633,648
				393,969	393,969
\$ (119,100)	\$	\$ 119,100	\$ (640,838)	\$ 386,779	\$ 1,027,617

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Results-based Funding		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants		1,483,282	1,483,282
Federal aid, grants and reimbursements			
Total revenues		<u>1,483,282</u>	<u>1,483,282</u>
Expenditures:			
Current -			
Instruction	1,666,855	1,147,067	519,788
Support services - students and staff		140,678	(140,678)
Support services - administration		55,320	(55,320)
Operation and maintenance of plant services		43,793	(43,793)
Student transportation services			
Operation of non-instructional services		39,578	(39,578)
Capital outlay		13,057	(13,057)
Total expenditures	<u>1,666,855</u>	<u>1,439,493</u>	<u>227,362</u>
Excess (deficiency) of revenues over expenditures	<u>(1,666,855)</u>	<u>43,789</u>	<u>1,710,644</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,666,855)</u>	<u>43,789</u>	<u>1,710,644</u>
Fund balances (deficits), beginning of year		182,682	182,682
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (1,666,855)</u>	<u>\$ 226,471</u>	<u>\$ 1,893,326</u>

Other State Projects			School Plant		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	59,274	59,274		323,093	323,093
	59,274	59,274		323,093	323,093
78,666	59,274	19,392			
78,666	59,274	19,392	487,823	3,808	484,015
			487,823	3,808	484,015
(78,666)		78,666	(487,823)	319,285	807,108
(78,666)		78,666	(487,823)	319,285	807,108
				350,087	350,087
\$ (78,666)	\$	\$ 78,666	\$ (487,823)	\$ 669,372	\$ 1,157,195

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Food Service		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 394,964	\$ 394,964
State aid and grants			
Federal aid, grants and reimbursements		14,026,784	14,026,784
Total revenues		<u>14,421,748</u>	<u>14,421,748</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration		45,455	(45,455)
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services	12,733,633	10,606,829	2,126,804
Capital outlay		280,274	(280,274)
Total expenditures	<u>12,733,633</u>	<u>10,932,558</u>	<u>1,801,075</u>
Excess (deficiency) of revenues over expenditures	<u>(12,733,633)</u>	<u>3,489,190</u>	<u>16,222,823</u>
Other financing sources (uses):			
Transfer in			
Transfer out	(1,000,000)	(1,000,000)	
Total other financing sources (uses)	<u>(1,000,000)</u>	<u>(1,000,000)</u>	
Changes in fund balances	<u>(13,733,633)</u>	<u>2,489,190</u>	<u>16,222,823</u>
Fund balances (deficits), beginning of year		2,469,443	2,469,443
Increase (decrease) in reserve for inventory		128,308	128,308
Fund balances (deficits), end of year	<u>\$ (13,733,633)</u>	<u>\$ 5,086,941</u>	<u>\$ 18,820,574</u>

Civic Center			Community School		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 848,078	\$ 848,078	\$	\$ 6,558,807	\$ 6,558,807
	848,078	848,078		6,558,807	6,558,807
	64,542	(64,542)		565,967	(565,967)
	3,945	(3,945)		131,976	(131,976)
	5,212	(5,212)		150,193	(150,193)
	153,517	(153,517)		25,416	(25,416)
				11,369	(11,369)
2,080,096	157,563	1,922,533	8,253,655	7,113,784	1,139,871
	58,618	(58,618)		20,567	(20,567)
2,080,096	443,397	1,636,699	8,253,655	8,019,272	234,383
(2,080,096)	404,681	2,484,777	(8,253,655)	(1,460,465)	6,793,190
(2,080,096)	404,681	2,484,777	(8,253,655)	(1,460,465)	6,793,190
	1,477,049	1,477,049		2,253,654	2,253,654
\$ (2,080,096)	\$ 1,881,730	\$ 3,961,826	\$ (8,253,655)	\$ 793,189	\$ 9,046,844

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Auxiliary Operations		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 3,151,673	\$ 3,151,673
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>3,151,673</u>	<u>3,151,673</u>
Expenditures:			
Current -			
Instruction	5,275,320	1,649,608	3,625,712
Support services - students and staff		375,586	(375,586)
Support services - administration		248,874	(248,874)
Operation and maintenance of plant services		158,889	(158,889)
Student transportation services		613,155	(613,155)
Operation of non-instructional services		230,613	(230,613)
Capital outlay		147,705	(147,705)
Total expenditures	<u>5,275,320</u>	<u>3,424,430</u>	<u>1,850,890</u>
Excess (deficiency) of revenues over expenditures	<u>(5,275,320)</u>	<u>(272,757)</u>	<u>5,002,563</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(5,275,320)</u>	<u>(272,757)</u>	<u>5,002,563</u>
Fund balances (deficits), beginning of year		3,514,208	3,514,208
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (5,275,320)</u>	<u>\$ 3,241,451</u>	<u>\$ 8,516,771</u>

Extracurricular Activities Fees Tax Credit			Gifts and Donations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 1,191,142	\$ 1,191,142	\$	\$ 552,730	\$ 552,730
	<u>1,191,142</u>	<u>1,191,142</u>		<u>552,730</u>	<u>552,730</u>
4,061,244	552,441	3,508,803	1,750,663	219,779	1,530,884
	152,112	(152,112)		63,336	(63,336)
				5,664	(5,664)
	43,769	(43,769)		1,916	(1,916)
	385	(385)		870	(870)
	167,293	(167,293)		3,617	(3,617)
<u>4,061,244</u>	<u>916,000</u>	<u>3,145,244</u>	<u>1,750,663</u>	<u>123,649</u>	<u>(123,649)</u>
(4,061,244)	275,142	4,336,386	(1,750,663)	418,831	1,331,832
(4,061,244)	275,142	4,336,386	(1,750,663)	133,899	1,884,562
	3,105,265	3,105,265		1,399,371	1,399,371
<u>\$ (4,061,244)</u>	<u>\$ 3,380,407</u>	<u>\$ 7,441,651</u>	<u>\$ (1,750,663)</u>	<u>\$ 1,533,270</u>	<u>\$ 3,283,933</u>

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GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Career and Technical Education Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 866	\$ 866
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>866</u>	<u>866</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay			
Total expenditures			
Excess (deficiency) of revenues over expenditures		<u>866</u>	<u>866</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances		<u>866</u>	<u>866</u>
Fund balances (deficits), beginning of year			
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$</u>	<u>\$ 866</u>	<u>\$ 866</u>

Fingerprint			Textbooks		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 437	\$ 437	\$	\$ 19,056	\$ 19,056
	437	437		19,056	19,056
13,088		13,088	111,577	7,625	103,952
13,088		13,088	111,577	7,625	103,952
(13,088)	437	13,525	(111,577)	11,431	123,008
(13,088)	437	13,525	(111,577)	11,431	123,008
	13,089	13,089		101,010	101,010
\$ (13,088)	\$ 13,526	\$ 26,614	\$ (111,577)	\$ 112,441	\$ 224,018

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Litigation Recovery		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	59,448		59,448
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	59,448		59,448
Excess (deficiency) of revenues over expenditures	(59,448)		59,448
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(59,448)		59,448
Fund balances (deficits), beginning of year		59,447	59,447
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (59,448)	\$ 59,447	\$ 118,895

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,065	\$ 1,065	\$	\$	\$
	1,065	1,065			
			326,195	485	325,710
5,834,680	796,393	5,038,287			
5,834,680	796,393	5,038,287	326,195	485	325,710
(5,834,680)	(795,328)	5,039,352	(326,195)	(485)	325,710
	1,543,567	1,543,567			
	1,543,567	1,543,567			
(5,834,680)	748,239	6,582,919	(326,195)	(485)	325,710
	4,184,681	4,184,681		326,195	326,195
\$ (5,834,680)	\$ 4,932,920	\$ 10,767,600	\$ (326,195)	\$ 325,710	\$ 651,905

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GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Advertisement		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues			
Expenditures:			
Current -			
Instruction	12,142		12,142
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	12,142		12,142
Excess (deficiency) of revenues over expenditures	(12,142)		12,142
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	(12,142)		12,142
Fund balances (deficits), beginning of year		12,296	12,296
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	\$ (12,142)	\$ 12,296	\$ 24,438

Career Technical Education			Arizona Industry Credentials Incentive		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 2,886,514	\$ 2,886,514	\$	\$ 5,905	\$ 5,905
	2,886,514	2,886,514		5,905	5,905
9,350,679	2,148,666	7,202,013	8,000	5,905	2,095
	338,731	(338,731)			
	966	(966)			
	7,168	(7,168)			
	795	(795)			
	20,262	(20,262)			
9,350,679	2,516,588	6,834,091	8,000	5,905	2,095
(9,350,679)	369,926	9,720,605	(8,000)		8,000
(9,350,679)	369,926	9,720,605	(8,000)		8,000
	7,843,824	7,843,824			
\$ (9,350,679)	\$ 8,213,750	\$ 17,564,429	\$ (8,000)	\$	\$ 8,000

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GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Student Activities		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 415,087	\$ 415,087
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		<u>415,087</u>	<u>415,087</u>
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Student transportation services			
Operation of non-instructional services			
Capital outlay	<u>1,773,911</u>	<u>560,225</u>	<u>1,213,686</u>
Total expenditures	<u>1,773,911</u>	<u>560,225</u>	<u>1,213,686</u>
Excess (deficiency) of revenues over expenditures	<u>(1,773,911)</u>	<u>(145,138)</u>	<u>1,628,773</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Total other financing sources (uses)			
Changes in fund balances	<u>(1,773,911)</u>	<u>(145,138)</u>	<u>1,628,773</u>
Fund balances (deficits), beginning of year		1,468,793	1,468,793
Increase (decrease) in reserve for inventory			
Fund balances (deficits), end of year	<u>\$ (1,773,911)</u>	<u>\$ 1,323,655</u>	<u>\$ 3,097,566</u>

Totals		
Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 16,542,435	\$ 16,542,435
	20,912,562	20,912,562
	27,173,488	27,173,488
	<u>64,628,485</u>	<u>64,628,485</u>
61,982,968	30,908,098	31,074,870
10,508,982	6,634,117	3,874,865
7,754,934	2,086,045	5,668,889
	765,327	(765,327)
	671,925	(671,925)
23,067,384	18,152,939	4,914,445
2,261,734	1,846,165	415,569
<u>105,576,002</u>	<u>61,064,616</u>	<u>44,511,386</u>
<u>(105,576,002)</u>	<u>3,563,869</u>	<u>109,139,871</u>
	1,543,567	1,543,567
<u>(1,000,000)</u>	<u>(1,252,851)</u>	<u>(252,851)</u>
<u>(1,000,000)</u>	<u>290,716</u>	<u>1,290,716</u>
<u>(106,576,002)</u>	<u>3,854,585</u>	<u>110,430,587</u>
	43,195,865	43,195,865
	128,308	128,308
<u>\$ (106,576,002)</u>	<u>\$ 47,178,758</u>	<u>\$ 153,754,760</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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2021

	Debt Service		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 22,295	\$ 22,295
Property taxes		25,088,869	25,088,869
Federal aid, grants and reimbursements		43,094	43,094
Total revenues		<u>25,154,258</u>	<u>25,154,258</u>
Expenditures:			
Debt service -			
Principal retirement	20,355,000	20,355,000	
Interest and fiscal charges	5,076,202	5,267,437	(191,235)
Total expenditures	<u>25,431,202</u>	<u>25,622,437</u>	<u>(191,235)</u>
Excess (deficiency) of revenues over expenditures	<u>(25,431,202)</u>	<u>(468,179)</u>	<u>24,963,023</u>
Other financing sources (uses):			
Transfer in		483,196	483,196
Total other financing sources (uses)		<u>483,196</u>	<u>483,196</u>
Changes in fund balances	<u>(25,431,202)</u>	<u>15,017</u>	<u>25,446,219</u>
Fund balances, beginning of year		1,426,012	1,426,012
Fund balances (deficits), end of year	<u>\$ (25,431,202)</u>	<u>\$ 1,441,029</u>	<u>\$ 26,872,231</u>

CAPITAL PROJECTS FUNDS

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

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

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

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

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2021

	Unrestricted Capital Outlay	Energy and Water Savings	Emergency Deficiencies Correction
<u>ASSETS</u>			
Cash and investments	\$ 8,812,344	\$ 250,740	\$ 4,097
Total assets	<u>\$ 8,812,344</u>	<u>\$ 250,740</u>	<u>\$ 4,097</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 805,442	\$	\$
Due to other funds			
Total liabilities	<u>805,442</u>		
Fund balances (deficits):			
Restricted	8,006,902	250,740	4,097
Unassigned			
Total fund balances	<u>8,006,902</u>	<u>250,740</u>	<u>4,097</u>
Total liabilities and fund balances	<u>\$ 8,812,344</u>	<u>\$ 250,740</u>	<u>\$ 4,097</u>

Building Renewal Grant	Totals
\$	\$ 9,067,181
\$	\$ 9,067,181
\$	\$ 805,442
8,821	8,821
8,821	814,263
	8,261,739
(8,821)	(8,821)
(8,821)	8,252,918
\$	\$ 9,067,181

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Unrestricted Capital Outlay	Energy and Water Savings	Emergency Deficiencies Correction
Revenues:			
Other local	\$ 1,227,565	\$	\$ 39
Property taxes	12,439,192		
Total revenues	<u>13,666,757</u>		<u>39</u>
Expenditures:			
Capital outlay	9,082,791		
Debt service -			
Principal retirement	365,136	722,499	
Interest and fiscal charges	6,696	47,312	
Total expenditures	<u>9,454,623</u>	<u>769,811</u>	
Excess (deficiency) of revenues over expenditures	<u>4,212,134</u>	<u>(769,811)</u>	<u>39</u>
Other financing sources (uses):			
Transfer in		769,811	
Total other financing sources (uses)		<u>769,811</u>	
Changes in fund balances	<u>4,212,134</u>		<u>39</u>
Fund balances (deficits), beginning of year	3,794,768	250,740	4,058
Fund balances (deficits), end of year	<u>\$ 8,006,902</u>	<u>\$ 250,740</u>	<u>\$ 4,097</u>

Building Renewal Grant	Totals
\$	\$ 1,227,604
	12,439,192
	13,666,796
49	9,082,840
	1,087,635
	54,008
49	10,224,483
(49)	3,442,313
	769,811
	769,811
(49)	4,212,124
(8,772)	4,040,794
\$ (8,821)	\$ 8,252,918

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Proceeds		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,790	\$ 1,790
Property taxes			
Total revenues		<u>1,790</u>	<u>1,790</u>
Expenditures:			
Current -			
Instruction	483,874	1,141	482,733
Capital outlay			
Debt service -			
Principal retirement			
Interest and fiscal charges			
Bond issuance costs			
Total expenditures	<u>483,874</u>	<u>1,141</u>	<u>482,733</u>
Excess (deficiency) of revenues over expenditures	<u>(483,874)</u>	<u>649</u>	<u>484,523</u>
Other financing sources (uses):			
Transfer in			
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)			
Changes in fund balances	<u>(483,874)</u>	<u>649</u>	<u>484,523</u>
Fund balances (deficits), beginning of year		481,282	481,282
Fund balances (deficits), end of year	<u>\$ (483,874)</u>	<u>\$ 481,931</u>	<u>\$ 965,805</u>

Unrestricted Capital Outlay			Bond Building		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 1,227,565	\$ 1,227,565	\$	\$ 477,160	\$ 477,160
	12,439,192	12,439,192			
	13,666,757	13,666,757		477,160	477,160
16,365,902	9,082,791	7,283,111	50,370,000	25,145,991	25,224,009
365,136	365,136				
6,696	6,696			351,951	(351,951)
16,737,734	9,454,623	7,283,111	50,370,000	25,497,942	24,872,058
(16,737,734)	4,212,134	20,949,868	(50,370,000)	(25,020,782)	25,349,218
				(483,196)	(483,196)
				34,345,000	34,345,000
				5,882,376	5,882,376
				39,744,180	39,744,180
(16,737,734)	4,212,134	20,949,868	(50,370,000)	14,723,398	65,093,398
	3,794,768	3,794,768		19,730,448	19,730,448
\$ (16,737,734)	\$ 8,006,902	\$ 24,744,636	\$ (50,370,000)	\$ 34,453,846	\$ 84,823,846

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Energy and Water Savings		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
Property taxes			
Total revenues			
Expenditures:			
Current -			
Instruction			
Capital outlay			
Debt service -			
Principal retirement	722,499	722,499	
Interest and fiscal charges	47,312	47,312	
Bond issuance costs			
Total expenditures	<u>769,811</u>	<u>769,811</u>	
Excess (deficiency) of revenues over expenditures	<u>(769,811)</u>	<u>(769,811)</u>	
Other financing sources (uses):			
Transfer in		769,811	769,811
Transfer out			
Issuance of school improvement bonds			
Premium on sale of bonds			
Total other financing sources (uses)		<u>769,811</u>	<u>769,811</u>
Changes in fund balances	<u>(769,811)</u>		<u>769,811</u>
Fund balances (deficits), beginning of year		250,740	250,740
Fund balances (deficits), end of year	<u>\$ (769,811)</u>	<u>\$ 250,740</u>	<u>\$ 1,020,551</u>

Emergency Deficiencies Correction			Building Renewal Grant		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 39	\$ 39	\$	\$	\$
	39	39			
4,086		4,086		49	(49)
4,086		4,086		49	(49)
(4,086)	39	4,125		(49)	(49)
(4,086)	39	4,125		(49)	(49)
	4,058	4,058		(8,772)	(8,772)
\$ (4,086)	\$ 4,097	\$ 8,183	\$	\$ (8,821)	\$ (8,821)

(Continued)

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 1,706,554	\$ 1,706,554
Property taxes		12,439,192	12,439,192
Total revenues		<u>14,145,746</u>	<u>14,145,746</u>
Expenditures:			
Current -			
Instruction	483,874	1,141	482,733
Capital outlay	66,739,988	34,228,831	32,511,157
Debt service -			
Principal retirement	1,087,635	1,087,635	
Interest and fiscal charges	54,008	54,008	
Bond issuance costs		351,951	(351,951)
Total expenditures	<u>68,365,505</u>	<u>35,723,566</u>	<u>32,641,939</u>
Excess (deficiency) of revenues over expenditures	<u>(68,365,505)</u>	<u>(21,577,820)</u>	<u>46,787,685</u>
Other financing sources (uses):			
Transfer in		769,811	769,811
Transfer out		(483,196)	(483,196)
Issuance of school improvement bonds		34,345,000	34,345,000
Premium on sale of bonds		5,882,376	5,882,376
Total other financing sources (uses)		<u>40,513,991</u>	<u>40,513,991</u>
Changes in fund balances	<u>(68,365,505)</u>	<u>18,936,171</u>	<u>87,301,676</u>
Fund balances (deficits), beginning of year		24,252,524	24,252,524
Fund balances (deficits), end of year	<u>\$ (68,365,505)</u>	<u>\$ 43,188,695</u>	<u>\$ 111,554,200</u>

INTERNAL SERVICE FUNDS

District Services - to account for the financial activity of providing goods and services to departments or schools within the District.

Employee Benefit Trust - to account for the activity associated with the District's self-insurance program.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF NET POSITION -
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2021

	<u>District Services</u>	<u>Employee Benefit Trust</u>	<u>Totals</u>
<u>ASSETS</u>			
Current assets:			
Cash and investments	\$ 659,308	\$ 20,488,896	\$ 21,148,204
Accounts receivable		86,589	86,589
Total current assets	<u>659,308</u>	<u>20,575,485</u>	<u>21,234,793</u>
Total assets	<u>659,308</u>	<u>20,575,485</u>	<u>21,234,793</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable		8,146	8,146
Claims payable		3,424,500	3,424,500
Total current liabilities		<u>3,432,646</u>	<u>3,432,646</u>
Total liabilities		<u>3,432,646</u>	<u>3,432,646</u>
<u>NET POSITION</u>			
Unrestricted	659,308	17,142,839	17,802,147
Total net position	<u>\$ 659,308</u>	<u>\$ 17,142,839</u>	<u>\$ 17,802,147</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION -
ALL INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	<u>District Services</u>	<u>Employee Benefit Trust</u>	<u>Totals</u>
Operating revenues:			
Contributions	\$	\$ 29,452,409	\$ 29,452,409
Other		489,134	489,134
Charges for services	495,723		495,723
Total operating revenues	<u>495,723</u>	<u>29,941,543</u>	<u>30,437,266</u>
Operating expenses:			
Other	422,007		422,007
Claims		20,550,625	20,550,625
Premiums		1,864,003	1,864,003
Administrative fees		1,548,759	1,548,759
Total operating expenses	<u>422,007</u>	<u>23,963,387</u>	<u>24,385,394</u>
Operating income (loss)	<u>73,716</u>	<u>5,978,156</u>	<u>6,051,872</u>
Nonoperating revenues (expenses):			
Investment income	48,713	50	48,763
Total nonoperating revenues (expenses)	<u>48,713</u>	<u>50</u>	<u>48,763</u>
Changes in net position	<u>122,429</u>	<u>5,978,206</u>	<u>6,100,635</u>
Total net position, beginning of year	536,879	11,164,633	11,701,512
Total net position, end of year	<u>\$ 659,308</u>	<u>\$ 17,142,839</u>	<u>\$ 17,802,147</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COMBINING STATEMENT OF CASH FLOWS - ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	<u>District Services</u>	<u>Employee Benefit Trust</u>	<u>Totals</u>
<u>Increase/Decrease in Cash and Cash Equivalents</u>			
Cash flows from operating activities:			
Cash received from contributions	\$	\$ 29,923,629	\$ 29,923,629
Cash received from other sources	495,723		495,723
Cash payments to suppliers for goods and services	(422,007)	(3,404,842)	(3,826,849)
Cash payments for claims		(20,579,125)	(20,579,125)
Net cash provided by/used for operating activities	<u>73,716</u>	<u>5,939,662</u>	<u>6,013,378</u>
Cash flows from investing activities:			
Investment income	<u>48,713</u>	<u>50</u>	<u>48,763</u>
Net cash provided by/used for investing activities	<u>48,713</u>	<u>50</u>	<u>48,763</u>
Net increase/decrease in cash and cash equivalents	<u>122,429</u>	<u>5,939,712</u>	<u>6,062,141</u>
Cash and cash equivalents, beginning of year	<u>536,879</u>	<u>14,549,184</u>	<u>15,086,063</u>
Cash and cash equivalents, end of year	<u>\$ 659,308</u>	<u>\$ 20,488,896</u>	<u>\$ 21,148,204</u>
<u>Reconciliation of Operating Income/Loss to Net Cash Provided by/Used for Operating Activities</u>			
Operating income/loss	\$ 73,716	\$ 5,978,156	\$ 6,051,872
Adjustments to reconcile operating income/loss to net cash provided by/used for operating activities:			
Changes in assets and liabilities:			
Increase/decrease in accounts receivable		(17,914)	(17,914)
Increase/decrease in accounts payable		7,920	7,920
Increase/decrease in claims payable		(28,500)	(28,500)
Total adjustments		<u>(38,494)</u>	<u>(38,494)</u>
Net cash provided by/used for operating activities	<u>\$ 73,716</u>	<u>\$ 5,939,662</u>	<u>\$ 6,013,378</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 five 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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Net Position:				
Net investment in capital assets	\$ 373,364,234	\$ 373,732,581	\$ 368,106,305	\$ 369,169,992
Restricted	40,946,003	34,192,545	29,378,146	24,024,069
Unrestricted	<u>(124,590,425)</u>	<u>(149,878,859)</u>	<u>(160,480,781)</u>	<u>(188,487,609)</u>
Total net position	<u>\$ 289,719,812</u>	<u>\$ 258,046,267</u>	<u>\$ 237,003,670</u>	<u>\$ 204,706,452</u>

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

Fiscal Year Ended June 30					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 369,379,805	\$ 368,163,931	\$ 365,475,563	\$ 357,548,849	\$ 348,576,907	\$ 337,601,489
26,195,002	23,711,947	19,583,341	18,948,021	23,595,398	26,950,066
<u>(202,231,939)</u>	<u>(226,155,937)</u>	<u>(250,934,049)</u>	<u>29,327,810</u>	<u>28,821,730</u>	<u>25,094,595</u>
<u>\$ 193,342,868</u>	<u>\$ 165,719,941</u>	<u>\$ 134,124,855</u>	<u>\$ 405,824,680</u>	<u>\$ 400,994,035</u>	<u>\$ 389,646,150</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
AND GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenses				
Instruction	\$ 197,355,466	\$ 183,861,160	\$ 166,987,026	\$ 162,590,105
Support services - students and staff	39,203,942	34,929,905	31,634,799	30,841,479
Support services - administration	27,652,584	25,427,659	23,228,383	21,560,630
Operation and maintenance of plant services	28,203,969	26,601,544	25,427,027	26,489,799
Student transportation services	15,312,352	15,026,792	15,399,427	14,886,579
Operation of non-instructional services	19,498,371	19,719,237	19,236,180	16,949,156
Interest on long-term debt	4,273,100	4,486,819	4,004,766	3,469,834
Total expenses	<u>331,499,784</u>	<u>310,053,116</u>	<u>285,917,608</u>	<u>276,787,582</u>
Program Revenues				
Charges for services:				
Instruction	6,510,181	8,477,389	8,072,895	7,936,031
Operation of non-instructional services	7,754,332	12,240,068	15,557,972	14,192,708
Other activities	231,071	939,042	1,289,155	1,122,862
Operating grants and contributions	54,368,656	21,527,404	24,351,578	22,397,093
Capital grants and contributions	1,501,749	939,213	1,047,789	678,735
Total program revenues	<u>70,365,989</u>	<u>44,123,116</u>	<u>50,319,389</u>	<u>46,327,429</u>
Net (Expense)/Revenue	(261,133,795)	(265,930,000)	(235,598,219)	(230,460,153)
General Revenues:				
Taxes:				
Property taxes, levied for general purposes	88,148,665	71,136,086	76,721,076	79,140,012
Property taxes, levied for debt service	25,009,847	23,293,132	22,236,046	20,597,227
Property taxes, levied for capital outlay	12,439,192	10,653,696	5,583,354	
Investment income	1,096,272	2,142,036	1,405,894	669,955
Unrestricted county aid	12,388,665	12,124,808	11,298,195	11,569,739
Unrestricted state aid	152,201,630	162,992,543	148,576,069	134,899,010
Unrestricted federal aid	1,523,069	3,157,695	2,074,803	1,926,696
Total general revenues	<u>292,807,340</u>	<u>285,499,996</u>	<u>267,895,437</u>	<u>248,802,639</u>
Changes in Net Position	<u>\$ 31,673,545</u>	<u>\$ 19,569,996</u>	<u>\$ 32,297,218</u>	<u>\$ 18,342,486</u>

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

Fiscal Year Ended June 30					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 157,426,855	\$ 154,128,237	\$ 165,774,344	\$ 170,793,090	\$ 171,331,151	\$ 163,743,248
30,352,121	29,642,416	30,501,121	30,670,862	30,460,847	30,006,767
21,705,726	18,846,108	21,521,671	21,912,044	21,277,936	20,678,260
26,507,174	23,823,376	28,297,980	26,122,097	28,805,993	29,336,314
12,792,658	11,214,240	12,651,695	12,626,950	12,890,558	12,969,764
15,918,136	13,154,128	11,766,216	12,484,454	11,131,758	11,365,036
4,069,169	4,095,271	4,879,946	5,683,366	6,538,994	7,926,114
<u>268,771,839</u>	<u>254,903,776</u>	<u>275,392,973</u>	<u>280,292,863</u>	<u>282,437,237</u>	<u>276,025,503</u>
9,694,680	10,784,142	12,592,790	11,956,031	11,559,333	13,749,625
12,753,327	8,212,428	6,476,883	6,136,567	7,097,754	7,140,803
1,219,367	3,047,863	3,248,426	3,515,111	3,589,779	1,091,188
18,410,264	17,999,558	17,847,528	19,405,873	19,608,010	22,621,924
1,376,388	1,890,779	1,018,932	810,204	1,451,245	739,015
<u>43,454,026</u>	<u>41,934,770</u>	<u>41,184,559</u>	<u>41,823,786</u>	<u>43,306,121</u>	<u>45,342,555</u>
(225,317,813)	(212,969,006)	(234,208,414)	(238,469,077)	(239,131,116)	(230,682,948)
82,933,334	68,168,794	76,212,700	67,142,011	75,560,930	55,588,626
18,387,971	20,293,490	19,958,617	22,512,720	23,678,606	22,792,709
4,904,836	1,799,275	8,082,305	7,974,763	10,555,399	8,788,381
779,066	401,054	382,894	156,466	202,015	347,988
11,249,447	11,682,660	12,813,476	11,192,129	11,406,677	11,744,853
132,708,624	140,225,946	136,970,710	133,665,241	129,675,859	119,758,825
1,977,462	1,416,903	1,262,289	656,392	755,511	1,385,533
<u>252,940,740</u>	<u>243,988,122</u>	<u>255,682,991</u>	<u>243,299,722</u>	<u>251,834,997</u>	<u>220,406,915</u>
\$ <u>27,622,927</u>	\$ <u>31,019,116</u>	\$ <u>21,474,577</u>	\$ <u>4,830,645</u>	\$ <u>12,703,881</u>	\$ <u>(10,276,033)</u>

GILBERT UNIFIED SCHOOL DISTRICT #41
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
General Fund:				
Nondisposable	\$ 687,786	\$ 732,654	\$ 651,345	\$ 617,103
Restricted	481,931			
Unassigned	83,344,661	71,186,999	49,868,336	44,967,229
Total General Fund	<u>\$ 84,514,378</u>	<u>\$ 71,919,653</u>	<u>\$ 50,519,681</u>	<u>\$ 45,584,332</u>
All Other Governmental Funds:				
Nondisposable	\$ 524,903	\$ 396,595	\$ 279,926	\$ 342,621
Restricted	74,295,594	53,349,955	62,909,517	49,483,865
Unassigned	(13,479,680)	(12,889,717)	(2,277,055)	(1,634,974)
Total all other governmental funds	<u>\$ 61,340,817</u>	<u>\$ 40,856,833</u>	<u>\$ 60,912,388</u>	<u>\$ 48,191,512</u>

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

Fiscal Year Ended June 30

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 563,436	\$ 514,992	\$ 329,472	\$ 395,863	\$ 507,763	\$ 791,080
	329,742	314,387	354,932	361,585	258,014
<u>37,419,754</u>	<u>29,915,504</u>	<u>16,717,712</u>	<u>(1,179,839)</u>	<u>(3,694,289)</u>	<u>(5,588,288)</u>
<u><u>\$ 37,983,190</u></u>	<u><u>\$ 30,760,238</u></u>	<u><u>\$ 17,361,571</u></u>	<u><u>\$ (429,044)</u></u>	<u><u>\$ (2,824,941)</u></u>	<u><u>\$ (4,539,194)</u></u>
\$ 245,095	\$ 291,799	\$ 173,516	\$ 236,793	\$ 222,007	\$ 138,898
33,725,085	47,295,881	18,806,072	17,876,572	22,602,241	26,044,236
<u>(48,057)</u>	<u>(48,172)</u>	<u>(770,364)</u>	<u>(1,512,613)</u>	<u>(2,010)</u>	
<u><u>\$ 33,922,123</u></u>	<u><u>\$ 47,539,508</u></u>	<u><u>\$ 18,209,224</u></u>	<u><u>\$ 16,600,752</u></u>	<u><u>\$ 22,822,238</u></u>	<u><u>\$ 26,183,134</u></u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Federal sources:				
Federal grants	\$ 27,761,177	\$ 15,491,196	\$ 15,200,841	\$ 11,418,261
Education Jobs				
National School Lunch Program	14,026,784	5,419,789	6,127,333	6,048,844
Total federal sources	<u>41,787,961</u>	<u>20,910,985</u>	<u>21,328,174</u>	<u>17,467,105</u>
State sources:				
State equalization assistance	133,514,064	143,504,926	128,265,649	115,807,324
State grants	2,216,371	2,469,663	2,094,551	1,969,707
School Facilities Board		455,243		3,992
Other revenues	18,696,191	19,032,374	20,311,406	19,091,686
Total state sources	<u>154,426,626</u>	<u>165,462,206</u>	<u>150,671,606</u>	<u>136,872,709</u>
Local sources:				
Property taxes	125,879,690	109,317,269	106,088,152	99,595,684
County aid	12,388,665	12,124,808	11,298,195	11,569,739
Food service sales	359,724	4,792,015	6,003,586	5,912,582
Investment income	1,047,509	2,123,625	1,238,975	669,955
Other revenues	15,851,904	20,154,408	22,670,851	20,872,222
Total local sources	<u>155,527,492</u>	<u>148,512,125</u>	<u>147,299,759</u>	<u>138,620,182</u>
Total revenues	<u><u>\$ 351,742,079</u></u>	<u><u>\$ 334,885,316</u></u>	<u><u>\$ 319,299,539</u></u>	<u><u>\$ 292,959,996</u></u>

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

Fiscal Year Ended June 30					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 11,057,491	\$ 11,254,086	\$ 11,075,663	\$ 10,504,440	\$ 13,454,609	\$ 12,391,550
					3,635,501
6,265,992	5,916,547	5,966,734	6,431,534	5,142,013	5,335,676
17,323,483	17,170,633	17,042,397	16,935,974	18,596,622	21,362,727
117,226,363	124,414,856	122,372,404	118,342,602	118,251,675	108,484,654
492,736	489,604	353,619	678,877	730,026	697,098
211,073		30,320	186,250	10,105	
15,499,224	15,811,090	14,567,986	15,322,680	11,930,903	11,472,266
133,429,396	140,715,550	137,324,329	134,530,409	130,922,709	120,654,018
106,292,637	94,691,372	104,521,476	98,357,632	107,232,790	87,848,537
11,249,447	11,682,660	12,813,476	11,192,129	11,406,677	11,744,853
6,012,612	5,735,863	6,476,883	6,136,567	6,712,842	7,118,236
773,605	366,409	373,867	139,748	198,285	304,813
21,312,654	20,295,561	18,622,802	18,110,810	18,118,266	17,352,766
145,640,955	132,771,865	142,808,504	133,936,886	143,668,860	124,369,205
<u>\$ 296,393,834</u>	<u>\$ 290,658,048</u>	<u>\$ 297,175,230</u>	<u>\$ 285,403,269</u>	<u>\$ 293,188,191</u>	<u>\$ 266,385,950</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Expenditures:				
Current -				
Instruction	\$ 175,701,730	\$ 168,487,533	\$ 164,284,356	\$ 154,589,610
Support services - students and staff	38,330,083	34,775,419	34,065,059	31,897,535
Support services - administration	23,841,097	23,055,999	22,445,848	20,257,822
Operation and maintenance of plant services	27,319,636	26,310,390	25,820,059	26,001,535
Student transportation services	10,895,348	12,216,822	12,483,445	11,907,039
Operation of non-instructional services	18,657,280	19,208,686	19,497,035	17,197,355
Capital outlay	37,112,981	25,983,386	27,207,515	20,394,334
Debt service -				
Interest and fiscal charges	5,321,445	4,990,743	4,508,690	3,799,253
Principal retirement	21,442,635	20,182,501	18,872,287	18,138,271
Bond issuance costs	351,951		317,104	318,462
Total expenditures	\$ 358,974,186	\$ 335,211,479	\$ 329,501,398	\$ 304,501,216
Expenditures for capitalized assets	\$ 20,507,289	\$ 17,067,611	\$ 15,537,991	\$ 11,479,723
Debt service as a percentage of noncapital expenditures	8%	8%	7%	7%

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

Fiscal Year Ended June 30					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 150,480,746	\$ 145,431,243	\$ 147,167,181	\$ 153,174,805	\$ 156,192,293	\$ 146,332,255
31,192,023	30,306,760	28,829,808	29,327,998	29,502,279	28,528,479
21,655,148	19,316,560	19,646,352	20,398,378	19,804,347	18,866,750
26,770,574	24,250,084	27,067,416	25,165,141	28,007,960	28,404,155
11,082,580	10,017,582	10,464,771	10,746,158	11,252,628	10,978,501
16,269,340	13,319,347	11,412,431	12,276,208	10,988,820	11,010,183
23,004,112	13,337,653	12,882,642	12,719,096	9,909,397	16,951,751
4,404,583	4,252,028	5,051,531	5,854,952	6,537,547	7,792,686
17,930,901	17,122,091	16,424,343	19,469,008	22,771,484	20,673,965
	715,975			338,260	
<u>\$ 302,790,007</u>	<u>\$ 278,069,323</u>	<u>\$ 278,946,475</u>	<u>\$ 289,131,744</u>	<u>\$ 295,305,015</u>	<u>\$ 289,538,725</u>
\$ 14,006,383	\$ 5,057,447	\$ 2,365,352	\$ 3,875,332	\$ 3,760,053	\$ 7,513,840
8%	8%	8%	9%	10%	10%

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Excess (deficiency) of revenues over expenditures	\$ (7,232,107)	\$ (326,163)	\$ (10,201,859)	\$ (11,541,220)
Other financing sources (uses):				
General obligation bonds issued	34,345,000		24,620,000	27,810,000
Issuance of refunding bonds				
Premium on sale of bonds	5,882,376		3,266,537	3,510,900
Proceeds from sale of capital assets				
Capital lease agreements				1,808,471
Transfers in	2,796,574	2,829,159	2,751,474	2,931,147
Transfers out	(2,796,574)	(2,829,159)	(2,751,474)	(2,931,147)
Payment to refunded bond escrow agent				
Insurance recoveries				96,839
Total other financing sources (uses)	<u>40,227,376</u>	<u></u>	<u>27,886,537</u>	<u>33,226,210</u>
Changes in fund balances	<u>\$ 32,995,269</u>	<u>\$ (326,163)</u>	<u>\$ 17,684,678</u>	<u>\$ 21,684,990</u>

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

Fiscal Year Ended June 30					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ (6,396,173)	\$ 12,588,725	\$ 18,228,755	\$ (3,728,475)	\$ (2,116,824)	\$ (23,152,775)
	31,300,000				
	38,445,000			29,710,000	
	4,992,571			4,663,845	
2,249,003		1,300,000			
(2,249,003)	2,762,026	2,744,396	1,739,975	1,929,709	3,216,809
	(2,762,026)	(2,744,396)	(1,739,975)	(1,929,709)	(3,216,809)
	(41,665,173)			(33,703,456)	
	<u>33,072,398</u>	<u>1,300,000</u>		<u>670,389</u>	
<u>\$ (6,396,173)</u>	<u>\$ 45,661,123</u>	<u>\$ 19,528,755</u>	<u>\$ (3,728,475)</u>	<u>\$ (1,446,435)</u>	<u>\$ (23,152,775)</u>

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 665,709,711	\$ 617,790,207	\$ 556,217,421	\$ 517,967,507
Agricultural and Vacant	44,243,927	53,855,388	45,422,784	49,498,228
Residential (Owner Occupied)	1,086,770,902	1,019,641,267	964,790,257	898,487,550
Residential (Rental)	387,448,527	363,034,707	327,663,163	303,980,168
Railroad, Private Cars and Airlines	1,417,929	1,487,232	1,489,086	1,580,055
Historical Property	15,815,568	10,660,319	5,396,650	4,730,381
Certain Government Property Improvements				50,654
Total	<u>\$ 2,201,406,564</u>	<u>\$ 2,066,469,120</u>	<u>\$ 1,900,979,361</u>	<u>\$ 1,776,294,543</u>
Gross Full Cash Value	\$ 28,318,283,875	\$ 25,778,609,047	\$ 23,207,866,030	\$ 21,553,018,820
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	8%	8%
Total Direct Rate	6.26	5.90	6.11	6.20

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

Note: On November 6, 2012, voters approved Proposition 117, and 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.

Fiscal Year

	<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>		<u>2013</u>		<u>2012</u>
\$	495,834,048	\$	477,645,179	\$	480,117,728	\$	488,800,742	\$	542,603,501	\$	622,239,662
	66,671,921		49,588,003		51,104,462		56,010,619		63,875,010		74,401,826
	838,779,263		793,865,285		761,208,161		712,023,828		804,538,698		899,907,064
	284,151,038		260,141,723		226,953,854		185,835,959		136,395,624		142,816,182
	1,514,150		1,647,076		1,659,971		1,648,583		1,605,843		1,401,215
	5,086,859		229,375		100,585		49,273		56,818		
	48,241		17,632		88,442		4,525		70,376		
\$	<u>1,692,085,520</u>	\$	<u>1,583,134,273</u>	\$	<u>1,521,233,203</u>	\$	<u>1,444,373,529</u>	\$	<u>1,549,145,870</u>	\$	<u>1,740,765,949</u>
\$	20,352,429,884	\$	18,709,821,377	\$	15,418,155,826		13,851,696,587	\$	14,587,618,698	\$	16,202,630,403
	8%		8%		10%		10%		11%		11%
	6.94		6.46		7.23		7.14		7.20		5.16

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Commercial, Industrial, Utilities and Mining	\$ 895,014,582	\$ 802,752,785	\$ 695,967,407	\$ 640,989,816
Agricultural and Vacant	76,132,171	83,488,693	65,189,773	69,578,015
Residential (Owner Occupied)	1,420,832,553	1,296,342,099	1,208,589,150	1,116,488,221
Residential (Rental)	538,896,372	490,637,895	431,982,941	392,617,741
Railroad, Private Cars and Airlines	1,798,250	1,840,893	1,798,045	1,843,637
Historical Property	20,500,350	15,319,915	8,458,785	7,381,555
Certain Government Property Improvements	92,887			73,580
Total	<u>\$ 2,953,267,165</u>	<u>\$ 2,690,382,280</u>	<u>\$ 2,411,986,101</u>	<u>\$ 2,228,972,565</u>
Gross Full Cash Value	\$ 28,318,283,875	\$ 25,778,609,047	\$ 23,207,866,030	\$ 21,553,018,820
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	10%	10%	10%
Estimated Net Full Cash Value	\$ 22,410,050,580	\$ 20,153,347,500	\$ 18,689,377,268	\$ 18,538,625,398
Total Direct Rate	6.26	5.90	6.11	6.20

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.

Fiscal Year					
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 591,416,565	\$ 518,168,909	\$ 485,000,776	\$ 490,757,912	\$ 545,720,626	\$ 626,763,717
89,066,161	58,305,587	54,931,165	58,686,262	67,152,763	79,068,169
1,062,190,894	1,017,388,568	809,525,976	712,132,433	804,629,316	900,010,331
362,993,919	329,830,181	244,823,285	189,082,558	136,540,853	143,498,220
1,621,779	1,678,781	1,675,555	1,663,868	1,635,717	1,560,588
6,574,153	770,400	249,209	50,852	57,346	-
56,843	19,436	88,442	4,525	70,376	
<u>\$ 2,113,920,314</u>	<u>\$ 1,926,161,862</u>	<u>\$ 1,596,294,408</u>	<u>\$ 1,452,378,410</u>	<u>\$ 1,555,806,997</u>	<u>\$ 1,750,901,025</u>
\$ 20,352,429,884	\$ 18,709,821,377	\$ 15,418,155,826	\$ 13,851,696,587	\$ 14,587,618,698	\$ 16,202,630,403
10%	10%	10%	10%	11%	11%
\$ 17,546,793,058	\$ 15,854,084,576	\$ 12,747,672,800	\$ 11,254,882,787	\$ 11,909,160,001	\$ 13,383,722,192
6.94	6.46	7.23	7.14	7.20	5.16

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS

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

Fiscal Year

2017

18 %
15
10
10
14

2016

19 %
16
10
10
15

2015

19 %
16
10
10
16

2014

20 %
16
10
10
15

2013

20 %
16
10
10
15

2012

20 %
16
10
10
15

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates				
	State Equalization	County	Community College District	Flood Control District	Central Arizona Project
2021	0.44	1.40	1.29	0.18	0.14
2020	0.46	1.40	1.33	0.18	0.14
2019	0.47	1.40	1.38	0.18	0.14
2018	0.49	1.40	1.41	0.18	0.14
2017	0.50	1.40	1.47	0.18	0.14
2016	0.51	1.36	1.49	0.16	0.14
2015	0.51	1.32	1.52	0.14	0.14
2014	0.51	1.28	1.53	0.14	0.14
2013	0.47	1.24	1.38	0.18	0.10
2012	0.43	1.24	1.21	0.18	0.10

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

Overlapping Rates				District Direct Rates		
City of Chandler	City of Mesa	Town of Gilbert	East Valley Institute of Technology School District No. 401	Primary	Secondary	Total
1.12	1.12	0.99		3.76	2.49	6.26
1.13	1.19	0.99	0.05	3.87	2.04	5.90
1.14	1.02	0.99	0.05	4.01	2.10	6.11
1.14	1.10	1.03	0.05	4.12	2.08	6.20
1.16	1.16	1.06	0.05	4.86	2.08	6.94
1.18	1.21	1.06	0.05	5.26	1.20	6.46
1.18	1.19	1.07	0.05	5.21	2.02	7.23
1.27	0.86	1.15	0.05	4.40	2.74	7.14
1.27	0.51	1.15	0.05	4.09	3.11	7.20
1.27	0.45	1.15	0.05	2.44	2.72	5.16

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Taxpayer	2021			2012		
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation	
Westcor Santan Village LLC	\$ 21,285,591	0.97	%	22,739,386	1.46	%
Whitestone Village Square At Dana Park LLC	8,825,328	0.40				
Apple Inc	8,672,755	0.39				
Platypus Development LLC	8,075,586	0.37				
Southwest Gas Corporation (T&D)	5,987,302	0.27		5,458,206	0.35	
Wal-Mart Stores Inc	5,957,812	0.27		5,535,761	0.36	
AX Stapley LP	5,952,614	0.27				
MECP1 Mesa 1 LLC	5,831,558	0.26				
Earnhardt Arizona Properties LLC	5,649,180	0.26		5,653,852	0.36	
Vestar CTC Phase 1 LLC	5,387,820	0.24				
Stapley Office Inc				6,714,105	0.43	
Verizon Wireless				10,933,278	0.70	
Village Square Dana Park LLC				4,029,327	0.26	
Village Square Dana Park LLC / First				5,887,036	0.38	
Qwest Communications				5,799,274	0.37	
Cole MT Gilbert San Tan AZ LLC				5,688,658	0.37	
Total	<u>\$ 81,625,546</u>	<u>3.70</u>	<u>%</u>	<u>\$ 78,438,883</u>	<u>5.04</u>	<u>%</u>

2020 Net Assessed Limited Property Value **\$ 2,201,483,124**

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

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

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	District Tax Rate	Adopted Taxes Levied for the Fiscal Year	Adjusted Tax Levy as of June 30th	Collected within the Fiscal Year of the Levy		Adjusted Tax Levy as of June 30, 2021	Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
				Amount	Percentage of Levy			Amount	Percentage of Levy
2021	6.26	\$ 138,133,783	\$ 138,133,783	\$ 132,115,376	95.64 %	\$	\$	\$ 132,115,376	95.64 %
2020	5.90	121,254,037	121,254,037	114,943,129	94.80	121,036,576	6,049,958	120,993,087	99.78
2019	6.11	116,513,964	116,324,047	110,307,909	94.67	116,287,816	5,955,125	116,263,034	99.78
2018	6.20	110,150,673	109,936,555	103,677,940	94.12	109,881,781	6,155,292	109,833,232	99.71
2017	6.94	115,789,799	115,486,719	109,085,973	94.21	115,241,550	5,988,856	115,074,829	99.38
2016	6.46	102,693,269	101,958,821	100,774,920	98.13	101,729,687	949,847	101,724,767	99.06
2015	7.23	111,358,852	110,336,626	105,057,231	94.34	109,990,214	4,925,023	109,982,254	98.76
2014	7.14	103,355,653	102,952,216	97,517,575	94.35	102,952,216	5,249,046	102,766,621	99.43
2013	7.20	111,744,100	89,705,430	108,659,233	97.24	111,357,420	2,233,151	110,892,384	99.24
2012	5.16	89,963,886		84,882,295	94.35	89,228,890	3,348,561	88,230,856	98.07

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

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

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

3) The adjusted tax levies as of June 30, 2011 was unavailable.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
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	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value	Per Capita	Percentage of Personal Income	
2021	\$ 132,715,000	\$ 1,538,450	\$ 131,176,550	0.46 %	\$ 612	\$ 978,988	\$ 133,693,988	0.47 %	\$ 612	0.06 %	
2020	127,049,484	1,602,455	125,447,029	0.49	660	2,066,623	129,116,107	0.50	660	0.06	
2019	146,114,011	1,421,810	144,692,201	0.62	702	3,194,124	149,308,135	0.64	702	0.07	
2018	136,582,001	670,907	135,911,094	0.63	666	4,311,411	140,893,412	0.65	666	0.07	
2017	123,326,123	613,495	122,712,628	0.60	499	3,596,211	126,922,334	0.62	499	0.07	
2016	140,587,140	3,109,338	137,477,802	0.73	579	4,597,112	145,184,252	0.78	579	0.08	
2015	120,355,130	1,042,071	119,313,059	0.64	512	5,599,203	125,954,333	0.82	512	0.07	
2014	135,405,000	855,899	134,549,101	0.97	596	5,588,546	140,993,546	1.02	596	0.10	
2013	153,565,000	2,003,887	151,561,113	1.04	738	6,332,554	159,897,554	1.10	738	0.11	
2012	170,450,000	1,913,601	168,536,399	1.04	819	10,944,038	181,394,038	1.12	819	0.13	

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2021

Governmental Unit	Debt Outstanding	Net Full Cash Assessed Value	Net Limited Assessed Value	Estimated Percentage Applicable to School District	Estimated Amount Applicable to School District
Overlapping:					
State of Arizona	\$ None	\$ 73,711,988,094	\$ 62,328,357,186	3.06 %	\$ None
Maricopa County	None	48,426,277,759	40,423,232,421	4.72	None
Maricopa Community College District	380,740,000	48,429,277,759	40,423,232,421	4.72	17,970,928
Maricopa County Special Healthcare District	112,000,000	48,426,277,759	40,423,232,421	4.72	5,286,400
Eastmark Community Facilities District	17,040,000	36,342,061	36,342,061	1.78	303,312
City of Chandler	301,665,000	3,489,501,715	2,783,830,922	1.85	5,580,803
City of Mesa	365,755,000	4,358,392,332	3,277,965,031	15.29	55,923,940
Town of Gilbert	128,090,000	2,831,095,114	2,256,162,226	59.26	75,906,134
Subtotal, Overlapping Debt					<u>160,971,517</u>
Direct:					
Gilbert Unified School District No. 41					<u>133,693,988</u>
Total Direct and Overlapping Governmental Activities Debt					<u><u>\$ 294,665,505</u></u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt	
As a Percentage of Net Limited Assessed Valuation	6.49 %
Net Direct and Overlapping General Bonded Debt	
Per Capita	\$1,403
As a Percentage of Net Limited Assessed Valuation	13.81 %
As a Percentage of Gross Full Cash Value	1.07 %

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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

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

Net full cash assessed valuation	\$ 2,953,267,165
Debt limit (20% of assessed value)	590,653,433
Debt applicable to limit	144,489,320
Legal debt margin	<u>\$ 446,164,113</u>

Total Legal Debt Margin Calculation for Fiscal Year 2021:

Net full cash assessed valuation	\$ 2,953,267,165
Debt limit (30% of assessed value)	885,980,150
Debt applicable to limit	144,489,320
Legal debt margin	<u>\$ 741,490,830</u>

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 885,980,150	\$ 807,114,684	\$ 723,595,830	\$ 668,691,770	\$ 634,176,094
Total net debt applicable to limit	<u>144,489,320</u>	<u>123,636,927</u>	<u>141,450,000</u>	<u>130,835,000</u>	<u>116,725,000</u>
Legal debt margin	<u>\$ 741,490,830</u>	<u>\$ 683,477,757</u>	<u>\$ 582,145,830</u>	<u>\$ 537,856,770</u>	<u>\$ 517,451,094</u>
Total net debt applicable to the limit as a percentage of debt limit	16%	15%	20%	20%	18%

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.

Fiscal Year Ended June 30				
<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
\$ 577,848,559	\$ 478,888,322	\$ 290,475,682	\$ 466,742,099	\$ 525,270,308
<u>132,845,000</u>	<u>116,680,000</u>	<u>135,405,000</u>	<u>153,565,000</u>	<u>170,450,000</u>
<u>\$ 445,003,559</u>	<u>\$ 362,208,322</u>	<u>\$ 155,070,682</u>	<u>\$ 313,177,099</u>	<u>\$ 354,820,308</u>
23%	24%	47%	33%	32%

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
COUNTY-WIDE DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

<u>Year</u>	<u>Population</u>	<u>Personal Income (thousands)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>	<u>Estimated District Population</u>
2020	4,439,220	\$ 245,077,753	\$ 53,521	6.6 %	216,700
2019	4,367,835	222,943,072	49,704	3.6	192,364
2018	4,294,460	210,370,180	47,694	4.1	208,084
2017	4,221,684	196,286,191	45,573	4.2	204,995
2016	4,137,076	185,111,698	43,628	4.5	247,000
2015	4,076,438	184,784,917	42,092	5.5	242,857
2014	4,087,191	168,483,421	41,222	5.9	235,000
2013	4,009,412	147,700,000	27,552	6.2	227,000
2012	3,884,705	147,374,500	38,538	7.1	208,000
2011	3,843,370	142,864,275	37,352	8.4	208,000

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.

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
MARICOPA COUNTY, ARIZONA
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR

Employer	2021		2012	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
State of Arizona	41,606	1.85 %	49,800	2.94 %
Walmart Stores Inc.	36,995	1.65	30,635	1.81
Banner Health Systems	45,837	2.04	25,825	1.53
City of Phoenix	14,000	0.62	15,100	0.89
Wells Fargo Company	16,302	0.73	13,310	0.79
Bank of America	10,000	0.45	13,300	0.79
Maricopa County	13,000	0.58	12,790	0.76
Arizona State University	35,474	1.58	11,185	0.66
Apollo Group, Inc.			11,000	0.65
JP Morgan Chase & Co.	9,100	0.41	10,600	0.63
Intel Corp	12,000	0.53	10,300	0.61
US Airways			9,090	0.54
Mesa Public Schools	10,000	0.45	8,380	0.50
US Postal Service			8,020	0.47
Total	244,314	10.89 %	229,335	13.57 %
 Total employment	 2,245,113		 1,692,300	

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

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

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Supervisory				
Supervisors of instruction / Superintendents / Directors / Coordinators	49	51	40	47
Principals	40	40	38	39
Assistant principals	24	23	23	22
Dean of students	10	11	11	11
Classified supervisors	24	22	36	29
Total supervisory	<u>147</u>	<u>146</u>	<u>148</u>	<u>148</u>
Instruction				
Teachers	1,954	1,936	1,907	1,898
Speech pathologists	66	64	54	59
Aides	519	504	518	502
Total instruction	<u>2,539</u>	<u>2,504</u>	<u>2,479</u>	<u>2,459</u>
Student Services				
Librarians	7	8	8	8
Technicians (Core technicians)	13	12	12	13
Psychologists	43	40	38	38
Counselors	54	50	49	39
Social workers	34	24	23	27
Total student services	<u>151</u>	<u>133</u>	<u>130</u>	<u>125</u>
Support and Administration				
Bus Drivers	166	181		
Food Service workers	145	153		
Service workers	838	853	1,188	1,178
Total support and administration	<u>1,149</u>	<u>1,187</u>	<u>1,188</u>	<u>1,178</u>
Total	<u><u>3,986</u></u>	<u><u>3,971</u></u>	<u><u>3,945</u></u>	<u><u>3,910</u></u>

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

Full-time Equivalent Employees as of June 30

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
41	41	41	36	36	35
39	38	40	40	39	37
22	21	21	21	21	18
9	11	8	9	10	8
36	98	98	106	152	85
147	209	208	212	258	183
1,911	1,866	1,831	2,043	2,045	2,073
54	57	52	55	56	43
506	566	582	620	640	520
2,471	2,489	2,465	2,718	2,741	2,636
34	19	19	19	19	17
8	13	13	11	11	9
40	38	40	38	37	31
39	37	41	41	40	41
24	22	25	25	26	22
145	129	138	134	133	120
1,180	1,143	1,173	1,105	1,087	1,114
1,180	1,143	1,173	1,105	1,087	1,114
3,943	3,970	3,984	4,169	4,219	4,053

**GILBERT UNIFIED SCHOOL DISTRICT NO. 41
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Governmental Operating Expenditures	Cost per ADM	Percentage Change
2021	30,789	\$ 294,745,174	\$ 9,573	11.73 %
2020	33,154	284,054,849	8,568	1.28
2019	32,933	278,595,802	8,459	7.58
2018	33,300	261,850,896	7,863	2.87
2017	33,679	257,450,411	7,644	7.73
2016	34,196	242,641,576	7,096	2.57
2015	35,357	244,587,959	6,918	(1.06)
2014	35,913	251,088,688	6,992	(0.55)
2013	36,377	255,748,327	7,030	5.19
2012	36,525	244,120,323	6,684	(0.21)

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

Note: Operating Expenditures are taken from the Statement of Revenues, Expenditures and Changes in Fund Balances, - Governmental Funds - excluding capital outlay and debt service costs.

Government-Wide Activities Expenses		Cost per ADM	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
\$	331,499,784	\$ 10,767	15.13 %	1,954	15.8	20.5 %
	310,053,116	9,352	7.72	1,936	17.1	23.8
	285,917,608	8,682	4.45	1,907	17.3	25.3
	276,787,582	8,312	4.15	1,898	17.5	29.2
	268,771,839	7,980	7.06	1,911	17.6	27.6
	254,903,776	7,454	(4.30)	1,866	18.3	27.9
	275,392,973	7,789	(0.20)	1,831	19.3	27.8
	280,292,863	7,805	0.52	2,043	17.6	29.3
	282,437,237	7,764	2.74	2,045	17.8	28.8
	276,025,503	7,557	(0.96)	2,073	17.6	28.0

GILBERT UNIFIED SCHOOL DISTRICT NO. 41
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year Ended June 30			
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Schools</u>				
Elementary				
Buildings	128	128	128	128
Square feet	2,019,090	2,019,090	2,019,090	2,019,090
Capacity	23,875	23,875	23,875	23,875
Enrollment		17,318	17,318	17,440
Middle				
Buildings	50	50	50	50
Square feet	831,896	831,896	831,896	831,896
Capacity	8,362	8,362	8,362	8,362
Enrollment	5,481	5,323	5,323	5,579
High				
Buildings	101	101	101	101
Square feet	1,789,491	1,784,397	1,784,397	1,784,397
Capacity	15,652	15,448	15,448	15,448
Enrollment	11,901	12,127	12,127	12,052
<u>Administrative</u>				
Buildings	24	24	24	24
Square feet	184,405	181,102	181,102	181,102
<u>Transportation</u>				
Garages	9,660	18,056	18,056	18,056
Buses	197	197	197	253
<u>Athletics</u>				
Football fields	31	31	31	31
Running tracks	11	11	11	11
Baseball/softball	50	50	50	50
Swimming pools	2	2	2	3
Playgrounds	27	27	27	27

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

Fiscal Year Ended June 30

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
128	128	128	128	128	130
2,019,090	2,019,090	2,019,090	2,019,090	2,019,090	2,021,970
23,875	23,875	23,875	23,875	23,875	23,875
18,307	18,307	18,307	18,528	19,617	19,840
50	50	50	50	50	49
831,896	831,896	831,896	831,896	831,896	830,456
8,362	8,362	8,362	8,362	8,362	8,362
6,204	6,204	6,204	6,521	6,447	6,441
101	101	101	101	101	100
1,784,397	1,784,397	1,784,397	1,784,397	1,784,397	1,782,957
15,448	15,448	15,448	15,448	15,448	15,448
12,725	12,725	12,725	13,000	12,464	12,121
24	24	24	21	21	21
181,102	181,102	181,102	201,490	201,490	201,490
18,056	18,056	18,056	27,186	27,186	27,186
253	253	253	256	256	250
31	31	31	31	31	31
11	11	11	11	11	11
50	50	50	50	50	50
3	3	3	3	3	3
27	27	27	27	27	27



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