
MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2021



MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

COTTONWOOD, ARIZONA

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

Issued by:
Business and Finance Department

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

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INTRODUCTORY SECTION

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

1801 East Fir Street
Cottonwood, AZ 86326
928-634-7531
www.mingusunion.com



December 14, 2021

Citizens and Governing Board
Mingus Union High School District No. 4
1801 East Fir Street
Cottonwood, Arizona 86326

State law mandates that school districts required to undergo an annual single audit publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States by a certified public accounting firm licensed in the State of Arizona. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Mingus Union High School District No. 4 (District) for the fiscal year ended June 30, 2021.

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

Superintendent
Mr. Mike Westcott
928-634-8640

Governing Board
Ms. Carol Anne Teague
Mrs. Lori Drake
Mr. Anthony Lozano
Mr. Stephen Currie
Mr. Greg Roeller

Finance Director
Ms. Lynn Leonard
928-634-2941

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

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

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

PROFILE OF THE DISTRICT

The District is one of 25 public school districts located in Yavapai County, Arizona. It provides a program of public education from ninth through grade twelve, with an estimated current enrollment of 1,163 resident students and 56 students from other local school districts that pay tuition to attend Mingus Union High School giving the district a total enrollment of 1,219. Projected enrollment for fiscal year 2022 includes 1,200 resident students and 56 non-resident students, for a total of 1,256.

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

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

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

Mingus Union High School was established through the unification of Cottonwood High School and Mingus High School in 1959.

The District is located in Cottonwood, Arizona. Cottonwood is located about 60 miles south of Flagstaff, Arizona ("Flagstaff") in the Verde Valley, at an elevation of 3,320 feet above sea level. Cottonwood, which was founded in 1879 and incorporated in 1960, is near the geographical center of Arizona and only about 100 miles north of the metropolitan Phoenix area.

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

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy. The Verde Valley includes about 714 square miles located in the geographic center of Arizona, about 100 miles north of the Phoenix metropolitan area. The Verde River runs through the valley from northwest to southeast and is augmented by flows from Sycamore Canyon, Oak Creek, Beaver Creek and West Clear Creek. The area is unsurpassed in its variety of physical beauty with the red rocks and Mogollon Rim to the north and east and the Black Hills and Mingus Mountain dominating the western and southern portions of the valley.

The City of Cottonwood serves as the trading center for the Verde Valley, with a wide variety of retail establishments, professional services, and manufacturing concerns. Located adjacent to the Verde River at elevations ranging from 3,300 feet to 3,900 feet above sea level it experiences a mild climate which, together with its proximity to an abundance of natural amenities such as the Grand Canyon, Sedona, Dead Horse Ranch State Park, Tuzigoot National Monument and the historic mining communities of Clarkdale and Jerome, continues to attract steady growth and tourism.

The 2020 census shows most of the Verde Valley is growing. As a whole, the Verde Valley has seen an increase of just over 3,000 residents from 2010. The city of Cottonwood has gone from 11,265 in 2010 to 12,029 in 2020.

A few of the major firms represented in Cottonwood include Home Depot, Verde Valley Medical Center, Wal-Mart Stores, Inc., Arizona Public Service, and the City of Cottonwood. In addition, the Verde Valley area provides excellent educational and training opportunities through Yavapai College, consisting of six different campuses and currently serving about 7,500 students each year. The main campus is located approximately 50 miles away in Prescott, Arizona ("Prescott"), while the Verde Valley campus in nearby Clarkdale features a state-of-the-art computer lab, library, and learning center. Northern Arizona University's main campus is located 60 miles away in Flagstaff and has a current enrollment of approximately 30,368 students, including satellite campuses. The University focuses on undergraduate education but offers a wide range of graduate programs as well.

Long-term Financial Planning. Mingus Union High School had a traditional opening of school in August 2021 and offered all students the opportunity to attend in-person instruction. Recognizing not all students would want to return to traditional learning we continued to offer on-line opportunities. Amid concerns of lower enrollment, we were pleased to see a significant increase in the number of students attending both in person and on-line. Although, in-person has leveled out during the fall semester to match historical numbers, it is still an increase of over 50 in Average Daily Membership (ADM) from the prior year. In addition, there has been an increase of over 25 ADM in on-line instruction. The highest ADM the district has seen for Mingus On-Line Academy.

A report issued by the Arizona Auditor General for 2020 ranked Mingus Union High School as 20th out of 208 schools for the highest average teacher salary. Since this report was issued, MUHS has provided another 5% increase across the board to all staff and increased the starting salary for teachers by \$2,000. This has allowed MUHS to continue to attract and retain qualified teachers.

This past year the district upgraded several facilities including a brand-new football field, new scoreboards for the gym and field, refurbishing and laser leveling of all the softball and baseball fields, sound system in the auditorium, two new white fleet vehicles, camera and vape system campus wide, concrete replacement and repairs campus wide.

Despite increased spending on facilities the district ended the year with a substantial carryforward of \$460,000 in the Maintenance & Operation budget, and \$200,000 in the Capital budget. The district received an overall total of \$2,976,000 in Federal Covid funding in 2020 and 2021 of which \$1,700,000 remains uncommitted. In November 2021 the district again received approval from its voters for continuation of its 10% override for the next five years. Financially the district is sound and with the increased enrollment this year is poised to enter the next year with enough reserves to cover unexpected expenses.

AWARDS AND ACKNOWLEDGMENTS

Awards. The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 13th consecutive year that the District has received this prestigious award. In addition, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its annual comprehensive financial report for the fiscal year ended June 30, 2020. In order to be awarded these certificates, the District published an easily readable and efficiently organized annual comprehensive financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

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

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

Respectfully submitted,



Mike Westcott
Superintendent



Lynn Leonard
Business Manager



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Mingus Union High School District No. 4

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

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



A handwritten signature in blue ink that reads 'W. Edward Chabal'.

W. Edward Chabal
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Mingus Union High School District No. 4
Arizona**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

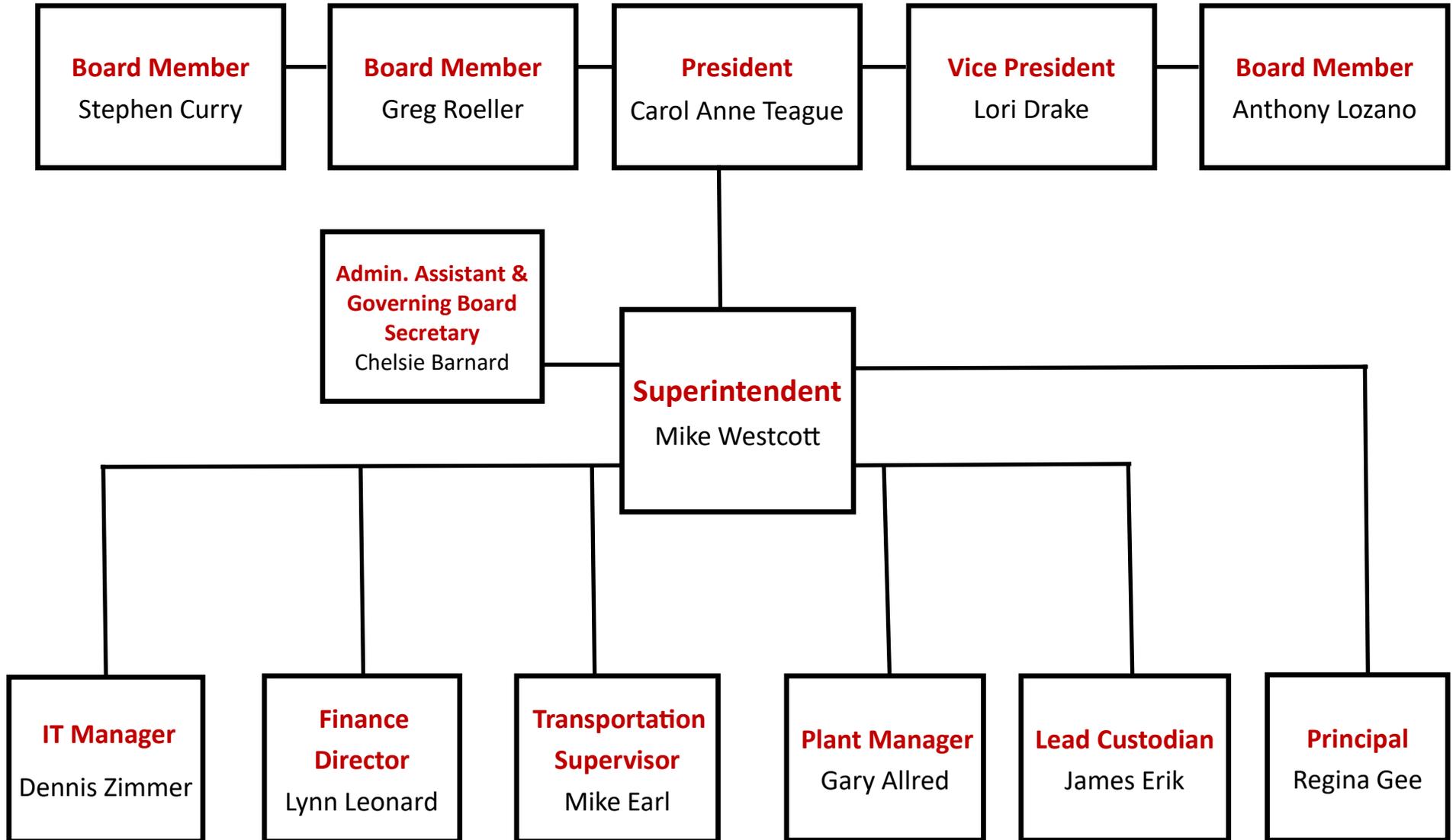
June 30, 2020

Christopher P. Morill

Executive Director/CEO



Mingus Union High School District # 4



MINGUS UNION HIGH SCHOOL DISTRICT NO. 4

LIST OF PRINCIPAL OFFICIALS

GOVERNING BOARD

Carol Anne Teague, President

Greg Roeller, Vice-President

Stephen Currie, Member

Lori Drake, Member

Anthony Lozano, Member

ADMINISTRATIVE STAFF

Mike Westcott, Superintendent

Lynn Leonard, Business Manager

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FINANCIAL SECTION

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Independent Auditor's Report

Governing Board
Mingus Union High School District No. 4

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 Mingus Union High School District No. 4 (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 Mingus Union High School District No. 4, as of June 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Mingus Union High School District No. 4 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, net pension liability information, and other postemployment benefit plan 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 14, 2021, on our consideration of Mingus Union High School District No. 4'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 Mingus Union High School District No. 4'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 Mingus Union High School District No. 4's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Flagstaff, Arizona
December 14, 2021

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

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**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

As management of the Mingus Union High School District No. 4 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The District's total net position of governmental activities increased \$649,526 which represents a 23 percent increase from the prior fiscal year as a result of COVID-19 relief funding from the federal government.
- General revenues accounted for \$11.3 million in revenue, or 79 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$3.0 million or 21 percent of total current fiscal year revenues.
- The District had approximately \$13.6 million in expenses related to governmental activities, a decrease of less than one percent from the prior fiscal year.
- Among major funds, the General Fund had \$8.6 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$8.3 million in expenditures. The General Fund's fund balance increase from \$821,546 at the prior fiscal year end to \$1.2 million at the end of the current fiscal year was primarily due to moving expenses typically paid out of the General Fund to COVID-19 relief federal grants.

OVERVIEW OF FINANCIAL STATEMENTS

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$3.5 million at the current fiscal year end.

The largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, and vehicles, furniture and equipment), less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of 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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

	As of June 30, 2021	As of June 30, 2020
Current and other assets	\$ 2,712,068	\$ 2,740,810
Capital assets, net	16,359,180	17,154,843
Total assets	<u>19,071,248</u>	<u>19,895,653</u>
 Deferred outflows	 <u>1,938,800</u>	 <u>1,299,308</u>
 Current and other liabilities	 176,088	 211,530
Long-term liabilities	17,207,846	17,592,140
Total liabilities	<u>17,383,934</u>	<u>17,803,670</u>
 Deferred inflows	 <u>101,297</u>	 <u>516,000</u>
 Net position:		
Net investment in capital assets	9,100,228	8,072,256
Restricted	1,440,791	1,623,563
Unrestricted	(7,016,202)	(6,820,528)
Total net position	<u>\$ 3,524,817</u>	<u>\$ 2,875,291</u>

At the end of the current fiscal year, the District reported positive balances in two categories of net position. Unrestricted net position, which is normally used to meet the District's mission, reported a deficit of \$7.0 million due to the District's proportionate share of the state pension plan's unfunded liability. The same situation held true for the prior fiscal year.

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

- The principal retirement of \$1.7 million of bonds.
- The increase of \$1.4 million of pension liabilities.
- The net increase of accumulated depreciation of \$1.2 million through depreciation expense.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

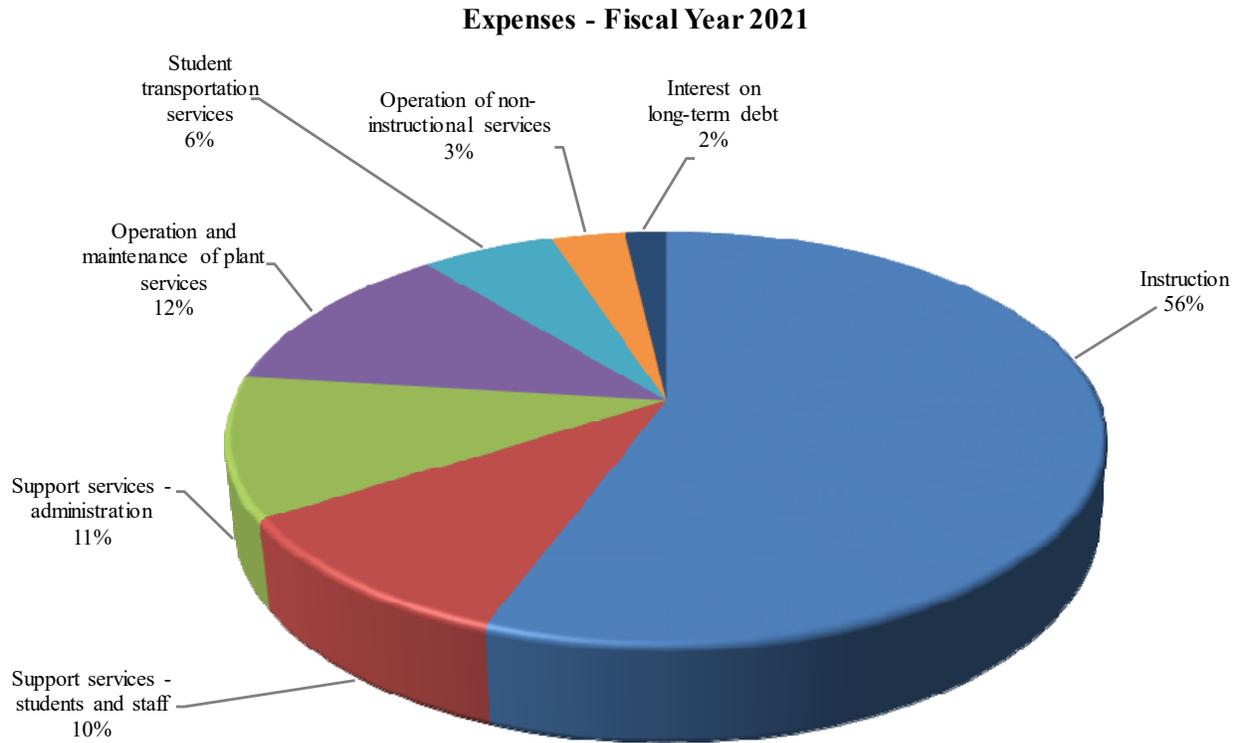
GOVERNMENT-WIDE FINANCIAL ANALYSIS

Changes in net position. The District's total revenues for the current fiscal year were \$14.2 million. The total cost of all programs and services was \$13.6 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	\$ 1,155,309	\$ 1,311,860
Operating grants and contributions	1,701,247	1,125,984
Capital grants and contributions	114,210	109,870
General revenues:		
Property taxes	7,033,384	6,926,243
Investment income	10,214	50,957
Unrestricted county aid	503,739	503,773
Unrestricted state aid	3,604,344	3,796,057
Unrestricted federal aid	119,684	106,768
Total revenues	14,242,131	13,931,512
Expenses:		
Instruction	7,565,407	7,724,388
Support services - students and staff	1,415,227	1,471,245
Support services - administration	1,472,483	1,369,658
Operation and maintenance of plant services	1,662,325	1,488,137
Student transportation services	791,548	726,993
Operation of non-instructional services	444,712	559,353
Interest on long-term debt	240,903	301,082
Total expenses	13,592,605	13,640,856
Changes in net position	649,526	290,656
Net position, beginning, as restated	2,875,291	2,584,635
Net position, ending	\$ 3,524,817	\$ 2,875,291

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS



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

- Operating grants and contributions increased \$575,263 primarily due to increased grant funding related to the COVID-19 pandemic.
- Operation and maintenance of plant services expenses increased \$174,188 primarily as a result of COVID-19 related purchases, including air filter units and personal protective equipment (PPE).
- Property taxes increased \$107,141 as a result of higher primary and secondary collections in the current year.

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	Year Ended June 30, 2021		Year Ended June 30, 2020	
	Total	Net (Expense)/	Total	Net (Expense)/
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 7,565,407	\$ (5,675,848)	\$ 7,724,388	\$ (6,157,198)
Support services - students and staff	1,415,227	(1,063,463)	1,471,245	(1,173,235)
Support services - administration	1,472,483	(1,429,437)	1,369,658	(1,340,409)
Operation and maintenance of plant services	1,662,325	(1,424,804)	1,488,137	(1,329,660)
Student transportation services	791,548	(787,674)	726,993	(726,993)
Operation of non-instructional services	444,712	290	559,353	(64,565)
Interest on long-term debt	240,903	(240,903)	301,082	(301,082)
Total	\$ 13,592,605	\$ (10,621,839)	\$ 13,640,856	\$ (11,093,142)

- The cost of all governmental activities this year was \$13.6 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$3.0 million.
- Net cost of governmental activities of \$10.6 million was financed by general revenues, which are made up of primarily property taxes of \$7.0 million and state and county aid of \$4.1 million. Investment earnings accounted for \$10,214 of funding.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$2.3 million, a decrease of \$49,064.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The General Fund comprises 53 percent of the total fund balance. Approximately \$1.2 million, or almost 100 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The increase in fund balance of \$424,042 to \$1.2 million as of fiscal year end was primarily a result of a decrease in instructional and support services – students and staff expenses. General fund revenues decreased \$198,443 primarily due to a decrease in state aid and grants. General Fund expenditures decreased \$246,063 primarily due to teacher salaries typically paid out of the General Fund being paid in the current year using COVID-19 relief funding.

The Unrestricted Capital Outlay fund revenues decrease of \$36,701 was primarily a result of a decrease in other local revenues.

BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised the General Fund annual expenditure budget for changes in enrollment. The difference between the original budget and the final amended budget was a \$913,645 decrease, or ten percent, due to actual student count figures being less than originally estimated

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 variance is summarized as follows:

- The favorable variance of \$158,223 in instruction expenditures was primarily due to a budget balance carry forward amount and costs saving throughout the year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At year end, the District had invested \$35.7 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$397,204 from the prior fiscal year. Total depreciation expense for the current fiscal year was \$1.2 million.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION

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	\$ 30,000	\$ 30,000
Capital assets - depreciable, net	16,329,180	17,124,843
Total	\$ 16,359,180	\$ 17,154,843

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

Debt Administration. At year-end, the District had \$7.4 million in long-term debt outstanding, \$1.6 million due within one year. Long-term debt decreased by \$1.8 million primarily due to principal retirement.

The District’s general obligation bonds are subject to two limits: the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$63.6 million and the Class B debt limit is \$42.4 million, which are more than the District’s total outstanding general obligation and Class B debt, respectively.

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

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

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

- Fiscal year 2020-21 budget balance carry forward (estimated \$340,000).
- District student population (estimated 1,148).
- Employee salaries.
- The impact COVID-19 could have on funding.

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

Budgeted expenditures in the General Fund increased five percent to \$8.8 million in fiscal year 2021-22 primarily due to an increase of the revenue control limit and a tuition increase. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2021-22 budget.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
YEAR ENDED JUNE 30, 2021**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Mingus Union High School District No. 4, 1801 East Fir Street, Cottonwood, Arizona 86326.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 1,685,560
Property taxes receivable	185,875
Due from governmental entities	840,633
Total current assets	2,712,068
Noncurrent assets:	
Capital assets not being depreciated	30,000
Capital assets, net of accumulated depreciation	16,329,180
Total noncurrent assets	16,359,180
Total assets	19,071,248
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred charge on refunding	123,466
Pension plan items	1,815,334
Total deferred outflows of resources	1,938,800
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	175,163
Compensated absences payable	25,144
Unearned revenues	925
Obligations under capital leases	67,205
Bonds payable	1,540,000
Total current liabilities	1,808,437
Noncurrent liabilities:	
Non-current portion of long-term obligations	15,575,497
Total noncurrent liabilities	15,575,497
Total liabilities	17,383,934
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension plan items	101,297
<u>NET POSITION</u>	
Net investment in capital assets	9,100,228
Restricted for:	
Instruction	878,368
Food service	71,020
Non-instructional purposes	301,557
Debt service	189,484
Capital outlay	362
Unrestricted	(7,016,202)
Total net position	\$ 3,524,817

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 7,565,407	\$ 926,659	\$ 868,675	\$ 94,225	\$ (5,675,848)
Support services - students and staff	1,415,227		351,764		(1,063,463)
Support services - administration	1,472,483		43,046		(1,429,437)
Operation and maintenance of plant services	1,662,325	50,102	167,434	19,985	(1,424,804)
Student transportation services	791,548		3,874		(787,674)
Operation of non-instructional services	444,712	178,548	266,454		290
Interest on long-term debt	240,903				(240,903)
Total governmental activities	<u>\$ 13,592,605</u>	<u>\$ 1,155,309</u>	<u>\$ 1,701,247</u>	<u>\$ 114,210</u>	<u>(10,621,839)</u>

General revenues:

Taxes:

Property taxes, levied for general purposes	4,872,841
Property taxes, levied for debt service	1,902,079
Property taxes, levied for capital outlay	258,464
Investment income	10,214
Unrestricted county aid	503,739
Unrestricted state aid	3,604,344
Unrestricted federal aid	119,684

Total general revenues 11,271,365

Changes in net position 649,526

Net position, beginning of year 2,875,291

Net position, end of year \$ 3,524,817

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

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FUND FINANCIAL STATEMENTS

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2021

	General	Title I Grants	Debt Service
<u>ASSETS</u>			
Cash and investments	\$ 283,939	\$	\$ 143,967
Property taxes receivable	128,560		45,517
Due from governmental entities	747,547	34,164	
Due from other funds	239,043		
Total assets	\$ 1,399,089	\$ 34,164	\$ 189,484
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES</u>			
<u>AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 54,410	\$ 3,048	\$
Due to other funds		31,116	
Unearned revenues			
Total liabilities	54,410	34,164	
Deferred inflows of resources:			
Unavailable revenues - property taxes	99,091		34,480
Unavailable revenues - intergovernmental		34,164	
Total deferred inflows of resources	99,091	34,164	34,480
Fund balances (deficits):			
Restricted	3,766		155,004
Unassigned	1,241,822	(34,164)	
Total fund balances	1,245,588	(34,164)	155,004
 Total liabilities, deferred inflows of resources and fund balances	 \$ 1,399,089	 \$ 34,164	 \$ 189,484

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

<u>Unrestricted Capital Outlay</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
\$	\$	\$
6,767	1,257,654	1,685,560
39,345	5,031	185,875
	19,577	840,633
		239,043
<u>\$ 46,112</u>	<u>\$ 1,282,262</u>	<u>\$ 2,951,111</u>
\$	\$	\$
93,682	24,023	175,163
198,154	9,773	239,043
	925	925
<u>291,836</u>	<u>34,721</u>	<u>415,131</u>
5,216		138,787
	18,530	52,694
<u>5,216</u>	<u>18,530</u>	<u>191,481</u>
	1,237,737	1,396,507
(250,940)	(8,726)	947,992
<u>(250,940)</u>	<u>1,229,011</u>	<u>2,344,499</u>
\$	\$	\$
46,112	1,282,262	2,951,111
<u>\$ 46,112</u>	<u>\$ 1,282,262</u>	<u>\$ 2,951,111</u>

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Total governmental fund balances **\$ 2,344,499**

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	\$ 35,665,403	
Less accumulated depreciation	<u>(19,306,223)</u>	16,359,180

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

Property taxes	138,787	
Intergovernmental	<u>52,694</u>	191,481

Deferred items related to the refunding of bonds are amortized over the life of the associated bond issue in the government-wide statements but not reported in the funds. 123,466

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	1,815,334	
Deferred inflows of resources related to pensions	<u>(101,297)</u>	1,714,037

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

Compensated absences payable	(167,626)	
Obligations under capital leases	(704,938)	
Net pension liability	(9,657,802)	
Bonds payable	<u>(6,677,480)</u>	<u>(17,207,846)</u>

Net position of governmental activities **\$ 3,524,817**

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Title I Grants	Debt Service
Revenues:			
Other local	\$ 964,010	\$	\$ 37,858
Property taxes	4,861,670		1,904,106
State aid and grants	2,682,404		
Federal aid, grants and reimbursements	141,216	193,575	
Total revenues	8,649,300	193,575	1,941,964
Expenditures:			
Current -			
Instruction	4,473,934	78,171	
Support services - students and staff	956,922	86,754	
Support services - administration	1,230,691	34,229	
Operation and maintenance of plant services	1,132,485		
Student transportation services	442,782	3,092	
Operation of non-instructional services	13,564		
Capital outlay	44,391	14,993	
Debt service -			
Principal retirement			1,670,000
Interest and fiscal charges			264,925
Total expenditures	8,294,769	217,239	1,934,925
Excess (deficiency) of revenues over expenditures	354,531	(23,664)	7,039
Other financing sources (uses):			
Transfers in	69,511		
Transfers out		(10,500)	
Total other financing sources (uses)	69,511	(10,500)	
Changes in fund balances	424,042	(34,164)	7,039
Fund balances, beginning of year	821,546		147,965
Fund balances, end of year	\$ 1,245,588	\$ (34,164)	\$ 155,004

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

Unrestricted Capital Outlay	Non-Major Governmental Funds	Total Governmental Funds
\$ 16,429	\$ 762,759	\$ 1,781,056
257,140		7,022,916
136,258	944,739	3,763,401
	1,284,203	1,618,994
<u>409,827</u>	<u>2,991,701</u>	<u>14,186,367</u>
	1,661,699	6,213,804
	271,659	1,315,335
	20,843	1,285,763
	138,696	1,271,181
		445,874
	385,246	398,810
797,652	434,281	1,291,317
66,107		1,736,107
12,315		277,240
<u>876,074</u>	<u>2,912,424</u>	<u>14,235,431</u>
<u>(466,247)</u>	<u>79,277</u>	<u>(49,064)</u>
		69,511
	<u>(59,011)</u>	<u>(69,511)</u>
	<u>(59,011)</u>	
<u>(466,247)</u>	<u>20,266</u>	<u>(49,064)</u>
215,307	1,208,745	2,393,563
<u>\$ (250,940)</u>	<u>\$ 1,229,011</u>	<u>\$ 2,344,499</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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 **\$ (49,064)**

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

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

Expenditures for capitalized assets	\$ 439,650	
Less current year depreciation	<u>(1,230,658)</u>	(791,008)

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

Property taxes	10,468	
Intergovernmental	<u>45,296</u>	55,764

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	66,107	
Bond principal retirement	<u>1,670,000</u>	1,736,107

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

Current year pension contributions	735,994	
Pension expense	<u>(1,020,082)</u>	(284,088)

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.

Deferred bond items on issuance of refunding debt	(61,734)	
Loss on disposal of assets	(4,655)	
Amortization of deferred bond items	98,071	
Compensated absences	<u>(49,867)</u>	<u>(18,185)</u>

Changes in net position in governmental activities **\$ 649,526**

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Mingus Union High School District No. 4 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

A. Reporting Entity

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The District reports the following major governmental funds:

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

Title I Grants - 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.

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 cost.

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

D. Cash and Investments

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

E. Investment Income

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

G. Property Tax Calendar

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

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

H. Inventory

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

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

I. Prepaid Items

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

J. Capital Assets

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Land improvements	5 – 50 years
Buildings and improvements	5 – 50 years
Vehicles, furniture and equipment	5 – 25 years

K. Deferred Outflows/Inflows of Resources

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

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

L. Compensated Absences

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

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

N. Long-term Obligations

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

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

O. Interfund Activity

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

P. Net Position Flow Assumption

In the government-wide 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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 – FUND BALANCE CLASSIFICATIONS

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

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

	<u>General Fund</u>	<u>Title I Grants Fund</u>	<u>Debt Service Fund</u>	<u>Unrestricted Capital Outlay Fund</u>	<u>Non-Major Governmental Funds</u>
Fund Balances:					
Restricted:					
Debt service	\$	\$	\$ 155,004	\$	\$
Capital projects					362
Voter approved initiatives					221,900
Federal and state projects					13,416
Food service					61,216
Civic center					87,330
Community school					68,974
Extracurricular activities					196,410
Gifts and donations					146,425
Insurance refund					91,178
Career technical education					147,690
Intergovernmental agreements					50,309
Student activities					152,527
Other purposes	3,766				
Unassigned	<u>1,241,822</u>	<u>(34,164)</u>		<u>(250,940)</u>	<u>(8,726)</u>
Total fund balances	<u>\$1,245,588</u>	<u>\$ (34,164)</u>	<u>\$ 155,004</u>	<u>\$ (250,940)</u>	<u>\$ 1,229,011</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

	Deficit
Major Governmental Funds:	
Title I Grant	\$ 34,164
Unrestricted Capital Outlay	250,940
Non-Major Governmental Fund:	
Professional Development and Technology Grants	1,091
Title IV	13
Vocational Education	7,165
Homeless Education	457

The deficits arose because of operations during the year. Additional revenues received in fiscal year 2021-22 are expected to eliminate the deficit.

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

NOTE 4 – CASH AND INVESTMENTS

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District’s deposits was \$267,142 and the bank balance was \$283,235. At year end, \$33,235 of the District’s deposits were covered by collateral held by the pledging financial institution in the District’s name.

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

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 – CASH AND INVESTMENTS

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

	Average Maturities	Fair Value
County Treasurer’s investment pool	1.027 years	\$ 1,418,418

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

	General Fund	Title I Grants Fund	Unrestricted Capital Outlay Fund	Non-Major Governmental Funds
Due from other governmental entities:				
Due from federal government	\$	\$ 34,164	\$	\$ 19,577
Due from state government	747,547		39,435	
Net Due from other governmental entities:	\$ 747,547	\$ 34,164	\$ 39,435	\$ 19,577

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$ 30,000	\$	\$	\$ 30,000
Total capital assets, not being depreciated	<u>30,000</u>			<u>30,000</u>
Capital assets, being depreciated:				
Land improvements	2,523,123	23,294		2,546,417
Buildings and improvements	27,140,498	9,842		27,150,340
Vehicles, furniture and equipment	5,574,578	406,514	42,446	5,938,646
Total capital assets being depreciated	<u>35,238,199</u>	<u>439,650</u>	<u>42,446</u>	<u>35,635,403</u>
Less accumulated depreciation for:				
Land improvements	(1,998,295)	(33,954)		(2,032,249)
Buildings and improvements	(13,895,464)	(854,769)		(14,750,233)
Vehicles, furniture and equipment	(2,219,597)	(341,935)	(37,791)	(2,523,741)
Total accumulated depreciation	<u>(18,113,356)</u>	<u>(1,230,658)</u>	<u>(37,791)</u>	<u>(19,306,223)</u>
Total capital assets, being depreciated, net	<u>17,124,843</u>	<u>(791,008)</u>	<u>4,655</u>	<u>16,329,180</u>
Governmental activities capital assets, net	<u>\$ 17,154,843</u>	<u>\$ (791,008)</u>	<u>\$ 4,655</u>	<u>\$ 16,359,180</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 702,233
Support services – students and staff	26,157
Support services – administration	11,783
Operation and maintenance of plant services	311,617
Student transportation services	172,298
Operation of non-instructional services	6,570
Total depreciation expense – governmental activities	<u>\$ 1,230,658</u>

NOTE 7 – SHORT TERM DEBT –REVOLVING LINE OF CREDIT

The District has a revolving line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. Short-term debt activity for the current fiscal year was as follows:

	Beginning Balance	Issued	Redeemed	Ending Balance
Revolving line of credit	<u>\$</u>	<u>\$ 292,413</u>	<u>\$ 292,413</u>	<u>\$</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 – OBLIGATIONS UNDER CAPITAL LEASES

The District has constructed energy efficiency upgrades under the provisions of a long-term lease agreement classified as a capital lease. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date. The energy efficiency upgrades lease in the amount qualifies as a Qualified Zone Academy Bond (QZAB). Additionally, revenues from Unrestricted Capital Outlay Fund are used to pay the energy management lease. Amortization of assets recorded under capital leases is included with depreciation expense.

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

	Governmental Activities
Asset:	
Vehicles, furniture and equipment	\$ 1,100,800
Less: Accumulated depreciation	440,320
Total	\$ 660,480

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

		Governmental Activities
Year Ending June 30:		
2022	\$	78,422
2023		78,421
2024		78,422
2025		78,422
2026		78,422
2027-31		372,503
Total minimum lease payments		764,612
Less: amount representing interest		59,674
Present value of minimum lease payments	\$	704,938
Due within one year	\$	67,205

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 – GENERAL OBLIGATION BONDS PAYABLE

Bonds payable at year end consisted of the following outstanding general obligation bonds. The 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 \$63.6 million, and the available margin is \$57.3 million.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Remaining Maturities</u>	<u>Outstanding Principal June 30, 2021</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation bonds:					
School Improvement Bonds,					
Project of 2015, Series A (2016)	\$ 5,990,000	2.0-4.0%	7/1/22-35	\$ 4,855,000	\$ 100,000
Refunding Bonds, Series 2015	6,715,000	4.0%	7/1/22	<u>1,440,000</u>	<u>1,440,000</u>
Total				<u>\$ 6,295,000</u>	<u>\$ 1,540,000</u>

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

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,540,000	\$ 173,376
2023	1,000,000	131,076
2024	525,000	112,013
2025	450,000	99,825
2026	475,000	87,075
2027-31	1,755,000	236,025
2032-35	<u>550,000</u>	<u>45,000</u>
Total	<u>\$ 6,295,000</u>	<u>\$ 884,390</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 – CHANGES IN LONG-TERM LIABILITIES

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 7,965,000	\$	\$ 1,670,000	\$ 6,295,000	\$ 1,540,000
Premium	480,551		98,071	382,480	
Total bonds payable	<u>8,445,551</u>		<u>1,768,071</u>	<u>6,677,480</u>	<u>1,540,000</u>
Obligations under capital leases	771,045		66,107	704,938	67,205
Net pension liability	8,257,785	1,400,017		9,657,802	
Compensated absences payable	<u>117,759</u>	<u>152,520</u>	<u>102,653</u>	<u>167,626</u>	<u>25,144</u>
Governmental activity long-term liabilities	<u>\$ 17,592,140</u>	<u>\$ 1,552,537</u>	<u>\$ 1,936,831</u>	<u>\$ 17,207,846</u>	<u>\$ 1,632,349</u>

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

At year end, interfund balances were as follows:

Due to/from other funds:

	<u>General Fund</u>	<u>Total Due to Other Funds</u>
Title I Grants Fund	\$ 31,116	\$ 31,116
Unrestricted Capital Outlay Fund	198,154	198,154
Non-Major Governmental Funds	9,773	9,773
Total Due from Other Funds	<u>\$ 239,043</u>	<u>\$ 239,043</u>

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund transfers:

	Transfers in	
Transfers out	General Fund	Total
Title I Grants Fund	\$ 10,500	\$ 10,500
Non-Major Governmental Funds	59,011	59,011
Total	\$ 69,511	\$ 69,511

Transfers between funds were used to move federal grant funds restricted for indirect costs.

NOTE 12 – CONTINGENT LIABILITIES

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

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 – RISK MANAGEMENT

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

The District's employees have health and accident insurance coverage with Kairos Health Arizona, Inc. Kairos is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the state. The District pays a monthly premium to Kairos for employees' health and accident insurance coverage. The agreement provides that Kairos will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

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

*With actuarially reduced benefits

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

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.22 percent (12.04 percent for retirement and 0.18 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.22 percent (11.65 percent for retirement, 0.39 percent for health insurance premium benefit, and 0.18 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2021 were \$735,994.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

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

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

At June 30, 2021, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2020, the District’s percentage proportion for the plan and the related change from its proportion measured as of June 30, 2010 was:

<u>Net Liability</u>	<u>District % Proportion</u>	<u>Increase (Decrease)</u>
\$ 9,657,802	0.056	(0.001)

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District’s pension expense for the year ended June 30, 2021 was \$1,020,082.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,372	\$
Net difference between projected and actual earnings on pension investments	931,506	
Changes in proportion and differences between contributions and proportionate share of contributions	60,462	101,297
Contributions subsequent to the measurement date	735,994	
Total	\$ 1,815,334	\$ 101,297

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	\$ 115,343
2023	237,654
2024	336,936
2025	288,110

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

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

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

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 – PENSIONS

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

	1% Decrease	Current Discount Rate	1% Increase
Rate	6.5%	7.5%	8.5%
Net liability	\$ 13,206,914	\$ 9,657,802	\$ 66,690,928

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

On July 8, 2021, the District’s Governing Board approved a \$529,000 five-year lease for new turf on the District’s football field. Revenues from the Unrestricted Capital Outlay Fund will be used to pay the capital lease obligations.

REQUIRED SUPPLEMENTARY INFORMATION

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$	\$	\$ 861,319	\$ 861,319
Property taxes			4,861,670	4,861,670
State aid and grants			2,682,404	2,682,404
Total revenues			<u>8,405,393</u>	<u>8,405,393</u>
Expenditures:				
Current -				
Instruction	5,467,915	4,590,974	4,432,751	158,223
Support services - students and staff	1,013,205	1,013,205	923,636	89,569
Support services - administration	1,128,606	1,128,606	1,164,878	(36,272)
Operation and maintenance of plant services	1,140,768	1,107,063	1,131,567	(24,504)
Student transportation services	529,097	526,098	442,782	83,316
Operation of non-instructional services	22,730	22,730	13,564	9,166
Total expenditures	<u>9,302,321</u>	<u>8,388,676</u>	<u>8,109,178</u>	<u>279,498</u>
Changes in fund balances	<u>(9,302,321)</u>	<u>(8,388,676)</u>	<u>296,215</u>	<u>8,684,891</u>
Fund balances, beginning of year			343,912	343,912
Fund balances (deficits), end of year	<u>\$ (9,302,321)</u>	<u>\$ (8,388,676)</u>	<u>\$ 640,127</u>	<u>\$ 9,028,803</u>

See accompanying notes to this schedule.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TITLE I GRANTS
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Variance with Final Budget Positive (Negative)
	<u>Original & Final</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:			
Federal aid, grants and reimbursements	\$	\$ 193,575	\$ 193,575
Total revenues		<u>193,575</u>	<u>193,575</u>
Expenditures:			
Current -			
Instruction		78,171	(78,171)
Support services - students and staff	296,600	86,754	209,846
Support services - administration		34,229	(34,229)
Student transportation services		3,092	(3,092)
Capital outlay		14,993	(14,993)
Total expenditures	<u>296,600</u>	<u>217,239</u>	<u>79,361</u>
Excess (deficiency) of revenues over expenditures	<u>(296,600)</u>	<u>(23,664)</u>	<u>272,936</u>
Other financing sources (uses):			
Transfers out		(10,500)	(10,500)
Total other financing sources (uses)		<u>(10,500)</u>	<u>(10,500)</u>
Changes in fund balances	<u>(296,600)</u>	<u>(34,164)</u>	<u>262,436</u>
Fund balances, beginning of year			
Fund balances (deficits), end of year	<u>\$ (296,600)</u>	<u>\$ (34,164)</u>	<u>\$ 262,436</u>

See accompanying notes to this schedule.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
ARIZONA STATE RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
District's proportion of the net pension (assets) liability	0.06%	0.06%	0.06%	0.05%
District's proportionate share of the net pension (assets) liability	\$ 9,657,802	\$ 8,257,785	\$ 7,730,534	\$ 8,354,509
District's covered payroll	\$ 6,043,293	\$ 5,981,136	\$ 5,593,954	\$ 5,331,651
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	159.81%	138.06%	138.19%	156.70%
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	\$ 735,994	\$ 691,957	\$ 668,691	\$ 609,741
Contributions in relation to the actuarially determined contribution	<u>735,994</u>	<u>691,957</u>	<u>668,691</u>	<u>609,741</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 6,317,545	\$ 6,043,293	\$ 5,981,136	\$ 5,593,954
Contributions as a percentage of covered payroll	11.65%	11.45%	11.18%	10.90%

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

See accompanying notes to this schedule.

<u>2017</u>	<u>2016</u>	<u>2015</u>
June 30, 2016	June 30, 2015	June 30, 2014
0.05%	0.05%	0.06%
\$ 8,394,936	\$ 8,144,550	\$ 8,217,668
\$ 4,868,498	\$ 4,844,475	\$ 4,964,561
172.43%	168.12%	165.53%
67.06%	68.35%	69.49%

<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 574,752	\$ 528,232	\$ 531,208
<u>574,752</u>	<u>528,232</u>	<u>531,208</u>
<u>\$</u>	<u>\$</u>	<u>\$</u>
\$ 5,331,651	\$ 4,868,498	\$ 4,844,475
10.78%	10.85%	10.97%

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

	Total Expenditures	Fund Balances End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	\$ 8,294,769	\$ 1,245,588
Activity budgeted as special revenue funds	(232,213)	(538,993)
Employee insurance account	46,622	(66,468)
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	\$ 8,109,178	\$ 640,127

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$ 1,257,292	\$ 362	\$ 1,257,654
Property taxes receivable	5,031		5,031
Due from governmental entities	19,577		19,577
Total assets	<u>\$ 1,281,900</u>	<u>\$ 362</u>	<u>\$ 1,282,262</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 24,023	\$	\$ 24,023
Due to other funds	9,773		9,773
Unearned revenues	925		925
Total liabilities	<u>34,721</u>		<u>34,721</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental	<u>18,530</u>		<u>18,530</u>
Fund balances (deficits):			
Restricted	1,237,375	362	1,237,737
Unassigned	(8,726)		(8,726)
Total fund balances	<u>1,228,649</u>	<u>362</u>	<u>1,229,011</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 1,281,900</u>	 <u>\$ 362</u>	 <u>\$ 1,282,262</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$ 762,759	\$	\$ 762,759
State aid and grants	924,754	19,985	944,739
Federal aid, grants and reimbursements	1,284,203		1,284,203
Total revenues	<u>2,971,716</u>	<u>19,985</u>	<u>2,991,701</u>
Expenditures:			
Current -			
Instruction	1,661,699		1,661,699
Support services - students and staff	271,659		271,659
Support services - administration	20,843		20,843
Operation and maintenance of plant services	138,696		138,696
Operation of non-instructional services	385,246		385,246
Capital outlay	414,296	19,985	434,281
Total expenditures	<u>2,892,439</u>	<u>19,985</u>	<u>2,912,424</u>
Excess (deficiency) of revenues over expenditures	<u>79,277</u>		<u>79,277</u>
Other financing sources (uses):			
Transfers out	(59,011)		(59,011)
Total other financing sources (uses)	<u>(59,011)</u>		<u>(59,011)</u>
Changes in fund balances	<u>20,266</u>		<u>20,266</u>
Fund balances, beginning of year	1,208,383	362	1,208,745
Fund balances, end of year	<u>\$ 1,228,649</u>	<u>\$ 362</u>	<u>\$ 1,229,011</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.

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

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

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

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

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

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.

Homeless Education – to expand and improve systems to identify and support children and youth experiencing homelessness, and respond to the heightened needs and challenges in the wake of the COVID-19 pandemic.

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

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

Other Federal Projects - to account for financial assistance received for other supplemental federal projects.

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

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

Other State Projects Fund - 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.

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

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.

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

Intergovernmental Agreements - to account for financial activities relating to agreements with other governments not required to be accounted for elsewhere.

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	Classroom Site	Instructional Improvement	Professional Development and Technology Grants
<u>ASSETS</u>			
Cash and investments	\$ 93,617	\$ 128,283	\$
Property taxes receivable			
Due from governmental entities			1,091
Total assets	\$ 93,617	\$ 128,283	\$ 1,091
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			1,091
Unearned revenues			
Total liabilities			1,091
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			1,091
Fund balances (deficits):			
Restricted	93,617	128,283	
Unassigned			(1,091)
Total fund balances	93,617	128,283	(1,091)
 Total liabilities, deferred inflows of resources and fund balances	\$ 93,617	\$ 128,283	\$ 1,091

<u>Title IV Grants</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>	<u>Homeless Education</u>	<u>Other Federal Projects</u>
\$	\$	\$ 10,416	\$	\$	\$ 30
13	1,047		7,165	457	
<u>\$ 13</u>	<u>\$ 1,047</u>	<u>\$ 10,416</u>	<u>\$ 7,165</u>	<u>\$ 457</u>	<u>\$ 30</u>
\$	\$	\$ 9,561	\$	\$	\$
13	1,047	855	7,165	457	30
<u>13</u>	<u>1,047</u>	<u>10,416</u>	<u>7,165</u>	<u>457</u>	<u>30</u>
<u>13</u>			<u>7,165</u>	<u>457</u>	
(13)			(7,165)	(457)	
<u>(13)</u>			<u>(7,165)</u>	<u>(457)</u>	
<u>\$ 13</u>	<u>\$ 1,047</u>	<u>\$ 10,416</u>	<u>\$ 7,165</u>	<u>\$ 457</u>	<u>\$ 30</u>

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	State Vocational Education	College Credit Exam Incentives	Food Service
<u>ASSETS</u>			
Cash and investments	\$ 40	\$ 13,416	\$ 56,185
Property taxes receivable			5,031
Due from governmental entities			9,804
Total assets	\$ 40	\$ 13,416	\$ 71,020
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$	\$	\$
Due to other funds			
Unearned revenues	40		
Total liabilities	40		
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			9,804
Fund balances (deficits):			
Restricted		13,416	61,216
Unassigned			
Total fund balances		13,416	61,216
 Total liabilities, deferred inflows of resources and fund balances	 \$ 40	 \$ 13,416	 \$ 71,020

<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>	<u>Gifts and Donations</u>	<u>Insurance Refund</u>	<u>Career Technical Education</u>
\$ 87,330	\$ 68,974	\$ 198,372	\$ 146,425	\$ 91,178	\$ 147,690
<u>\$ 87,330</u>	<u>\$ 68,974</u>	<u>\$ 198,372</u>	<u>\$ 146,425</u>	<u>\$ 91,178</u>	<u>\$ 147,690</u>
\$	\$	\$ 1,962	\$	\$	\$
		<u>1,962</u>			
87,330	68,974	196,410	146,425	91,178	147,690
<u>87,330</u>	<u>68,974</u>	<u>196,410</u>	<u>146,425</u>	<u>91,178</u>	<u>147,690</u>
<u>\$ 87,330</u>	<u>\$ 68,974</u>	<u>\$ 198,372</u>	<u>\$ 146,425</u>	<u>\$ 91,178</u>	<u>\$ 147,690</u>

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021

	<u>Intergovernmental Agreements</u>	<u>Student Activities</u>	<u>Totals</u>
<u>ASSETS</u>			
Cash and investments	\$ 62,809	\$ 152,527	\$ 1,257,292
Property taxes receivable			5,031
Due from governmental entities			19,577
Total assets	<u>\$ 62,809</u>	<u>\$ 152,527</u>	<u>\$ 1,281,900</u>
 <u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 12,500	\$	\$ 24,023
Due to other funds			9,773
Unearned revenues			925
Total liabilities	<u>12,500</u>		<u>34,721</u>
Deferred inflows of resources:			
Unavailable revenues - intergovernmental			<u>18,530</u>
Fund balances (deficits):			
Restricted	50,309	152,527	1,237,375
Unassigned			(8,726)
Total fund balances	<u>50,309</u>	<u>152,527</u>	<u>1,228,649</u>
 Total liabilities, deferred inflows of resources and fund balances	 <u>\$ 62,809</u>	 <u>\$ 152,527</u>	 <u>\$ 1,281,900</u>

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$ 1,637	\$ 404	\$
State aid and grants	727,873	57,809	11,129
Federal aid, grants and reimbursements			
Total revenues	729,510	58,213	11,129
Expenditures:			
Current -			
Instruction	758,125		11,129
Support services - students and staff		19,558	
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	758,125	19,558	11,129
Excess (deficiency) of revenues over expenditures	(28,615)	38,655	
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(28,615)	38,655	
Fund balances (deficits), beginning of year	122,232	89,628	
Fund balances (deficits), end of year	\$ 93,617	\$ 128,283	\$

<u>Professional Development and Technology Grants</u>	<u>Title IV Grants</u>	<u>Limited English & Immigrant Students</u>	<u>Indian Education</u>	<u>Special Education Grants</u>	<u>Vocational Education</u>
\$	\$	\$	\$	\$	\$
42,218	8,830	7,219	9,213	272,488	90,203
<u>42,218</u>	<u>8,830</u>	<u>7,219</u>	<u>9,213</u>	<u>272,488</u>	<u>90,203</u>
29,204	8,376		1,907 270	188,373 55,071	20,181 77,187
12,500			6,857	15,444	
<u>41,704</u>	<u>8,376</u>		<u>9,034</u>	<u>258,888</u>	<u>97,368</u>
514	454	7,219	179	13,600	(7,165)
(1,605)	(467)			(13,600)	
<u>(1,605)</u>	<u>(467)</u>			<u>(13,600)</u>	
(1,091)	(13)	7,219	179		(7,165)
		(7,219)	(179)		
<u>\$ (1,091)</u>	<u>\$ (13)</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ (7,165)</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Homeless Education	Other Federal Projects	State Vocational Education
Revenues:			
Other local	\$	\$	\$
State aid and grants			49,228
Federal aid, grants and reimbursements	11,011	586,371	
Total revenues	11,011	586,371	49,228
Expenditures:			
Current -			
Instruction		294,175	4,064
Support services - students and staff	11,468	8,478	608
Support services - administration			125
Operation and maintenance of plant services		60,772	
Operation of non-instructional services			
Capital outlay		215,441	44,431
Total expenditures	11,468	578,866	49,228
Excess (deficiency) of revenues over expenditures	(457)	7,505	
Other financing sources (uses):			
Transfers out		(7,505)	
Total other financing sources (uses)		(7,505)	
Changes in fund balances	(457)		
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$ (457)	\$	\$

<u>College Credit Exam Incentives</u>	<u>Other State Projects</u>	<u>Food Service</u>	<u>Civic Center</u>	<u>Community School</u>	<u>Extracurricular Activities Fees Tax Credit</u>
\$ 5,861	\$ 72,854	\$ 18,418	\$ 35,838	\$ 50,487	\$ 93,117
<u>5,861</u>	<u>72,854</u>	<u>256,650</u>	<u>35,838</u>	<u>50,487</u>	<u>93,117</u>
3,321				4,597	49,572
	72,854			54,184	
<u>3,321</u>	<u>72,854</u>	<u>228,199</u>		<u>58,781</u>	<u>13,412</u>
		779			<u>62,984</u>
<u>2,540</u>		<u>228,978</u>	<u>35,838</u>	<u>(8,294)</u>	<u>30,133</u>
		46,090			
		(35,834)			
		<u>(35,834)</u>			
<u>2,540</u>		<u>10,256</u>	<u>35,838</u>	<u>(8,294)</u>	<u>30,133</u>
10,876		50,960	51,492	77,268	166,277
<u>\$ 13,416</u>	<u>\$</u>	<u>\$ 61,216</u>	<u>\$ 87,330</u>	<u>\$ 68,974</u>	<u>\$ 196,410</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Gifts and Donations	Insurance Refund	Career Technical Education
Revenues:			
Other local	\$ 22,414	\$ 2,146	\$ 356,255
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues	22,414	2,146	356,255
Expenditures:			
Current -			
Instruction	28,543		290,268
Support services - students and staff	90		3,844
Support services - administration	4,438		220
Operation and maintenance of plant services	5,070		
Operation of non-instructional services	40		
Capital outlay	32,198		73,234
Total expenditures	70,379		367,566
Excess (deficiency) of revenues over expenditures	(47,965)	2,146	(11,311)
Other financing sources (uses):			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(47,965)	2,146	(11,311)
Fund balances (deficits), beginning of year	194,390	89,032	159,001
Fund balances, end of year	\$ 146,425	\$ 91,178	\$ 147,690

<u>Intergovernmental Agreements</u>	<u>Student Activities</u>	<u>Totals</u>
\$ 21,882	\$ 160,161	\$ 762,759
		924,754
		1,284,203
<u>21,882</u>	<u>160,161</u>	<u>2,971,716</u>
10,765		1,661,699
		271,659
16,060		20,843
		138,696
	157,007	385,246
		414,296
<u>26,825</u>	<u>157,007</u>	<u>2,892,439</u>
<u>(4,943)</u>	<u>3,154</u>	<u>79,277</u>
		(59,011)
		<u>(59,011)</u>
<u>(4,943)</u>	<u>3,154</u>	<u>20,266</u>
55,252	149,373	1,208,383
<u>\$ 50,309</u>	<u>\$ 152,527</u>	<u>\$ 1,228,649</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Classroom Site		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 1,637	\$ 1,637
State aid and grants		727,873	727,873
Federal aid, grants and reimbursements			
Total revenues		729,510	729,510
Expenditures:			
Current -			
Instruction	855,018	758,125	96,893
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	855,018	758,125	96,893
Excess (deficiency) of revenues over expenditures	(855,018)	(28,615)	826,403
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(855,018)	(28,615)	826,403
Fund balances (deficits), beginning of year		122,232	122,232
Fund balances (deficits), end of year	\$ (855,018)	\$ 93,617	\$ 948,635

Instructional Improvement			English Language Learner		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 404	\$ 404	\$	\$	\$
	57,809	57,809		11,129	11,129
	<u>58,213</u>	<u>58,213</u>		<u>11,129</u>	<u>11,129</u>
63,000	19,558	43,442	47,137	11,129	36,008
<u>63,000</u>	<u>19,558</u>	<u>43,442</u>	<u>47,137</u>	<u>11,129</u>	<u>36,008</u>
<u>(63,000)</u>	<u>38,655</u>	<u>101,655</u>	<u>(47,137)</u>		<u>47,137</u>
<u>(63,000)</u>	<u>38,655</u>	<u>101,655</u>	<u>(47,137)</u>		<u>47,137</u>
	89,628	89,628			
<u>\$ (63,000)</u>	<u>\$ 128,283</u>	<u>\$ 191,283</u>	<u>\$ (47,137)</u>	<u>\$</u>	<u>\$ 47,137</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Professional Development and Technology Grants		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		42,218	42,218
Total revenues		42,218	42,218
Expenditures:			
Current -			
Instruction			
Support services - students and staff	44,100	29,204	14,896
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		12,500	(12,500)
Total expenditures	44,100	41,704	2,396
Excess (deficiency) of revenues over expenditures	(44,100)	514	44,614
Other financing sources (uses):			
Transfers in			
Transfers out		(1,605)	(1,605)
Total other financing sources (uses)		(1,605)	(1,605)
Changes in fund balances	(44,100)	(1,091)	43,009
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$ (44,100)	\$ (1,091)	\$ 43,009

Title IV Grants			Limited English & Immigrant Students		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	8,830	8,830		7,219	7,219
	8,830	8,830		7,219	7,219
13,100	8,376	4,724			
13,100	8,376	4,724			
(13,100)	454	13,554		7,219	7,219
	(467)	(467)			
	(467)	(467)			
(13,100)	(13)	13,087		7,219	7,219
				(7,219)	(7,219)
\$ (13,100)	\$ (13)	\$ 13,087	\$	\$	\$

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Indian Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		9,213	9,213
Total revenues		9,213	9,213
Expenditures:			
Current -			
Instruction		1,907	(1,907)
Support services - students and staff		270	(270)
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay	14,500	6,857	7,643
Total expenditures	14,500	9,034	5,466
Excess (deficiency) of revenues over expenditures	(14,500)	179	14,679
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(14,500)	179	14,679
Fund balances (deficits), beginning of year		(179)	(179)
Fund balances (deficits), end of year	\$ (14,500)	\$	\$ 14,500

Special Education Grants			Vocational Education		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	272,488	272,488		90,203	90,203
	272,488	272,488		90,203	90,203
243,250	188,373	54,877		20,181	(20,181)
	55,071	(55,071)	92,000	77,187	14,813
	15,444	(15,444)			
243,250	258,888	(15,638)	92,000	97,368	(5,368)
(243,250)	13,600	256,850	(92,000)	(7,165)	84,835
	(13,600)	(13,600)			
	(13,600)	(13,600)			
(243,250)		243,250	(92,000)	(7,165)	84,835
\$ (243,250)	\$	\$ 243,250	\$ (92,000)	\$ (7,165)	\$ 84,835

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Homeless Education		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		11,011	11,011
Total revenues		11,011	11,011
Expenditures:			
Current -			
Instruction			
Support services - students and staff		11,468	(11,468)
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures		11,468	(11,468)
Excess (deficiency) of revenues over expenditures		(457)	(457)
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances		(457)	(457)
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$	\$ (457)	\$ (457)

National Forest Fees			E-Rate		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	119,684	119,684		21,532	21,532
	119,684	119,684		21,532	21,532
	5,250	(5,250)		21,532	(21,532)
	38,460	(38,460)			
	38,929	(38,929)			
	82,639	(82,639)		21,532	(21,532)
	37,045	37,045			
	37,045	37,045			
	52,083	52,083			
\$	\$ 89,128	\$ 89,128	\$	\$	\$

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Other Federal Projects		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$	\$
State aid and grants			
Federal aid, grants and reimbursements		586,371	586,371
Total revenues		586,371	586,371
Expenditures:			
Current -			
Instruction	74,430	294,175	(219,745)
Support services - students and staff		8,478	(8,478)
Support services - administration			
Operation and maintenance of plant services		60,772	(60,772)
Operation of non-instructional services			
Capital outlay		215,441	(215,441)
Total expenditures	74,430	578,866	(504,436)
Excess (deficiency) of revenues over expenditures	(74,430)	7,505	81,935
Other financing sources (uses):			
Transfers in			
Transfers out		(7,505)	(7,505)
Total other financing sources (uses)		(7,505)	(7,505)
Changes in fund balances	(74,430)		74,430
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$ (74,430)	\$	\$ 74,430

State Vocational Education			College Credit Exam Incentives		
Budget	Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$	\$	\$	\$	\$
	49,228	49,228		5,861	5,861
	<u>49,228</u>	<u>49,228</u>		<u>5,861</u>	<u>5,861</u>
	4,064	(4,064)			
	608	(608)	10,000	3,321	6,679
	125	(125)			
<u>52,300</u>	<u>44,431</u>	<u>7,869</u>			
<u>52,300</u>	<u>49,228</u>	<u>3,072</u>	<u>10,000</u>	<u>3,321</u>	<u>6,679</u>
<u>(52,300)</u>		<u>52,300</u>	<u>(10,000)</u>	<u>2,540</u>	<u>12,540</u>
<u>(52,300)</u>		<u>52,300</u>	<u>(10,000)</u>	<u>2,540</u>	<u>12,540</u>
				10,876	10,876
<u>\$ (52,300)</u>	<u>\$</u>	<u>\$ 52,300</u>	<u>\$ (10,000)</u>	<u>\$ 13,416</u>	<u>\$ 23,416</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Other State Projects		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$	\$
State aid and grants		72,854	72,854
Federal aid, grants and reimbursements			
Total revenues		72,854	72,854
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services	93,000	72,854	20,146
Operation of non-instructional services			
Capital outlay			
Total expenditures	93,000	72,854	20,146
Excess (deficiency) of revenues over expenditures	(93,000)		93,000
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(93,000)		93,000
Fund balances (deficits), beginning of year			
Fund balances (deficits), end of year	\$ (93,000)	\$	\$ 93,000

School Plant			Food Service		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 14,571	\$ 14,571	\$	\$ 18,418	\$ 18,418
				256,650	256,650
	<u>14,571</u>	<u>14,571</u>		<u>275,068</u>	<u>275,068</u>
			275,000	228,199	46,801
				779	(779)
			<u>275,000</u>	<u>228,978</u>	<u>46,022</u>
	14,571	14,571	(275,000)	46,090	321,090
				(35,834)	(35,834)
				(35,834)	(35,834)
	14,571	14,571	(275,000)	10,256	285,256
				50,960	50,960
<u>\$</u>	<u>\$ 14,571</u>	<u>\$ 14,571</u>	<u>\$ (275,000)</u>	<u>\$ 61,216</u>	<u>\$ 336,216</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Civic Center		Variance - Positive (Negative)
	Budget	Actual	
Revenues:			
Other local	\$	\$ 35,838	\$ 35,838
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		35,838	35,838
Expenditures:			
Current -			
Instruction			
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services	35,000		35,000
Capital outlay			
Total expenditures	35,000		35,000
Excess (deficiency) of revenues over expenditures	(35,000)	35,838	70,838
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(35,000)	35,838	70,838
Fund balances (deficits), beginning of year		51,492	51,492
Fund balances (deficits), end of year	\$ (35,000)	\$ 87,330	\$ 122,330

Community School			Auxiliary Operations		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 50,487	\$ 50,487	\$	\$ 68,042	\$ 68,042
	<u>50,487</u>	<u>50,487</u>		<u>68,042</u>	<u>68,042</u>
	4,597	(4,597)	125,000	87,805	37,195
	54,184	(54,184)		1,422	(1,422)
				4,215	(4,215)
				918	(918)
				5,462	(5,462)
	<u>58,781</u>	<u>(58,781)</u>	<u>125,000</u>	<u>99,822</u>	<u>25,178</u>
	<u>(8,294)</u>	<u>(8,294)</u>	<u>(125,000)</u>	<u>(31,780)</u>	<u>93,220</u>
	<u>(8,294)</u>	<u>(8,294)</u>	<u>(125,000)</u>	<u>(31,780)</u>	<u>93,220</u>
	77,268	77,268		370,478	370,478
<u>\$</u>	<u>\$ 68,974</u>	<u>\$ 68,974</u>	<u>\$ (125,000)</u>	<u>\$ 338,698</u>	<u>\$ 463,698</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Extracurricular Activities Fees Tax Credit		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 93,117	\$ 93,117
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		93,117	93,117
Expenditures:			
Current -			
Instruction	85,000	49,572	35,428
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		13,412	(13,412)
Total expenditures	85,000	62,984	22,016
Excess (deficiency) of revenues over expenditures	(85,000)	30,133	115,133
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(85,000)	30,133	115,133
Fund balances (deficits), beginning of year		166,277	166,277
Fund balances (deficits), end of year	\$ (85,000)	\$ 196,410	\$ 281,410

Gifts and Donations			Insurance Proceeds		
Budget	Actual	Variance - Positive (Negative)	Budget	Non-GAAP Actual	Variance - Positive (Negative)
\$	\$ 22,414	\$ 22,414	\$	\$ 17	\$ 17
	<u>22,414</u>	<u>22,414</u>		<u>17</u>	<u>17</u>
	28,543	(28,543)	3,700		3,700
	90	(90)			
	4,438	(4,438)			
	5,070	(5,070)			
	40	(40)			
<u>25,000</u>	<u>32,198</u>	<u>(7,198)</u>	<u>3,700</u>		<u>3,700</u>
<u>25,000</u>	<u>70,379</u>	<u>(45,379)</u>	<u>3,700</u>		<u>3,700</u>
<u>(25,000)</u>	<u>(47,965)</u>	<u>(22,965)</u>	<u>(3,700)</u>	<u>17</u>	<u>3,717</u>
<u>(25,000)</u>	<u>(47,965)</u>	<u>(22,965)</u>	<u>(3,700)</u>	<u>17</u>	<u>3,717</u>
	194,390	194,390		3,749	3,749
<u>\$ (25,000)</u>	<u>\$ 146,425</u>	<u>\$ 171,425</u>	<u>\$ (3,700)</u>	<u>\$ 3,766</u>	<u>\$ 7,466</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$	\$ 7	\$ 7
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		7	7
Expenditures:			
Current -			
Instruction	1,600		1,600
Support services - students and staff			
Support services - administration			
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay			
Total expenditures	1,600		1,600
Excess (deficiency) of revenues over expenditures	(1,600)	7	1,607
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(1,600)	7	1,607
Fund balances (deficits), beginning of year		1,613	1,613
Fund balances (deficits), end of year	\$ (1,600)	\$ 1,620	\$ 3,220

Indirect Costs			Insurance Refund		
Budget	Non-GAAP Actual	Variance - Positive (Negative)	Budget	Actual	Variance - Positive (Negative)
\$	\$ 208	\$ 208	\$	\$ 2,146	\$ 2,146
	<u>208</u>	<u>208</u>		<u>2,146</u>	<u>2,146</u>
35,000	5,082 23,138	(5,082) 11,862	80,000		80,000
<u>35,000</u>	<u>28,220</u>	<u>6,780</u>	<u>80,000</u>		<u>80,000</u>
<u>(35,000)</u>	<u>(28,012)</u>	<u>6,988</u>	<u>(80,000)</u>	<u>2,146</u>	<u>82,146</u>
	69,511	69,511			
	<u>69,511</u>	<u>69,511</u>			
<u>(35,000)</u>	<u>41,499</u>	<u>76,499</u>	<u>(80,000)</u>	<u>2,146</u>	<u>82,146</u>
	49,711	49,711		89,032	89,032
<u>\$ (35,000)</u>	<u>\$ 91,210</u>	<u>\$ 126,210</u>	<u>\$ (80,000)</u>	<u>\$ 91,178</u>	<u>\$ 171,178</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Career Technical Education		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 356,255	\$ 356,255
State aid and grants			
Federal aid, grants and reimbursements			
Total revenues		356,255	356,255
Expenditures:			
Current -			
Instruction	380,000	290,268	89,732
Support services - students and staff		3,844	(3,844)
Support services - administration		220	(220)
Operation and maintenance of plant services			
Operation of non-instructional services			
Capital outlay		73,234	(73,234)
Total expenditures	380,000	367,566	12,434
Excess (deficiency) of revenues over expenditures	(380,000)	(11,311)	368,689
Other financing sources (uses):			
Transfers in			
Transfers out			
Total other financing sources (uses)			
Changes in fund balances	(380,000)	(11,311)	368,689
Fund balances (deficits), beginning of year		159,001	159,001
Fund balances (deficits), end of year	\$ (380,000)	\$ 147,690	\$ 527,690

<u>Intergovernmental Agreements</u>			<u>Student Activities</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$ 21,882	\$ 21,882	\$	\$ 160,161	\$ 160,161
	<u>21,882</u>	<u>21,882</u>		<u>160,161</u>	<u>160,161</u>
	10,765	(10,765)			
45,000	16,060	28,940			
			202,751	157,007	45,744
<u>45,000</u>	<u>26,825</u>	<u>18,175</u>	<u>202,751</u>	<u>157,007</u>	<u>45,744</u>
<u>(45,000)</u>	<u>(4,943)</u>	<u>40,057</u>	<u>(202,751)</u>	<u>3,154</u>	<u>205,905</u>
<u>(45,000)</u>	<u>(4,943)</u>	<u>40,057</u>	<u>(202,751)</u>	<u>3,154</u>	<u>205,905</u>
	55,252	55,252		149,373	149,373
<u>\$ (45,000)</u>	<u>\$ 50,309</u>	<u>\$ 95,309</u>	<u>\$ (202,751)</u>	<u>\$ 152,527</u>	<u>\$ 355,278</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2021

	Totals		
	Budget	Non-GAAP Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 845,604	\$ 845,604
State aid and grants		924,754	924,754
Federal aid, grants and reimbursements		1,425,419	1,425,419
Total revenues		<u>3,195,777</u>	<u>3,195,777</u>
Expenditures:			
Current -			
Instruction	1,895,135	1,749,504	145,631
Support services - students and staff	222,200	304,945	(82,745)
Support services - administration	80,000	86,656	(6,656)
Operation and maintenance of plant services	93,000	139,614	(46,614)
Operation of non-instructional services	512,751	385,246	127,505
Capital outlay	91,800	458,687	(366,887)
Total expenditures	<u>2,894,886</u>	<u>3,124,652</u>	<u>(229,766)</u>
Excess (deficiency) of revenues over expenditures	<u>(2,894,886)</u>	<u>71,125</u>	<u>2,966,011</u>
Other financing sources (uses):			
Transfers in		69,511	69,511
Transfers out		(59,011)	(59,011)
Total other financing sources (uses)		<u>10,500</u>	<u>10,500</u>
Changes in fund balances	<u>(2,894,886)</u>	<u>81,625</u>	<u>2,976,511</u>
Fund balances (deficits), beginning of year		1,686,017	1,686,017
Fund balances (deficits), end of year	<u>\$ (2,894,886)</u>	<u>\$ 1,767,642</u>	<u>\$ 4,662,528</u>

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.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	\$	\$ 37,858	\$ 37,858
Property taxes		1,904,106	1,904,106
Total revenues		<u>1,941,964</u>	<u>1,941,964</u>
Expenditures:			
Debt service -			
Principal retirement	1,670,000	1,670,000	
Interest and fiscal charges	130,000	264,925	(134,925)
Total expenditures	<u>1,800,000</u>	<u>1,934,925</u>	<u>(134,925)</u>
Changes in fund balances	<u>(1,800,000)</u>	<u>7,039</u>	<u>1,807,039</u>
Fund balances, beginning of year		147,965	147,965
Fund balances (deficits), end of year	<u>\$ (1,800,000)</u>	<u>\$ 155,004</u>	<u>\$ 1,955,004</u>

CAPITAL PROJECTS FUNDS

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

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

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUND
JUNE 30, 2021**

	<u>Adjacent Ways</u>
<u>ASSETS</u>	
Cash and investments	\$ 362
Total assets	<u>\$ 362</u>
<u>LIABILITIES AND FUND BALANCES</u>	
Fund balances:	
Restricted	\$ 362
Total fund balances	<u>362</u>
Total liabilities and fund balances	<u>\$ 362</u>

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Adjacent Ways	Building Renewal Grant	Totals
Revenues:			
State aid and grants	\$	\$ 19,985	\$ 19,985
Total revenues	_____	19,985	19,985
Expenditures:			
Capital outlay	_____	19,985	19,985
Total expenditures	_____	19,985	19,985
Changes in fund balances	_____	_____	_____
Fund balances, beginning of year	362		362
Fund balances, end of year	\$ 362	\$	\$ 362

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Unrestricted Capital Outlay		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 16,429	\$ 16,429
Property taxes		257,140	257,140
State aid and grants		136,258	136,258
Total revenues		409,827	409,827
Expenditures:			
Capital outlay	997,969	797,652	200,317
Debt service -			
Principal retirement	66,107	66,107	
Interest and fiscal charges	12,315	12,315	
Total expenditures	1,076,391	876,074	200,317
Changes in fund balances	(1,076,391)	(466,247)	610,144
Fund balances, beginning of year		215,307	215,307
Fund balances (deficits), end of year	\$ (1,076,391)	\$ (250,940)	\$ 825,451

<u>Adjacent Ways</u>			<u>Building Renewal Grant</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance - Positive (Negative)</u>
\$	\$	\$	\$	\$	\$
				19,985	19,985
				19,985	19,985
				19,985	(19,985)
				19,985	(19,985)
	362	362			
<u>\$</u>	<u>\$ 362</u>	<u>\$ 362</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2021

	Totals		
	Budget	Actual	Variance - Positive (Negative)
Revenues:			
Other local	\$	\$ 16,429	\$ 16,429
Property taxes		257,140	257,140
State aid and grants		156,243	156,243
Total revenues	1,076,391	896,059	180,332
Expenditures:			
Capital outlay	997,969	817,637	180,332
Debt service -			
Principal retirement	66,107	66,107	
Interest and fiscal charges	12,315	12,315	
Total expenditures	1,076,391	896,059	180,332
Changes in fund balances	(1,076,391)	(466,247)	610,144
Fund balances, beginning of year		215,669	215,669
Fund balances (deficits), end of year	\$ (1,076,391)	\$ (250,578)	\$ 825,813

STATISTICAL SECTION

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net Position:					
Net investment in capital assets	\$ 9,100,228	\$ 8,072,256	\$ 8,017,284	\$ 7,413,369	\$ 7,341,629
Restricted	1,440,791	1,623,563	1,199,432	936,426	1,012,197
Unrestricted	(7,016,202)	(6,820,528)	(6,767,079)	(7,176,636)	(7,394,139)
Total net position	\$ 3,524,817	\$ 2,875,291	\$ 2,449,637	\$ 1,173,159	\$ 959,687
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net Position:					
Net investment in capital assets	\$ 7,568,089	\$ 8,034,624	\$ 7,831,636	\$ 6,673,901	\$ 6,806,320
Restricted	929,197	955,774	1,092,999	919,164	909,890
Unrestricted	(7,442,712)	(8,298,569)	90,720	1,289,754	1,593,750
Total net position	\$ 1,054,574	\$ 691,829	\$ 9,015,355	\$ 8,882,819	\$ 9,309,960

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Expenses					
Instruction	\$ 7,565,407	\$ 7,724,388	\$ 6,799,135	\$ 6,661,502	\$ 6,200,112
Support services - students and staff	1,415,227	1,471,245	1,240,480	1,359,311	1,251,220
Support services - administration	1,472,483	1,369,658	1,207,121	1,147,210	1,075,649
Operation and maintenance of plant services	1,662,325	1,488,137	1,401,058	1,359,587	1,191,268
Student transportation services	791,548	726,993	621,438	608,417	648,447
Operation of non-instructional services	444,712	559,353	323,433	297,011	301,875
Interest on long-term debt	240,903	301,082	345,194	388,689	423,770
Total expenses	<u>13,592,605</u>	<u>13,640,856</u>	<u>11,937,859</u>	<u>11,821,727</u>	<u>11,092,341</u>
Program Revenues					
Charges for services:					
Instruction	926,659	1,013,874	995,725	917,317	713,643
Operation of non-instructional services	178,548	268,272	83,629	65,134	57,795
Other activities	50,102	29,714	61,040	37,405	24,839
Operating grants and contributions	1,701,247	1,125,984	1,035,171	1,312,402	1,064,492
Capital grants and contributions	114,210	109,870	252,091	9,716	211,236
Total program revenues	<u>2,970,766</u>	<u>2,547,714</u>	<u>2,427,656</u>	<u>2,341,974</u>	<u>2,072,005</u>
Net (Expense)/Revenue	<u>\$ (10,621,839)</u>	<u>\$ (11,093,142)</u>	<u>\$ (9,510,203)</u>	<u>\$ (9,479,753)</u>	<u>\$ (9,020,336)</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses					
Instruction	\$ 6,207,095	\$ 6,175,079	\$ 6,298,053	\$ 6,228,888	\$ 6,076,499
Support services - students and staff	1,109,343	879,951	911,705	921,964	1,000,364
Support services - administration	1,080,176	1,106,886	975,514	1,027,421	951,457
Operation and maintenance of plant services	1,159,841	1,183,394	1,352,930	1,241,853	1,384,855
Student transportation services	467,563	547,211	546,961	477,579	460,947
Operation of non-instructional services	248,748	294,445	263,530	247,576	260,682
Interest on long-term debt	386,606	462,745	484,526	531,831	589,747
Total expenses	<u>10,659,372</u>	<u>10,649,711</u>	<u>10,833,219</u>	<u>10,677,112</u>	<u>10,724,551</u>
Program Revenues					
Charges for services:					
Instruction	659,715	739,716	678,429	704,247	859,999
Operation of non-instructional services	56,005	53,763	139,175	258,254	308,818
Other activities	25,746		187,279	26,528	33,156
Operating grants and contributions	1,001,548	790,522	757,474	879,229	734,069
Capital grants and contributions	112,479	212,059	185,716	15,558	72,940
Total program revenues	<u>1,855,493</u>	<u>1,796,060</u>	<u>1,948,073</u>	<u>1,883,816</u>	<u>2,008,982</u>
Net (Expense)/Revenue	<u>\$ (8,803,879)</u>	<u>\$ (8,853,651)</u>	<u>\$ (8,885,146)</u>	<u>\$ (8,793,296)</u>	<u>\$ (8,715,569)</u>

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Net (Expense)/Revenue	\$ (10,621,839)	\$ (11,093,142)	\$ (9,510,203)	\$ (9,479,753)	\$ (9,020,336)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	4,872,841	4,822,721	4,520,990	4,855,227	4,739,360
Property taxes, levied for debt service	1,902,079	1,857,626	1,855,431	1,547,492	1,788,306
Property taxes, levied for capital outlay	258,464	245,896	572,619	98,673	58,095
Investment income	10,214	50,957	42,870	29,107	21,085
Unrestricted county aid	503,739	503,773	416,172	234,347	166,823
Unrestricted state aid	3,604,344	3,796,057	3,251,347	2,734,682	2,053,400
Unrestricted federal aid	119,684	106,768	127,252	256,043	98,380
Total general revenues	<u>11,271,365</u>	<u>11,383,798</u>	<u>10,786,681</u>	<u>9,755,571</u>	<u>8,925,449</u>
Changes in Net Position	<u>\$ 649,526</u>	<u>\$ 290,656</u>	<u>\$ 1,276,478</u>	<u>\$ 275,818</u>	<u>\$ (94,887)</u>

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GENERAL REVENUES AND TOTAL CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Net (Expense)/Revenue	\$ (8,803,879)	\$ (8,853,651)	\$ (8,885,146)	\$ (8,793,296)	\$ (8,715,569)
General Revenues:					
Taxes:					
Property taxes, levied for general purposes	5,039,403	4,678,910	4,982,996	4,999,887	5,688,430
Property taxes, levied for debt service	1,479,456	1,346,504	1,419,453	1,596,830	1,434,816
Property taxes, levied for capital outlay	18	280,908	152,024	143,154	156,808
Investment income	13,750	5,170	7,043	3,691	2,896
Unrestricted county aid	149,989	207,436	237,416	92,396	22,846
Unrestricted state aid	2,315,564	2,184,726	1,971,124	1,549,260	1,481,943
Unrestricted federal aid	168,444	108,971	247,626	137,925	112,337
Total general revenues	<u>9,166,624</u>	<u>8,812,625</u>	<u>9,017,682</u>	<u>8,523,143</u>	<u>8,900,076</u>
Changes in Net Position	<u>\$ 362,745</u>	<u>\$ (41,026)</u>	<u>\$ 132,536</u>	<u>\$ (270,153)</u>	<u>\$ 184,507</u>

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
General Fund:					
Nonspendable	\$	\$	\$	\$	\$ 299,000
Restricted	3,766	3,749	5,691	4,700	4,090
Unassigned	1,241,822	817,797	488,663	748,936	266,125
Total General Fund	\$ 1,245,588	\$ 821,546	\$ 494,354	\$ 753,636	\$ 569,215
All Other Governmental Funds:					
Nonspendable	\$	\$	\$ 15,831	\$ 16,014	\$ 17,285
Restricted	1,392,741	1,579,415	1,271,559	1,231,531	2,016,627
Unassigned	(293,830)	(7,398)	(111,087)	(335,454)	(58,103)
Total all other governmental funds	\$ 1,098,911	\$ 1,572,017	\$ 1,176,303	\$ 912,091	\$ 1,975,809

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
General Fund:					
Nonspendable	\$ 299,000	\$	\$	\$	\$
Restricted	837	834			
Unassigned	450,923	120,937	24,670	261,525	421,297
Total General Fund	<u>\$ 750,760</u>	<u>\$ 121,771</u>	<u>\$ 24,670</u>	<u>\$ 261,525</u>	<u>\$ 421,297</u>
All Other Governmental Funds:					
Nonspendable	\$ 16,568	\$	\$	\$	\$
Restricted	6,108,775	937,592	1,028,179	881,304	837,017
Unassigned			(2,238)		
Total all other governmental funds	<u>\$ 6,125,343</u>	<u>\$ 937,592</u>	<u>\$ 1,025,941</u>	<u>\$ 881,304</u>	<u>\$ 837,017</u>

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Federal sources:					
Federal grants	\$ 1,362,344	\$ 798,573	\$ 732,127	\$ 911,040	\$ 898,912
National School Lunch Program	256,650	226,516	198,916	237,768	218,511
Total federal sources	1,618,994	1,025,089	931,043	1,148,808	1,117,423
State sources:					
State equalization assistance	2,818,662	2,982,343	2,470,853	2,013,683	1,470,070
State grants	127,943	247,940	159,495	132,743	35,370
School Facilities Board	19,985	47,018			
Other revenues	796,811	813,714	831,740	720,999	583,330
Total state sources	3,763,401	4,091,015	3,462,088	2,867,425	2,088,770
Local sources:					
Property taxes	7,022,916	6,910,236	6,974,262	6,517,092	6,605,810
County aid	503,739	503,773	416,172	234,347	166,823
Food service sales	18,387	67,174	83,629	65,134	57,795
Investment income	10,214	50,957	42,870	29,107	21,085
Other revenues	1,248,716	1,405,222	1,184,548	1,241,846	1,018,569
Total local sources	8,803,972	8,937,362	8,701,481	8,087,526	7,870,082
Total revenues	\$ 14,186,367	\$ 14,053,466	\$ 13,094,612	\$ 12,103,759	\$ 11,076,275

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Federal sources:					
Federal grants	\$ 805,669	\$ 773,982	\$ 871,744	\$ 724,502	\$ 604,078
Education Jobs					3,587
National School Lunch Program	223,798	183,593	194,556	188,086	180,163
Total federal sources	<u>1,029,467</u>	<u>957,575</u>	<u>1,066,300</u>	<u>912,588</u>	<u>787,828</u>
State sources:					
State equalization assistance	1,731,315	1,614,818	1,406,942	1,116,447	1,037,433
State grants	40,087	47,562	38,483	152,542	99,100
School Facilities Board	22,459	55,683	52,314		
Other revenues	584,249	569,908	564,182	432,813	444,510
Total state sources	<u>2,378,110</u>	<u>2,287,971</u>	<u>2,061,921</u>	<u>1,701,802</u>	<u>1,581,043</u>
Local sources:					
Property taxes	6,495,021	6,359,907	6,513,800	6,938,470	7,282,932
County aid	149,989	207,436	237,416	92,396	22,846
Food service sales	56,005	53,763	59,666	49,142	
Investment income	13,750	5,170	7,043	3,691	
Other revenues	858,430	800,021	945,217	939,887	1,204,869
Total local sources	<u>7,573,195</u>	<u>7,426,297</u>	<u>7,763,142</u>	<u>8,023,586</u>	<u>8,510,647</u>
Total revenues	<u>\$ 10,980,772</u>	<u>\$ 10,671,843</u>	<u>\$ 10,891,363</u>	<u>\$ 10,637,976</u>	<u>\$ 10,879,518</u>

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Expenditures:					
Current -					
Instruction	\$ 6,213,804	\$ 6,025,129	\$ 6,120,876	\$ 5,260,038	\$ 5,258,347
Support services - students and staff	1,315,335	1,365,008	1,274,310	1,380,181	1,207,306
Support services - administration	1,285,763	1,221,647	1,187,599	1,107,370	1,047,420
Operation and maintenance of plant services	1,271,181	1,124,188	1,099,165	1,020,864	879,497
Student transportation services	445,874	441,463	428,135	389,837	411,531
Operation of non-instructional services	398,810	507,297	313,332	279,307	291,245
Capital outlay	1,291,317	757,549	694,659	1,277,241	4,485,028
Debt service -					
Interest and fiscal charges	277,240	337,419	381,531	425,026	475,804
Principal retirement	1,736,107	1,670,027	1,598,966	1,542,921	1,351,893
Bond issuance costs					
Total expenditures	<u>\$ 14,235,431</u>	<u>\$ 13,449,727</u>	<u>\$ 13,098,573</u>	<u>\$ 12,682,785</u>	<u>\$ 15,408,071</u>
Expenditures for capitalized assets	\$ 439,650	\$ 277,782	\$ 490,170	\$ 879,870	\$ 4,015,634
Debt service as a percentage of noncapital expenditures	15%	15%	16%	17%	16%

(Continued)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenditures:					
Current -					
Instruction	\$ 5,324,997	\$ 5,107,753	\$ 5,346,978	\$ 5,357,943	\$ 5,156,757
Support services - students and staff	1,093,525	820,633	904,076	902,946	974,795
Support services - administration	1,070,328	1,071,544	962,551	1,008,244	943,573
Operation and maintenance of plant services	898,568	909,597	1,031,032	1,021,987	1,119,813
Student transportation services	388,452	441,391	460,392	419,535	395,548
Operation of non-instructional services	253,282	281,123	250,787	238,667	252,558
Capital outlay	505,067	457,213	1,878,279	122,338	187,835
Debt service -					
Interest and fiscal charges	402,307	478,444	500,225	547,530	589,747
Principal retirement	1,658,740	1,198,853	1,336,706	1,134,271	1,057,080
Bond issuance costs	321,540				
Total expenditures	<u>\$ 11,916,806</u>	<u>\$ 10,766,551</u>	<u>\$ 12,671,026</u>	<u>\$ 10,753,461</u>	<u>\$ 10,677,706</u>
Expenditures for capitalized assets	\$ 248,940	\$ 145,252	\$ 1,666,126	\$ 35,394	\$ 48,066
Debt service as a percentage of noncapital expenditures	18%	16%	17%	16%	15%

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

(Concluded)

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
OTHER FINANCING SOURCES AND USES AND NET CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Excess (deficiency) of revenues over expenditures	\$ (49,064)	\$ 603,739	\$ (3,961)	\$ (579,026)	\$ (4,331,796)
Other financing sources (uses):					
Transfers in	69,511	26,609	38,474	90,513	42,321
Transfers out	(69,511)	(26,609)	(38,474)	(90,513)	(42,321)
Insurance recoveries			9,074		
Total other financing sources (uses)	9,074		9,074		
Changes in fund balances	\$ (49,064)	\$ 603,739	\$ 5,113	\$ (579,026)	\$ (4,331,796)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Excess (deficiency) of revenues over expenditures	\$ (936,034)	\$ (94,708)	\$ (1,779,663)	\$ (115,485)	\$ 201,812
Other financing sources (uses):					
Refunding bonds issued	6,715,000				
School improvement bonds issued	5,990,000				
Premium on sale of bonds	872,835				
Transfers in	280,151	37,615	103,614	10,926	10,238
Transfers out	(280,151)	(37,615)	(103,614)	(10,926)	(10,238)
Payment to refunded bond escrow agent	(7,140,629)				
Capital lease agreements			1,687,445		
Total other financing sources (uses)	6,437,206		1,687,445		
Changes in fund balances	\$ 5,501,172	\$ (94,708)	\$ (92,218)	\$ (115,485)	\$ 201,812

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NET LIMITED ASSESSED VALUE AND FULL CASH VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 80,661,368	\$ 80,923,994	\$ 79,060,365	\$ 77,010,799	\$ 77,839,751
Agricultural and Vacant	25,085,842	24,940,242	25,448,629	24,837,413	24,227,654
Residential (Owner Occupied)	151,993,049	142,509,134	134,025,807	129,848,512	122,404,265
Residential (Rental)	49,046,518	47,420,501	43,689,742	38,014,349	36,251,662
Railroad, Private Cars and Airlines	651,813	624,800	642,081	637,387	533,583
Historical Property	936,911	886,520	848,807	781,909	713,597
Certain Government Property Improvements	25,497	23,322	22,267	19,749	18,417
Total	\$ 308,400,998	\$ 297,328,513	\$ 283,737,698	\$ 271,150,118	\$ 261,988,929
Gross Full Cash Value	\$ 4,027,133,484	\$ 3,601,881,614	\$ 3,312,240,486	\$ 2,499,692,669	\$ 2,860,249,479
Ratio of Net Limited Assessed Value to Gross Full Cash Value	8%	8%	9%	11%	9%
Total Direct Rate	2.73	2.80	2.90	3.03	2.93

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 76,080,916	\$ 82,359,105	\$ 86,381,835	\$ 98,922,311	\$ 108,506,998
Agricultural and Vacant	26,243,288	25,351,538	29,738,049	36,799,440	50,735,007
Residential (Owner Occupied)	116,314,878	110,849,430	110,922,326	122,015,019	147,945,491
Residential (Rental)	33,179,934	30,892,605	29,118,974	33,639,059	28,577,423
Railroad, Private Cars and Airlines	551,387	564,940	502,959	570,097	659,003
Historical Property	715,008	697,593	660,440	755,480	846,542
Certain Government Property Improvements	14,265	13,217	18,040	15,847	18,388
Total	\$ 253,099,676	\$ 250,728,428	\$ 257,342,623	\$ 292,717,253	\$ 337,288,852
Gross Full Cash Value	\$ 2,486,254,341	\$ 2,190,672,253	\$ 2,198,613,264	\$ 2,449,465,188	\$ 2,800,777,676
Ratio of Net Limited Assessed Value to Gross Full Cash Value	10%	11%	12%	12%	12%
Total Direct Rate	2.96	2.95	2.94	2.67	2.05

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

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

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
NET FULL CASH ASSESSED VALUE OF TAXABLE PROPERTY BY CLASS
LAST TEN FISCAL YEARS

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	\$ 103,696,465	\$ 94,058,932	\$ 92,106,804	\$ 78,616,508	\$ 80,270,978
Agricultural and Vacant	41,644,918	33,897,719	34,030,818	29,240,168	28,478,221
Residential (Owner Occupied)	205,818,372	186,702,252	167,179,382	162,337,560	152,522,707
Residential (Rental)	71,007,492	64,105,908	57,420,354	47,284,784	45,114,277
Railroad, Private Cars and Airlines	662,597	633,738	649,589	644,434	536,652
Historical Property	1,109,087	1,118,313	1,055,490	962,462	924,295
Certain Government Property Improvements	42,666	32,812	33,863	21,388	27,324
Total	\$ 423,981,597	\$ 380,549,674	\$ 352,476,300	\$ 319,107,304	\$ 307,874,454
Gross Full Cash Value	\$ 4,027,133,484	\$ 3,601,881,614	\$ 3,312,240,486	\$ 2,499,692,669	\$ 2,860,249,479
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	13%	11%
Estimated Net Full Cash Value	3,562,787,295	3,210,420,812	2,945,990,148	2,258,888,639	2,586,905,520
Total Direct Rate	2.73	2.80	2.90	3.03	2.93

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	\$ 77,152,497	\$ 82,812,403	\$ 86,539,493	\$ 99,325,550	\$ 110,160,187
Agricultural and Vacant	28,159,028	25,941,985	29,896,385	38,844,903	56,433,010
Residential (Owner Occupied)	132,791,073	111,841,807	110,947,272	122,069,233	148,360,157
Residential (Rental)	37,983,260	31,325,768	29,166,639	33,715,362	28,912,987
Railroad, Private Cars and Airlines	552,270	565,411	503,396	571,157	667,283
Historical Property	813,268	707,493	663,793	755,488	850,828
Certain Government Property Improvements	18,514	13,303	18,737	15,847	18,531
Total	\$ 277,469,910	\$ 253,208,170	\$ 257,735,715	\$ 295,297,540	\$ 345,402,983
Gross Full Cash Value	\$ 2,486,254,341	\$ 2,190,672,253	\$ 2,198,613,264	\$ 2,449,465,188	\$ 2,800,777,676
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	12%	12%	12%	12%
Estimated Net Full Cash Value	2,279,510,456	2,015,286,845	2,017,477,723	2,291,595,828	2,607,955,978
Total Direct Rate	2.96	2.95	2.94	2.67	2.05

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
PROPERTY TAX ASSESSMENT RATIOS
LAST TEN FISCAL YEARS**

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	15	14	15	14

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Commercial, Industrial, Utilities and Mining	19 %	19 %	20 %	20 %	20 %
Agricultural and Vacant	16	16	16	16	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	16	15	15	15

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Overlapping Rates						District Direct Rates		
	State	County	Cottonwood Oak Creek Elem	Clarksdale Jerome #3 Elem	Career Tech	Clarksdale Fire District	Primary	Secondary	Total
	Equalization								
2021	0.44	1.93	2.79	2.41	0.05	3.21	1.86	0.87	2.73
2020	0.46	2.02	2.86	2.44	0.05	3.21	1.92	0.88	2.80
2019	0.47	1.78	3.00	2.47	0.05	3.22	1.98	0.91	2.90
2018	0.49	1.84	3.03	2.56	0.05	3.22	2.08	0.95	3.03
2017	0.50	1.90	3.11	2.56	0.05	3.22	2.02	0.91	2.93
2016	0.51	1.93	3.46	2.68	0.05	3.23	2.16	0.80	2.96
2015	0.51	1.96	2.70	2.63	0.05	3.25	2.17	0.78	2.95
2014	0.51	1.93	2.45	2.42	0.05	3.24	2.17	0.77	2.94
2013	0.47	1.64	2.67	2.62	0.05	2.93	1.93	0.75	2.67
2012	0.43	1.43	2.25	2.32	0.05	2.51	1.88	0.17	2.05

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Taxpayer</u>	<u>2021</u>		<u>2012</u>	
	<u>Net Limited Assessed Valuation</u>	<u>Percentage of District's Net Limited Assessed Valuation</u>	<u>Net Full Cash Assessed Valuation</u>	<u>Percentage of District's Net Full Cash Assessed Valuation</u>
Arizona Public Service Company	\$ 14,663,818	4.75 %	\$ 11,309,759	3.27 %
Phoenix Cement Company	9,116,992	2.96	23,383,157	6.77
Unisource Energy Corporation	3,409,405	1.11	2,788,706	0.81
WalMart Stores Inc.	1,896,454	0.61	1,972,373	0.57
Salt River Pima-Maricopa Indian Comm.	1,529,578	0.50		
GRL Inc.	1,474,262	0.48	1,356,742	0.39
Qwest Corporation	1,215,600	0.39	1,672,011	0.48
Phelps Dodge Corporation	1,065,928	0.35		
GFI Sawmill LLC	966,875	0.31		
Verde Valley Plaza LLC DBA	921,806	0.30		
JP Morgan Chase Bank			1,495,797	0.43
Home Depot USA Inc.			1,471,250	0.43
Granite Cottonwood LLC UI			1,460,311	0.42
PLP Cottonwood LLC			1,272,259	0.37
Total	<u>\$ 36,260,718</u>	<u>11.76 %</u>	<u>\$ 48,182,365</u>	<u>13.94 %</u>

Source: The source of this information is the Yavapai 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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Fiscal Years	Collected to the End of the Current Fiscal Year	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2021	\$ 7,063,703	\$ 6,905,246	97.76 %	\$	\$ 6,905,246	97.76 %
2020	6,947,288	6,759,219	97.29	29,612	6,788,831	97.72
2019	6,951,114	6,823,383	98.16	123,811	6,947,194	99.94
2018	6,399,021	6,308,526	98.59	89,629	6,398,155	99.99
2017	6,526,437	6,388,004	97.88	137,975	6,525,979	99.99
2016	6,525,596	6,372,658	97.66	152,278	6,524,936	99.99
2015	6,322,803	6,180,961	97.76	141,239	6,322,200	99.99
2014	6,558,355	6,387,496	97.39	170,339	6,557,835	99.99
2013	6,766,901	6,588,719	97.37	177,526	6,766,245	99.99
2012	6,522,534	6,210,475	95.22	311,452	6,521,927	99.99

Source: The source of this information is the 2020 Yavapai 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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	General Obligation Bonds					Total Outstanding Debt				
	General Obligation Bonds	Less: Amounts Restricted for Principal	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Capital Leases	Total	Percentage of Estimated Actual Value (Full Cash Value)	Per Capita	Percentage of Personal Income
2021	\$ 6,677,480	\$ 189,484	\$ 6,487,996	0.16 %	\$ 175	\$ 704,938	\$ 7,382,418	0.18 %	\$ 199	0.08 %
2020	8,445,551	184,472	8,261,079	0.23	216	771,045	9,216,596	0.26	241	0.10
2019	10,148,622	194,672	9,953,950	0.30	264	836,072	10,984,694	0.33	292	0.13
2018	11,781,693	225,831	11,555,862	0.46	322	900,038	12,681,731	0.51	354	0.15
2017	13,359,764	481,452	12,878,312	0.45	372	962,959	14,322,723	0.50	413	0.18
2016	14,763,532	367,190	14,396,342	0.58	418	1,024,852	15,788,384	0.64	458	0.23
2015	9,029,891	104,774	8,925,117	0.41	377	1,563,592	10,593,483	0.48	447	0.15
2014	10,120,590	164,880	9,955,710	0.45	423	1,687,445	11,808,035	0.54	502	0.21
2013	12,025,000	202,169	11,822,831	0.48	509	301,706	12,326,706	0.50	530	0.22
2012	12,950,000	20,881	12,929,119	0.46	555	440,977	13,390,977	0.48	575	0.25

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2021**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable to School District</u>	<u>Estimated Amount Applicable to School District</u>
Overlapping:			
Yavapai County Community College District	\$ 10,540,000	11.11 %	\$ 1,170,994
City of Cottonwood	37,396,122	100.00	37,396,122
Cottonwood-Oak Creek Elementary District	12,566,000	100.00	12,566,000
Subtotal, Overlapping Debt			<u>51,133,116</u>
Direct:			
Mingus Union High School District No. 4			<u>7,382,418</u>
Total Direct and Overlapping Governmental Activities Debt			<u>\$ 58,515,534</u>

DIRECT AND OVERLAPPING GENERAL BONDED DEBT RATIOS

Net Direct General Obligation Bonded Debt		
As a Percentage of Net Limited Assessed Valuation		2.10 %
Net Direct and Overlapping General Bonded Debt		
Per Capita	\$ 1,557	
As a Percentage of Net Limited Assessed Valuation		18.68 %
As a Percentage of Gross Full Cash Value		1.43 %

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

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

Net full cash assessed valuation	\$ 423,981,597
Debt limit (10% of assessed value)	42,398,160
Debt applicable to limit	<u>6,295,000</u>
Legal debt margin	<u><u>\$ 36,103,160</u></u>

Total Legal Debt Margin Calculation for Fiscal Year 2021:

Net full cash assessed valuation	\$ 423,981,597
Debt limit (15% of assessed value)	63,597,240
Debt applicable to limit	<u>6,295,000</u>
Legal debt margin	<u><u>\$ 57,302,240</u></u>

Fiscal Year Ended June 30

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Debt Limit	\$ 63,597,240	\$ 57,082,451	\$ 52,871,445	\$ 47,866,096	\$ 46,181,168
Total net debt applicable to limit	<u>6,295,000</u>	<u>7,965,000</u>	<u>9,570,000</u>	<u>11,105,000</u>	<u>12,585,000</u>
Legal debt margin	<u><u>\$ 57,302,240</u></u>	<u><u>\$ 49,117,451</u></u>	<u><u>\$ 43,301,445</u></u>	<u><u>\$ 36,761,096</u></u>	<u><u>\$ 33,596,168</u></u>
Total net debt applicable to the limit as a percentage of debt limit	10%	14%	18%	23%	27%

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Debt Limit	\$ 41,620,487	\$ 37,981,226	\$ 38,660,357	\$ 43,907,588	\$ 51,810,447
Total net debt applicable to limit	<u>13,875,000</u>	<u>8,920,000</u>	<u>10,120,590</u>	<u>12,025,000</u>	<u>12,950,000</u>
Legal debt margin	<u><u>\$ 27,745,487</u></u>	<u><u>\$ 29,061,226</u></u>	<u><u>\$ 28,539,767</u></u>	<u><u>\$ 31,882,588</u></u>	<u><u>\$ 38,860,447</u></u>
Total net debt applicable to the limit as a percentage of debt limit	33%	23%	26%	27%	25%

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
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	236,426	\$ 9,731,391	\$ 41,393	6.1 %	37,008
2019	232,386	9,352,066	40,312	4.0	38,216
2018	228,970	8,532,977	37,398	4.5	37,651
2017	224,363	8,287,072	36,936	4.8	35,858
2016	216,850	7,900,004	35,545	4.9	34,657
2015	214,991	6,987,852	32,503	5.9	34,444
2014	218,844	7,172,392	32,774	6.3	23,680
2013	215,133	5,665,528	26,335	8.6	23,523
2012	212,637	5,534,516	26,028	8.7	23,250
2011	211,888	5,441,284	25,680	10.0	23,308

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.

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND FISCAL YEAR NINE YEARS PRIOR**

<u>Employer</u>	<u>2021</u>		<u>2012</u>	
	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Yavapai County Government	1,650	2.24 %	220	3.56 %
Yavapai Community Hospital Association	1,510	2.05		
Yavapai County Community College District	890	1.21		
Sturm Ruger Company Inc.	800	1.09		
Veterns Health Administration	750	1.02		
United States Postal Service	700	0.95		
Humboldt Unified School District No. 22	690	0.94		
Walmart	670	0.91	200	3.24
Yavapai Regional Medical Center East	660	0.90		
Yavapai Apache Nation	660	0.90		
Verde Valley Medical Center			900	14.57
Cottonwood Oak Creek School District			257	4.16
City of Cottonwood			189	3.06
Fry's			135	2.19
Home Depot			110	1.78
Verde Valley Guidance Clinic			104	1.68
Safeway			98	1.59
Larry Greens			80	1.30
Total	<u>8,980</u>	<u>12.21 %</u>	<u>2,293</u>	<u>37.13 %</u>
Total employment	<u>73,550</u>		<u>6,175</u>	

Source: 2021 Arizona COG/MPO Employer Database, employers with 25 or more employees.
2012 Business Journal Book of Lists.

Note: The information presented above is County-wide.

MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of June 30				
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Supervisory					
Superintendent	1	1	1	1	1
Principals	1	1	1	1	1
Assistant principals	2	2	1	1	2
Total supervisory	<u>4</u>	<u>4</u>	<u>3</u>	<u>3</u>	<u>4</u>
Instruction					
Teachers	61	60	62	58	56
Aides	13	13	15	14	14
Total instruction	<u>74</u>	<u>73</u>	<u>77</u>	<u>72</u>	<u>70</u>
Student Services					
Counselors/Advisors	9	8	7	7	7
Total student services	<u>9</u>	<u>8</u>	<u>7</u>	<u>7</u>	<u>7</u>
Support and Administration					
Clerical workers	11	11	12	12	12
Bus drivers	8	8	8	8	9
Other classified	20	21	24	23	22
Total support and administration	<u>39</u>	<u>40</u>	<u>44</u>	<u>43</u>	<u>43</u>
Total	<u><u>126</u></u>	<u><u>125</u></u>	<u><u>131</u></u>	<u><u>125</u></u>	<u><u>124</u></u>

(Continued)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Supervisory					
Superintendent	1	1	1	1	1
Principals	1	1	1	1	1
Assistant principals	1	1	1	1	1
Total supervisory	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Instruction					
Teachers	57	57	60	58	57
Aides	14	13	13	15	15
Total instruction	<u>71</u>	<u>70</u>	<u>73</u>	<u>73</u>	<u>72</u>
Student Services					
Counselors/Advisors	7	4	4	4	4
Total student services	<u>7</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>
Support and Administration					
Clerical workers	5	5	5	5	5
Bus drivers	18	7	11	11	11
Other classified	6	23	23	23	23
Total support and administration	<u>29</u>	<u>35</u>	<u>39</u>	<u>39</u>	<u>39</u>
Total	<u><u>110</u></u>	<u><u>112</u></u>	<u><u>119</u></u>	<u><u>119</u></u>	<u><u>118</u></u>

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

(Concluded)

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2021	1,151	\$ 10,930,767	\$ 9,497	8.35 %	\$ 13,592,605	\$ 11,809	5.53 %	74	15.6	70.0 %
2020	1,219	10,684,732	8,765	(0.18)	13,640,856	11,190	11.27	73	16.7	70.0
2019	1,187	10,423,417	8,781	9.79	11,937,859	10,057	0.39	77	15.4	65.0
2018	1,180	9,437,597	7,998	(1.34)	11,821,727	10,018	1.34	72	16.4	70.0
2017	1,122	9,095,346	8,106	1.00	11,092,341	9,886	4.34	70	16.0	72.0
2016	1,125	9,029,152	8,026	4.97	10,659,372	9,475	0.45	71	15.8	76.0
2015	1,129	8,632,041	7,646	1.68	10,649,711	9,433	3.70	70	16.1	43.0
2014	1,191	8,955,816	7,520	(2.28)	10,833,219	9,096	(0.92)	73	16.3	49.0
2013	1,163	8,949,322	7,695	(0.63)	10,677,112	9,181	(2.24)	73	15.9	50.6
2012	1,142	8,843,044	7,743	7.81	10,724,551	9,391	(0.28)	72	15.9	50.6

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

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

**MINGUS UNION HIGH SCHOOL DISTRICT NO. 4
CAPITAL ASSETS INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Schools</u>										
<u>High</u>										
Buildings	8	8	8	8	8	8	8	8	8	8
Square feet	186,030	186,030	186,030	186,030	186,030	171,269	171,269	171,269	171,269	171,269
Capacity	1,313	1,313	1,313	1,313	1,313	1,163	1,163	1,163	1,163	1,163
Enrollment	1,189	1,250	1,187	1,180	1,122	1,125	1,129	1,191	1,163	1,142
Garages	1	1	1	1	1	1	1	1	1	1
Buses	20	20	23	23	23	20	18	18	15	15
<u>Athletics</u>										
Football fields	1	1	1	1	1	1	1	1	1	1
Soccer fields	1	1	1	1	1	1	1	1	1	1
Running tracks	1	1	1	1	1	1	1	1	1	1
Baseball/softball	4	4	4	4	4	4	4	4	4	4

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

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