



**Saddle Mountain
Unified School District #90**

**38201 W. Indian School Road
Tonopah, AZ 85354
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**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE
FISCAL YEAR ENDED JUNE 30, 2020**

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**SADDLE MOUNTAIN UNIFIED SCHOOL
DISTRICT NO. 90**

TONOPAH, ARIZONA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE
YEAR ENDED JUNE 30, 2020**

PREPARED BY THE BUSINESS DEPARTMENT

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INTRODUCTORY SECTION

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**Saddle Mountain
Unified School District #90**

February 19, 2021

Governing Board and Citizens of the
Saddle Mountain Unified School District No. 90
38201 W. Indian School Road
Tonopah, Arizona

The Comprehensive Annual Financial Report of Saddle Mountain Unified School District No. 90 (District) for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District and the respective changes in financial position in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, a list of District officials and administrative staff, the District's organizational chart and financial reporting awards. The financial section includes the independent auditors' report on the financial statements and schedules, Management's Discussion and Analysis (MD&A), the basic financial statements and the combining and individual fund statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The District is required to undergo an annual single audit in conformity with 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). Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the single audit report. The single audit report is available for viewing at the District Administration Office.

Accounting principles generally accepted in the United States of America requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. 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.

The financial reporting entity of the District includes all the funds of the primary government. The District's major operations include education, pupil transportation, construction and maintenance of District facilities, food services, bookstore, and athletic functions.

The District is one of 58 public school districts located in Maricopa County, Arizona. It provides a program of public education from pre-kindergarten through grade twelve, with an estimated current enrollment of approximately 2,231 students.

Governing Board

Paul Roetto, President • Dan Blackson, Clerk
Bernadette DeLaCruz, Member • Bonnie Hudson, Member • John Waid, Member

The Saddle Mountain Unified School District No. 90 (SMUSD) is located in both Tonopah and The Town of Buckeye, both rural areas in far west Maricopa County. Tonopah is a census-designated place in western Maricopa County, Arizona, United States, approximately 50 miles west of downtown Phoenix. The community is near the Palo Verde Nuclear Generating Station, the largest power producer in the country, nuclear or otherwise.

ECONOMIC CONDITION AND OUTLOOK

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 economy of the cities of Buckeye, Goodyear and Avondale, and of Maricopa County in general, are recovering from the effects of the recession similar to the rest of the State. The District's rural setting is rapidly changing to that of an urban community. Its local economy is a mixture of farming, commercial enterprises, light manufacturing and food processing. The largest employers are the Palo Verde Nuclear Plant, Wal-Mart, Inc., Liberty Elementary School District No. 25 and Buckeye Elementary School District No. 33. In recent years, the Town of Buckeye had been successful in attracting businesses to locate their retail and warehouse facilities in the city due to the freeway, railroad and airline accessibility.

A few of the major firms represented in the Phoenix metropolitan area include Honeywell International, Inc., Banner Health Systems, Wal-Mart Stores, Inc., Wells Fargo Company and Bashas'. In addition, the metropolitan area provides excellent educational and training opportunities through seven community colleges, four private colleges and graduate schools, and one state university.

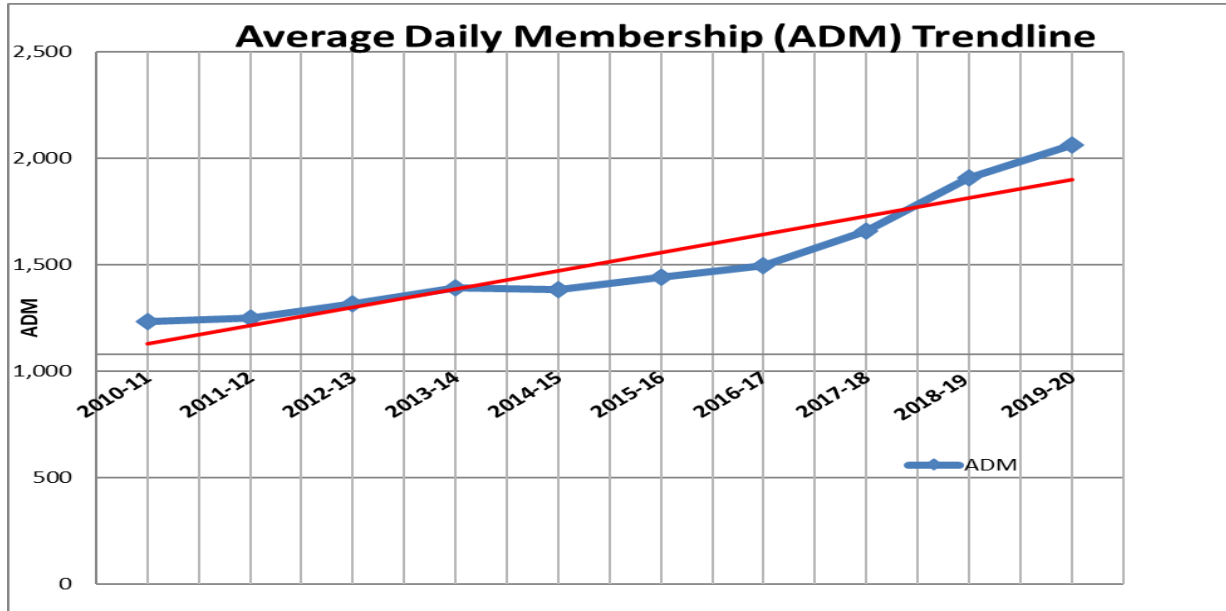
Maricopa County is located in the south-central portion of Arizona and encompasses an area of approximately 9,226 square miles. Its boundaries encompass the cities of Phoenix, Scottsdale, Mesa, Tempe, Glendale, Chandler, and such towns as Gilbert, Paradise Valley and Fountain Hills.

Maricopa County is currently the nation's fourth largest county in terms of population size and the 14th in land area. The County's 2014 population was estimated at 4,008,651 and is expected to reach 6 million by 2030. Maricopa County has a very wide range of economic sectors supporting its potential growth. Maricopa County has frequently enjoyed an unemployment rate that was somewhat lower than the national average.

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

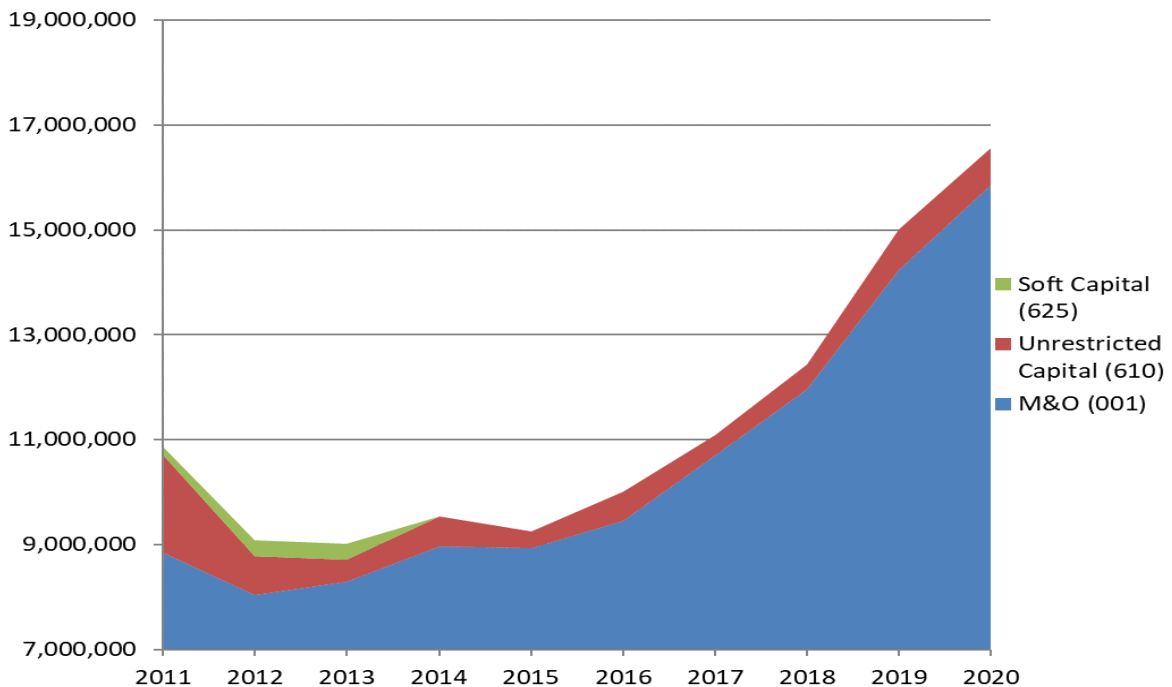
As Maricopa County and the State of Arizona's economy grows and continues to recover from the recession, demand for housing has grown. The housing development and community of Tartesso, located in the eastern boundary of the District, is growing tremendously bringing many new families with school age children into the District and as a result, the District's enrollment has been increasing steadily.

The trend in enrollment is demonstrated in the following graph.



Growth in enrollment combined with additional spending on education by the Arizona Legislature has resulted in significant increases in the Districts Maintenance and Operations budget as can be seen in the graph below which charts budget over a ten-year period ending in June 30, 2020.

Maintenance, Operations and Capital Budget Trendline



MAJOR INITIATIVES

To address the growth in enrollment from 2019 to 2020, the District reconfigured its schools as presented in the table below to better distribute its student count and relieve overcrowding in Tartesso Elementary School, previously serving a K-8 student population. In addition, the District reopened Winters' Well Elementary School which had been idle for several years.

School	Grades Served
Tartesso Elementary School	K-5
Winters' Well Elementary School	K-5
Ruth Fisher Middle School	6-8
Tonopah Valley High School	9-12

The reconfiguration of the existing K-8 schools and reopening of the previously idle Winters Well Elementary addressed existing overcrowding. To address future growth, the Governing Board called for a bond election in November 2019 asking the District's voters to approve the sale of \$47,500,000 in school improvement bonds. The voters did approve the sale which took place and was funded in May 2020. The categories in the table below outline the budget for the bond program with the first three categories addressing growth needs.

New Construction	\$ 37,200,000
Land Acquisition	\$ 1,000,000
Student Transportation Vehicles	\$ 1,550,750
Improvements and Renovations	\$ 7,587,626
Safety, Security & Technology Improvements	\$ 53,165
Bus Barn Upgrades and Improvements	\$ 108,459
	\$ 47,500,000

New construction consists of a second elementary/K-8 school to be built in the Tartesso community and two 10 classroom expansions at Tonopah Valley High School and Winters Well Elementary School. Eight additional school buses were purchased to transport the additional students. The bond program included \$1,000,000 to purchase additional school sites or expand existing campuses.

FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit As a recipient of federal, state, and county financial assistance, the District also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management of the District.

As a part of the District's single audit, described earlier, tests are performed to determine the adequacy of internal controls, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2020 provided no instances of material violations of applicable laws and regulation.

Budgeting Controls In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the District's governing board. Activities of the General Fund, Special Revenue Funds, and Capital Projects Funds are included in the annual budget. The 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. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are re-appropriated as part of the following year's budget. An annual budget of revenues is not prepared.

The District utilizes an incident review of any health or safety violations to improve awareness of factors contributing to injuries. In addition, employees are reminded of safety practices through District wide trainings, monthly emails, and site posters.

OTHER INFORMATION

Independent Audit State statutes require an annual audit by independent certified public accountants. The accounting firm of CliftonLarsonAllen LLP was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and the Uniform Guidance. The auditors' report on the basic financial statements and in-relation to opinion on the combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to internal control and compliance with laws and regulations are in a separate report available at the District.

AWARDS AND ACKNOWLEDGEMENTS

We believe our current CAFR meets the program requirements for the Government Finance Officers Association and will be submitting it to determine its eligibility for the fiscal year 2019-20 certificate.

Acknowledgements The preparation of the CAFR 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.

Sincerely,

Kirk Waddle

Kirk Waddle
Executive Director of Business Services
Saddle Mountain Unified School District #90

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2019**

Governing Board

Mr. John Waid
Governing Board President

Mr. Paul Roetto
Governing Board Clerk

Ms. Bernadette Delacruz
Governing Board Member

Mr. Dan Blackson
Governing Board Member

Ms. Bonnie Hudson
Governing Board Member

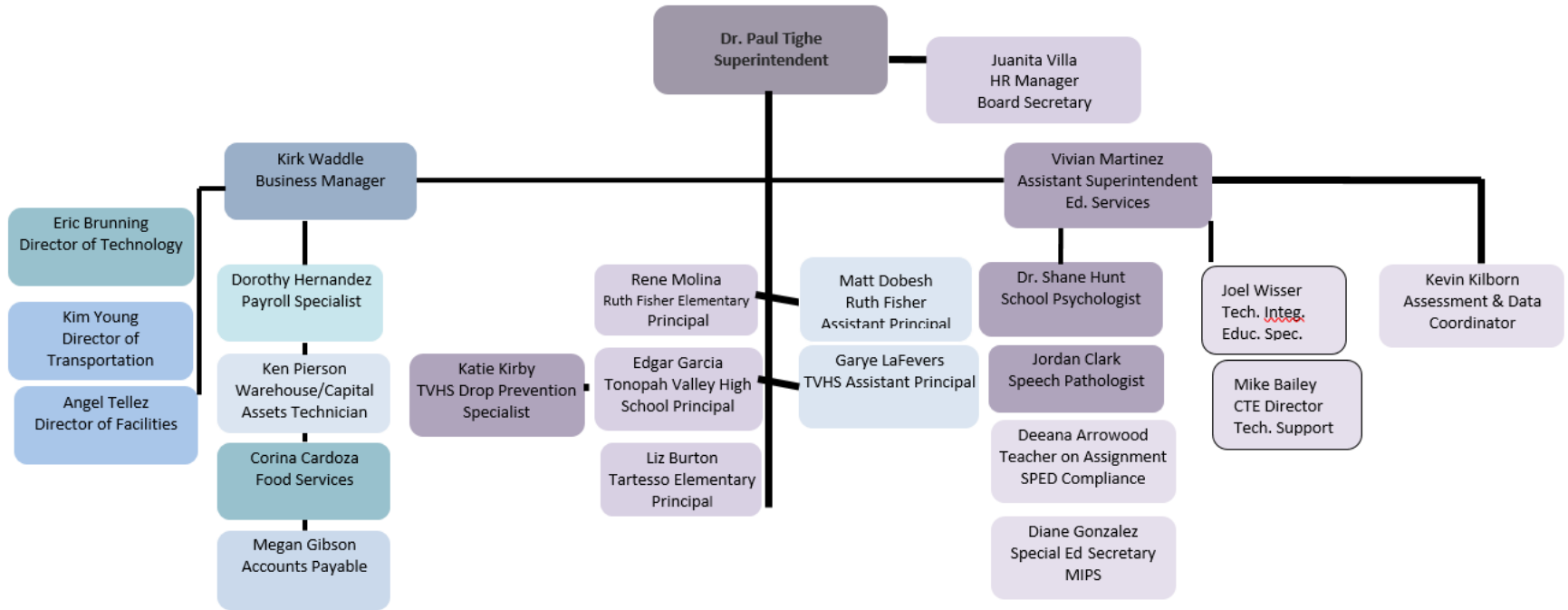
Administrative Staff

Dr. Paul Tighe
Superintendent

Mr. Kirk Waddle
Executive Director of Business
Service

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT #90

ORGANIZATION CHART 2018-2019





**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

**Saddle Mountain
Unified School District No. 90**

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

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



A handwritten signature in black ink, appearing to read 'Tom Wohlleber'.

Tom Wohlleber, CSR
President

A handwritten signature in black ink, appearing to read 'David J. Lewis'.

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Saddle Mountain Unified School District 90
Arizona**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Governing Board
Saddle Mountain Unified School District No. 90
Tonopah, Arizona

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Saddle Mountain Unified School District No. 90 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 Saddle Mountain Unified School District No. 90 as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension schedules, and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, 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 and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Saddle Mountain Unified School District No. 90's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate 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 nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2021, on our consideration of Saddle Mountain Unified School District No. 90'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 result of that testing, and not to provide an opinion on the effectiveness of 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 the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Phoenix, Arizona
February 19, 2021

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**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

As management of the Saddle Mountain Unified School District No. 90 (District), we offer the readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information we presented in our letter of transmittal.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2019-20 fiscal year include the following:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$ 36,319,693 (net position).
- The District's total net position decreased \$1,764,707 in comparison to the prior year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$49,059,530 an increase of \$46,112,365 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,015,927 or 12.2% of total General Fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic 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 statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference being 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 government'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 vacation leave).

The government-wide financial statements present functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are for public education.

The government-wide financial statements can be found immediately following this MD&A.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020

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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary 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 focus on near-term inflows and outflows 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 a government'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 government'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.

The District maintains ten individual governmental funds. 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 Fund, Bond Building Fund, and Debt Service Fund, all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation.

An operating budget for expenditures is prepared and adopted by the District each fiscal year for the General, Special Revenue, Debt Service and Capital Projects Funds. Budgetary control is ultimately exercised at the fund level. Budgetary control is maintained through the use of periodic reports that compare actual expenditures against budgeted amounts. The expenditure budget can be revised annually, per Arizona Revised Statutes. The State of Arizona no longer requires districts to adopt a revenue budget; therefore, a deficit budgeted fund balance is presented in all funds. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The basic governmental fund financial statements can be found on pages 24 – 29 of this report.

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The fiduciary funds are custodial in nature and do not present results of operations or a measurement focus.

The basic Fiduciary Fund financial statement can be found on page 30 of this report.

Notes to the Basic 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 basic financial statements can be found on pages 31–49 of this report.

Required Supplementary Information Other Than MD&A

Governments have the option of presenting budgetary comparison schedules for the General Fund and major Special Revenue Funds as part of the basic financial statements or as required supplementary information other than MD&A. The District has presented the General Fund budgetary comparison schedule as required supplementary information other than the MD&A which can be found on page 52. Additionally, the District is required to disclose certain information about employee pensions as required supplementary information. This information can be found on page 50.

Other Information

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information other than the MD&A. Combining and individual fund statements and schedules can be found on pages 55 – 67 of this report.

The statistical section includes selected financial demographic information, generally presented on a multi-year basis. The statistical section can be found on pages 69 – 97 of this report.

Government-Wide Financial Analysis

As noted earlier, 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 of resources exceeded liabilities and deferred inflows of resources by \$36,319,693 at the close of the most recent fiscal year.

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

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Net Position

A summary of changes in the District's statement of net position is as follows:

**Table A-1
The District's Net Position**

	Governmental Activities as of June 30,		Percent Change
	2020	2019	
Assets:			
Current and Other Assets	\$ 56,414,888	\$ 5,944,715	849.0%
Capital Assets	<u>57,662,200</u>	<u>58,160,911</u>	-0.9%
Total Assets	<u>114,077,088</u>	<u>64,105,626</u>	78.0%
Deferred Outflows of Resources	3,170,212	2,242,124	
Liabilities:			
Noncurrent Liabilities Outstanding	72,876,995	24,146,299	201.8%
Other Liabilities	<u>7,277,567</u>	<u>2,918,731</u>	149.3%
Total Liabilities	<u>80,154,562</u>	<u>27,065,030</u>	196.2%
Deferred Inflows of Resources	773,045	1,198,320	
Net Position:			
Net Investment In Capital Assets	42,931,630	44,275,033	-3.0%
Restricted	1,044,596	921,828	13.3%
Unrestricted	<u>(7,656,533)</u>	<u>(7,112,461)</u>	7.6%
Total Net Position	<u>\$ 36,319,693</u>	<u>\$ 38,084,400</u>	-4.6%

At the end of the current fiscal year, the District was able to report positive balances in two of the three categories of net position.

The restricted net position increased 13.3% in the current year due to carryover balances for food service debt service and other special projects that will be used in future years. The net investment in capital assets reported a decrease over the prior year due to a reduction in outstanding debt and capital asset additions of buildings and new school buses, net of current year depreciation expense.

The negative unrestricted net position reported is attributable to the District's recognition of a net pension liability with the adoption of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* in prior years. The District contributes the actuarially required contributions to its pension obligations and recognizes a liability for its proportionate share of the unfunded pension liability for the Arizona State Retirement System (ASRS) plan to which the District's employees belong. Additional information regarding the District pension plan can be found in Note 3.C.

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Changes in Net Position

Overall, net position decreased \$1,764,707. Key elements of this decrease are presented on the following table and narratives.

**Table A-2
Change in Net Position**

	Governmental Activities for the		Percent Change
	Year Ended June 30,		
	<u>2020</u>	<u>2019</u>	
REVENUES			
Program Revenues:			
Charges for Services	\$ 253,517	\$ 324,841	-22.0%
Operating Grants and Contributions	4,412,521	3,064,011	44.0%
Capital Grants and Contributions	104,645	157,783	-33.7%
General Revenues:			
Property Taxes	18,560,505	15,661,981	18.5%
Grants and Contributions Not Restricted to Specific Programs:			
Additional State Aid	249,231	169,213	47.3%
Investment Earnings	164,174	110,622	48.4%
Other	156,507	194,902	-19.7%
Total Revenues	<u>23,901,100</u>	<u>19,683,353</u>	21.4%
EXPENSES			
Instruction	11,899,302	11,600,263	2.6%
Support Services:			
Students	1,303,552	856,758	52.1%
Instructional Staff	1,043,218	1,363,230	-23.5%
General Administration	411,037	322,601	27.4%
School Administration	1,019,812	725,485	40.6%
Business and Other Support Services	1,785,989	690,330	158.7%
Operation and Maintenance of Plant	3,366,981	2,550,483	32.0%
Student Transportation	2,308,162	1,223,157	88.7%
Operation of Noninstructional Services	1,177,736	1,141,395	3.2%
Interest on Long-term Debt	669,130	595,265	12.4%
Bond Issuance Costs	680,888	-	N/A
Total Expenses	<u>25,665,807</u>	<u>21,068,967</u>	21.8%
CHANGE IN NET POSITION	(1,764,707)	(1,385,614)	27.4%
NET POSITION - BEGINNING OF YEAR	<u>38,084,400</u>	<u>39,470,014</u>	-3.5%
NET POSITION - END OF YEAR	<u>\$ 36,319,693</u>	<u>\$ 38,084,400</u>	-4.6%

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

Program revenues, which consist of charges for services, operating grants and contributions and capital grants and contributions increased from the prior year by \$1,224,048. The most significant increase was in operating grants and contributions due to a \$1.0 million e-rate technology grant. The grant was largely non-capital in nature. Charges for services decreased due to a reduction in services in the last quarter of the year due to the COVID-19 pandemic.

General revenues increased \$2,993,699 during the fiscal year largely due to an increase in property tax revenues, net of a decrease in investment income.

Property tax revenues increased 18.5% or \$2,898,524. The increase was due to an increase in property tax rates and levy in the current year.

Expenses increased 21.8% or \$4,596,840 from the prior year due to a \$1,663,278 increase in pension expense, an increase in full-time equivalents of 24 employees and an increase in salaries and benefits due to current year wage increases.

FINANCIAL ANALYSIS OF THE GOVERNMENT'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 a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$49,059,530 an increase of \$46,112,365 in comparison with the prior year. Approximately 4% of this total amount (\$2,015,927) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is restricted or nonspendable to indicate that it is restricted by parties outside the District or are not available for new spending.

At fiscal year-end June 30, 2020, fund balances were as follows:

**Table A-3
Fund Balances**

Fund	Balance	Increase (Decrease) From 2018-19
General Fund	\$ 2,521,542	\$ 487,778
Bond Building Fund	45,511,461	45,502,540
Debt Service Fund	167,724	38,764
Nonmajor Governmental Funds	858,803	83,283

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

The General Fund increase was mostly due to the increase in property tax revenues net of the increase in expenditures.

The Bond Building Fund increase was due to issuing 2020 school improvement bond.

The increase in the Debt Service Fund was not significant.

The increase in Nonmajor Governmental Funds was not significant.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget totaled \$321,619. Budget amendments were as follows:

- \$161,084 decrease in regular education
- \$122,076 decrease in special education
- \$35,284 decrease in pupil transportation
- \$3,175 decrease in K-3 reading program

Variances from the original budget to the final amended budget were adjusted according to the needs of the various departments, salary changes, retirement changes, and other needs that came up during the fiscal year in addition to adjustments for increasing enrollment.

The most significant variances in the budget to actual amounts during the fiscal year was regular education instruction, operation and maintenance of plant and special education instruction. The variances were due to more or less than budgeted expenditures for personnel. The payroll salaries were allocated to the various functions and subsections based on the greatest needs to be served.

The General Fund budgetary comparison schedule, included in required supplementary information other than the MD&A, provides a reconciliation of the General Fund budgetary comparison schedule to the statement of revenues, expenditures and changes in fund balances because the General Fund budget is based on an internally maintained separate General Fund. Additionally, the budgetary comparison schedule includes prepaid insurance that is budgeted in the year paid, rather than when incurred.

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$57,662,200 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, and furniture, equipment and vehicles. The total net decrease in the District's investment in capital assets for the current fiscal year was 0.9%.

Major capital asset events during the current fiscal year included the following:

- Purchase of three school buses
- Planning and architectural costs on school improvements and a new school facility

**Table A-4
Capital Assets (Net)**

	Governmental Activities	
	2020	2019
Land	\$ 2,097,688	\$ 2,097,688
Construction in Progress	1,164,933	-
Land Improvements	4,291,490	4,640,066
Buildings and Improvements	47,191,626	48,675,748
Furniture, Equipment, and Vehicles	2,916,463	2,747,409
Total Capital Assets, Net	\$ 57,662,200	\$ 58,160,911

Additional information on the District's capital assets can be found in Note 2.A.4. of this report.

Debt Administration

At the end of the current fiscal year, the District had total bonded debt outstanding of \$60.2 million. All this debt is backed by the full faith and credit of the District. The following is a summary the District's June 30, 2020 and 2019 outstanding bonded indebtedness.

	Governmental Activities	
	2020	2019
Bonds Payable	\$ 52,915,000	\$ 13,305,000
Premium on Bonds Payable	7,327,031	589,799
Total Outstanding Debt	\$ 60,242,031	\$ 13,894,799

Additional information on the District's long-term debt can be found in Note 2.D. of this report.

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2020**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Changes in state funding due to changes in the state budget and associated legislation.
- Enrollment growth driven by economic recovery creating the need for school reconfiguration and increased classroom space (additional school facilities and expansion of existing schools).
- Increased staffing needs.
- Increase in Medical Insurance Costs.

All of these factors were considered in preparing the District's budget for the 2021 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Manager, Saddle Mountain Unified School District No. 90, 38201 W. Indian School Road, Tonopah, Arizona 85354 or call (623) 474-5110.

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BASIC FINANCIAL STATEMENTS

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
ASSETS	
Cash and Investments	\$ 8,889,574
Restricted Cash and Investments	45,910,614
Receivables:	
Property Taxes	102,270
Intergovernmental	984,555
Prepays	465,980
Inventory	61,895
Capital Assets:	
Nondepreciable	3,262,621
Depreciable, Net	54,399,579
Total Assets	114,077,088
 DEFERRED OUTFLOWS OF RESOURCES	
Pension Related	3,170,212
 LIABILITIES	
Accounts Payable	677,666
Accrued Wages and Benefits	24,394
Accrued Interest	675,507
Tax Anticipation Notes Payable	4,000,000
Matured Debt Principal Payable	1,900,000
Long-Term Liabilities:	
Due Within One Year	2,634,744
Due in More Than One Year	70,242,251
Total Liabilities	80,154,562
 DEFERRED INFLOWS OF RESOURCES	
Pension Related	773,045
 NET POSITION	
Net Investment in Capital Assets	42,931,630
Restricted for:	
Instructional Improvements	75,526
Classroom Site	375,957
Federal and State Grants	1,195
Food Services	165,081
Debt Service	180,870
Capital Projects	7,041
Noninstructional	18,151
Joint Technological Education Programs	94,235
Other	126,540
Unrestricted	(7,656,533)
Total Net Position	\$ 36,319,693

See accompanying Notes to Basic Financial Statements.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Governmental Activities
Primary Government:					
Governmental Activities:					
Instruction	\$ 11,899,302	\$ 25,435	\$ 1,750,583	\$ 104,645	\$ (10,018,639)
Support Services:					
Students	1,303,552	-	256,860	-	(1,046,692)
Instructional Staff	1,043,218	-	166,172	-	(877,046)
General Administration	411,037	-	670	-	(410,367)
School Administration	1,019,812	-	508	-	(1,019,304)
Business and Other Support Services	1,785,989	-	1,031,191	-	(754,798)
Operation and Maintenance of Plant	3,366,981	-	144,187	-	(3,222,794)
Student Transportation	2,308,162	-	4,266	-	(2,303,896)
Operation of Noninstructional Services	1,177,736	228,082	1,058,084	-	108,430
Interest on Long-Term Debt	669,130	-	-	-	(669,130)
Bond Issuance Costs	680,888	-	-	-	(680,888)
Total	<u>\$ 25,665,807</u>	<u>\$ 253,517</u>	<u>\$ 4,412,521</u>	<u>\$ 104,645</u>	<u>(20,895,124)</u>
General Revenues:					
Property Taxes					18,560,505
Grants and Contributions Not Restricted to Specific Programs					249,231
Additional State Aid					164,174
Investment Earnings					156,507
Other					<u>19,130,417</u>
Total General Revenues					<u>19,130,417</u>
Change in Net Position					<u>(1,764,707)</u>
Net Position - Beginning					<u>38,084,400</u>
Net Position - Ending					<u>\$ 36,319,693</u>

See accompanying Notes to Basic Financial Statements.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

	General	Bond Building	Debt Service
ASSETS			
Cash and Investments	\$ 5,584,947	\$ -	\$ 2,628,751
Restricted Cash and Investments	-	45,910,614	-
Receivables:			
Property Taxes	80,734	-	16,613
Intergovernmental	66,396	-	-
Prepays	465,980	-	-
Inventory	39,635	-	-
Due from Other Funds	686,376	-	-
 Total Assets	 \$ 6,924,068	 \$ 45,910,614	 \$ 2,645,364
 LIABILITIES DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 208,922	\$ 399,153	\$ -
Accrued Wages and Benefits	22,869	-	-
Accrued Interest	111,013	-	564,494
Due to Other Funds	-	-	-
Tax Anticipation Notes Payable	4,000,000	-	-
Matured Debt Principal Payable	-	-	1,900,000
Total Liabilities	4,342,804	399,153	2,464,494
 Deferred Inflows of Resources:			
Unavailable Revenues	59,722	-	13,146
 Fund Balances:			
Nonspendable	505,615	-	-
Restricted	-	45,511,461	167,724
Unassigned	2,015,927	-	-
Total Fund Balances	2,521,542	45,511,461	167,724
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 \$ 6,924,068	 \$ 45,910,614	 \$ 2,645,364

See accompanying Notes to Basic Financial Statements.

Nonmajor Governmental Funds	Totals
\$ 675,876	\$ 8,889,574
-	45,910,614
4,923	102,270
918,159	984,555
-	465,980
22,260	61,895
-	686,376
<u>\$ 1,621,218</u>	<u>\$ 57,101,264</u>

\$ 69,591	\$ 677,666
1,525	24,394
-	675,507
686,376	686,376
-	4,000,000
-	1,900,000
757,492	7,963,943

4,923	77,791
22,260	527,875
836,543	46,515,728
-	2,015,927
858,803	49,059,530

<u>\$ 1,621,218</u>	<u>\$ 57,101,264</u>
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**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

Total Fund Balances for Governmental Funds \$ 49,059,530

Total net position reported for governmental activities in the statement of net position is different because:

Revenues not collected within 60 days subsequent to fiscal year-end are reported as deferred inflows of resources in the governmental funds.

Property Taxes 77,791

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

Governmental Capital Assets	87,220,588
Less: Accumulated Depreciation	<u>(29,558,388)</u>
Capital Assets Used in Governmental Activities	57,662,200

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

Deferred Outflows of Resources Related to Pensions	3,170,212
Deferred Inflows of Resources Related to Pensions	<u>(773,045)</u>
Total	2,397,167

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

General Obligation Bonds	(52,915,000)
Net Pension Liability	(12,371,399)
Unamortized Premium on Bonds	(7,327,031)
Compensated Absences	<u>(263,565)</u>

Total Net Position of Governmental Activities \$ 36,319,693

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020

	General	Bond Building	Debt Service
REVENUES			
Property Taxes	\$ 16,159,393	\$ -	\$ 2,402,098
Intergovernmental	677,963	-	-
Food Service Sales	-	-	-
Auxiliary Operations	93,663	-	-
Contributions and Donations	13,443	-	-
Investment Earnings	66,493	-	84,637
Other	2,194	-	-
Total Revenues	17,013,149	-	2,486,735
EXPENDITURES			
Current:			
Instruction	8,975,804	-	-
Support Services:			
Students	1,033,121	-	-
Instructional Staff	853,865	-	-
General Administration	365,747	-	-
School Administration	904,957	7,427	-
Business and Other Support Services	593,990	-	-
Operations and Maintenance of Plant	2,860,410	5,318	-
Student Transportation	882,973	764,967	-
Operation of Noninstructional Services	15,448	-	-
Debt Service:			
Principal Retirement	-	-	1,900,000
Interest on Long-Term Debt	-	-	838,229
Issuance Costs	-	680,386	502
Facilities Acquisition	51,569	1,164,933	-
Total Expenditures	16,537,884	2,623,031	2,738,731
Excess (Deficiency) of Revenue Over Expenditures	475,265	(2,623,031)	(251,996)
OTHER FINANCING SOURCES (USES)			
Transfers In	8,128	-	-
Transfers Out	-	-	-
Issuance of Long-Term Debt	-	41,510,000	-
Premium on Issuance of Long-Term Debt	-	6,615,571	290,760
Total Other Financing Sources (Uses)	8,128	48,125,571	290,760
NET CHANGE IN FUND BALANCES	483,393	45,502,540	38,764
FUND BALANCES			
Beginning of Year	2,033,764	8,921	128,960
Increase (Decrease) in Nonspendable for Inventories	4,385	-	-
End of Year	\$ 2,521,542	\$ 45,511,461	\$ 167,724

See accompanying Notes to Basic Financial Statements.

Nonmajor Governmental		
Funds	Totals	
\$ 42	\$ 18,561,533	
4,045,109	4,723,072	
134,419	134,419	
-	93,663	
29,882	43,325	
13,044	164,174	
179,748	181,942	
<u>4,402,244</u>	<u>23,902,128</u>	
1,439,174	10,414,978	
224,763	1,257,884	
162,023	1,015,888	
4,700	370,447	
3,117	915,501	
1,061,945	1,655,935	
262,227	3,127,955	
-	1,647,940	
1,160,486	1,175,934	
-	1,900,000	
-	838,229	
-	680,888	
-	1,216,502	
<u>4,318,435</u>	<u>26,218,081</u>	
83,809	(2,315,953)	
-	8,128	
(8,128)	(8,128)	
-	41,510,000	
-	6,906,331	
<u>(8,128)</u>	<u>48,416,331</u>	
75,681	46,100,378	
775,520	2,947,165	
7,602	11,987	
<u>\$ 858,803</u>	<u>\$ 49,059,530</u>	

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ 46,100,378

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Expenditures for Capital Assets	2,288,878
Less: Current Year Depreciation	(2,468,904)
Excess Depreciation over Capital Expenditures	(180,026)

The statement of activities reports losses arising from the disposal of existing capital assets. Conversely, governmental funds do not report any gain or loss on disposals of capital assets.

(318,685)

Some revenues reported in the governmental funds that did not provide current financial resources in prior years have been recognized previously in the statement of activities and, therefore, are not reported as revenues in the statement of activities.

Property Taxes	(1,028)
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The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position.

Principal Payments on Bonds	1,900,000
Issuance of Long-Term Debt	(41,510,000)
Premium on Issuance of Long-Term Debt	(6,906,331)
Amortization of Premium on Bonds	169,099

Governmental funds report District pension contributions as expenditures when made. However, in the statement of activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions, and the investment experience.

Pension Contributions	1,197,219
Pension Expense	(2,196,103)

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 the governmental funds.

Net Change in Compensated Absences	(31,217)
Change in Inventory Balances	11,987

Change in Net Position of Governmental Activities	\$ (1,764,707)
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SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2020

	<u>Student Activities</u>
ASSETS	
Cash and Investments	<u>\$ 79,944</u>
LIABILITIES	
Due to Student Groups	<u>\$ 79,944</u>

See accompanying Notes to Basic Financial Statements.

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NOTES TO BASIC FINANCIAL STATEMENTS

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SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Saddle Mountain Unified School District No. 90 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the District's more significant accounting policies follows.

A. Reporting Entity

The District is a special purpose government that is governed by a separately elected governing body. It is legally separate from and fiscally independent of other state and local governments. In evaluating how to define the District, for financial reporting purposes, management has identified no potential component units. The decision to include a potential component unit in the reporting entity would have been made by applying criteria set forth in accounting principles generally accepted in the United States of America. Generally, component units are legally separate organizations for which the elected officials of the primary government (i.e., the District) are financially accountable. The primary government is financially accountable for a potential component unit if it: appoints a voting majority of the potential component unit's governing body; and, either is able to impose its will on the potential component unit or there is a possibility of the potential component unit to provide specific financial benefits to, or impose specific financial burdens on the primary government. In addition, a primary government may be financially accountable for a potential component unit even though the potential component unit may have a separately elected governing board, a board appointed by another government, or a jointly appointed board if the potential component unit is fiscally dependent on the primary government (e.g., the primary government must approve the potential component unit's budget, tax rates, etc.). Because no potential component units were identified in defining the District's reporting entity, none have been included in the District's reporting entity. Consequently, the District's financial statements present only the funds of those organizational entities for which its elected governing board is financially accountable.

B. Government-Wide and Fund Financial Statements

The government wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues, are reported separately from *business type activities*, which rely to a significant extent on fees and charges for support. The District had no business type activities during the fiscal year.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

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 and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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 provider have been met.

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, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of long-term principal and interest due early in the following year (within one month), the expenditures and related liabilities have been recognized in the Debt Service Fund.

Property taxes, intergovernmental grants and aid, tuition, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The District reports the following major governmental funds:

Major Governmental Funds

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. It is described as the Maintenance and Operation Fund by Arizona Revised Statutes (A.R.S.) and is budgeted within four subsections titled regular education programs, special education programs, pupil transportation, and K-3 Reading Program.

The *Bond Building Fund* is a capital projects fund used to account for monies received from District bond issues that are used to acquire sites, construct school buildings, supply school buildings with furniture and apparatus, improve school grounds, and purchase pupil transportation vehicles.

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

Additionally, the District reports the following fund type:

The *Agency Fund* is custodial in nature and does not present results of operations or a measurement focus and is described as follows:

The Student Activities Fund accounts for monies raised by students to finance student clubs and organizations but held by the District as an agent.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

1. Deposits and Investments

The District's cash and investments are considered to be cash on hand, demand deposits and cash and investments held by the County Treasurer.

A.R.S. requires the District to deposit certain cash with the County Treasurer. That cash is pooled for investment purposes, except for cash in the Debt Service and Bond Building Funds, which is invested separately. As required by statute, interest earned by the Debt Service and Bond Building Funds is recorded in the Debt Service Fund.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

1. Deposits and Investments (Continued)

A.R.S. authorize the District to invest public monies in the State and County Treasurer's investment pools; U.S. Treasury obligations; specified state and local government bonds; and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories. District deposits in excess of federal depository insurance amounts are required to be collateralized at 102% of the balance.

The State Board of Investments provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. No comparable oversight is provided for the County Treasurer's investment pool, and that pool's structure does not provide for shares.

2. Restricted Cash and Investments

Cash and investments recorded in the Bond Building Fund are reported as restricted assets because the cash is restricted for purposes authorized by the voters when the bond issue was approved.

3. Property Taxes Receivable

The Maricopa 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. However, a lien against real and personal property assessed attaches on the first day of January preceding assessment and levy thereof.

4. Intergovernmental Receivable

Intergovernmental receivables account for additional state aid (\$66,396), federal grants (\$818,813), and state grants and aid (\$99,346) earned, but not yet received at year-end.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

5. Short-Term Interfund Receivables/Payables

During the course of operations, individual funds within the District's pooled cash accounts may borrow money from the other funds within the pool on a short-term basis. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

6. Inventories and Prepays

Inventories consist of expendable supplies held for consumption. Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental activities are recorded as expenses when consumed and are recorded as an expenditure at the time of purchase in the fund financial statements.

Prepays are reported as an asset and represent a benefit that will be received in a future period. The expense/expenditure is recognized at the time the benefit is received in both the government-wide and fund financial statements.

7. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, and furniture, equipment, and vehicles, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

Buildings and Improvements	20 to 50 Years
Land Improvements	20 Years
Furniture, Equipment, and Vehicles	5 to 25 Years

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

8. Deferred Outflows of Resources

The deferred outflows of resources reported in the government-wide financial statements, represent future outflows related to the difference between expected and actual experience on pension plan investments, changes in the difference between the District's proportion of the pension contribution and actual contributions and contributions subsequent to the measurement date.

9. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated leave balances. The liability was calculated using the vesting method, which includes leave amounts for both employees who currently are eligible to receive termination payments and employees who are expected to become eligible in the future to receive such payments upon termination.

10. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are amortized over the term of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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 are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

11. Pension Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Arizona State Retirement System (ASRS) and additions to/deductions from ASRS's fiduciary net position have been determined on the same basis as they are reported by ASRS. 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.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

12. Deferred Inflows of Resources

The deferred inflows of resources reported in the governmental fund financial statements represent resources that are not available to the District as of June 30, 2020 or within 60 days of fiscal year-end. The deferred inflows of resources represent a reconciling item between the governmental fund financial statements and the government-wide financial statements.

The District also recognizes the acquisition of net position that is applicable to a future reporting period as deferred inflows of resources. Reported amounts in the governmental activities are the net difference between projected and actual earnings on pension plan investments.

13. Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. The net investment in capital assets is separately reported because the District reports all District assets which make up a significant portion of total net position. Restricted net position accounts for the portion of net position restricted by parties outside the District. Unrestricted net position is the remaining net position not included in the previous two categories.

The District reports \$1,044,596 of restricted net position, none of which is restricted by enabling legislation.

14. Fund Balances

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, committed, assigned, and unassigned fund balances.

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

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (Continued)

14. Fund Balances (Continued)

Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations. Committed fund balances are self-imposed limitations approved by the District's Governing Board, which is the highest level of decision-making authority within the District. Only the Governing Board can remove or change the constraints placed on committed fund balances. Commitments must be made prior to the end of the fiscal year through formal board action. Assigned fund balances are resources constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The Governing Board has not authorized an individual or a group of individuals to make assignments of fund balances.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

When an expenditure is incurred that can be paid from either restricted, committed, assigned or unassigned fund balances, it is the District's policy to use restricted fund balance first, then committed, assigned and unassigned amounts.

The District has classified its fund balances as follows:

	General Fund	Bond Building Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 39,635	\$ -	\$ -	\$ 22,260	\$ 61,895
Prepaid Items	465,980	-	-	-	465,980
Restricted:					
Classroom Site	-	-	-	375,957	375,957
Instructional Improvement	-	-	-	75,526	75,526
Federal and State Grants	-	-	-	1,195	1,195
Food Service	-	-	-	142,821	142,821
Other Special Revenues:					
Civic Center	-	-	-	18,151	18,151
Extracurricular Tax Credit	-	-	-	62,122	62,122
JTED Programs	-	-	-	94,235	94,235
Other	-	-	-	64,418	64,418
Capital Projects	-	45,511,461	-	2,118	45,513,579
Debt Service	-	-	167,724	-	167,724
Unassigned	<u>2,015,927</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,015,927</u>
Total Fund Balance	<u>\$ 2,521,542</u>	<u>\$ 45,511,461</u>	<u>\$ 167,724</u>	<u>\$ 858,803</u>	<u>\$ 49,059,530</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 DETAILED NOTES ON ALL FUNDS

A. Assets

1. Deposits and Investments

Deposits and investments at June 30, 2020 consist of the following:

Deposits:	
Cash in Bank	\$ 283,714
Investments:	
Cash on Deposit with County Treasurer	54,596,418
Total Deposits and Investments	54,880,132
Less:	
Restricted Assets	(45,910,614)
Fiduciary Funds	(79,944)
Total Cash and Investments	\$ 8,889,574

Deposits

Custodial Credit Risk – This is the risk that, in the event of a failure by a counterparty, the District will not be able to recover its deposits or collateralized securities that are in the possession of an outside party. The District does not have a formal policy regarding custodial credit risk; however the carrying value of the District’s deposits at June 30, 2020 was \$283,714 and the bank balance was \$483,388, of which \$250,000 was covered by federal depository insurance and \$233,388 was uninsured and uncollateralized at June 30, 2020.

Investments

At June 30, 2020, the District’s investments were reported at fair value. The District’s investment consisted of only cash on deposit with the County Treasurer.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the counterparty’s failure, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have an investment policy with respect to custodial credit risk. The District’s investment with the County Treasurer represents a proportionate interest in that pool’s portfolio; however, the District’s portion is not identified with specific investments and is not subject to custodial credit risk.

Interest Rate Risk – The District does not have an investment policy with regard to interest rate risk. The District manages its exposure to declines in fair values by limiting its investments to one year or less.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

1. Deposits and Investments (Continued)

Investments (Continued)

Credit Risk – The District does not have an investment policy with respect to credit risk, however, the District is prohibited by State law from investing in investments other than the State or County Treasurer’s investment pools, U.S. treasury obligations, specified state and local government bonds and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements. The District’s cash on deposit with the County Treasurer did not receive a quality credit rating from a national credit rating agency.

Concentration of Credit Risk – The District does not have an investment policy with respect to concentration of credit risk. The District’s investments consist only of cash and investments on deposit with the County Treasurer.

2. Restricted Cash and Investments

Cash and investments recorded in the Bond Building Fund in the amount of \$45,910,614 are restricted for voter approved capital projects.

3. Receivables

Property taxes are recognized as revenues in the fiscal year they are levied in the government-wide financial statements and represent a reconciling item between the government-wide and fund financial statements. In the fund financial statements, property taxes are recognized as revenues in the fiscal year they are levied and collected or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end or collected in advance of the fiscal year for which they are levied are reported as deferred inflows of resources.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also record unearned revenue in connection with resources that have been received, but not yet earned. At June 30, 2020, the various components of the deferred inflows of resources reported in the governmental funds were as follows:

	Unavailable
Delinquent Property Taxes Receivable:	
General Fund	\$ 59,722
Debt Service Fund	13,146
Nonmajor Governmental Funds	4,923
Total	\$ 77,791

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Assets (Continued)

4. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,097,688	\$ -	\$ -	\$ 2,097,688
Construction in Progress	-	1,164,933	-	1,164,933
Total Capital Assets, Not Being Depreciated	<u>2,097,688</u>	<u>1,164,933</u>	<u>-</u>	<u>3,262,621</u>
Capital Assets, Being Depreciated:				
Land Improvements	6,880,844	-	-	6,880,844
Buildings and Improvements	69,476,208	46,728	-	69,522,936
Furniture, Equipment, and Vehicles	7,195,372	1,077,217	(718,402)	7,554,187
Total Capital Assets, Being Depreciated	<u>83,552,424</u>	<u>1,123,945</u>	<u>(718,402)</u>	<u>83,957,967</u>
Accumulated Depreciation for:				
Land Improvements	(2,240,778)	(348,576)		(2,589,354)
Buildings and Improvements	(20,800,460)	(1,530,850)		(22,331,310)
Furniture, Equipment, and Vehicles	(4,447,963)	(589,478)	399,717	(4,637,724)
Total Accumulated Depreciation	<u>(27,489,201)</u>	<u>(2,468,904)</u>	<u>399,717</u>	<u>(29,558,388)</u>
Total Capital Assets, Being Depreciated, Net	<u>56,063,223</u>	<u>(1,344,959)</u>	<u>(318,685)</u>	<u>54,399,579</u>
Governmental Activities Capital Assets, Net	<u>\$ 58,160,911</u>	<u>\$ (180,026)</u>	<u>\$ (318,685)</u>	<u>\$ 57,662,200</u>

Depreciation expense was charged to functions/programs as follows:

Governmental Activities:	
Instruction	\$ 1,812,870
Support Services:	
Students	3,640
Instructional Support Staff	15,881
General Administration	-
School Administration	6,827
Business and Other Support Services	37,201
Operations and Maintenance of Plant	192,060
Student Transportation	387,237
Operation of Noninstructional Services	13,188
Total	<u>\$ 2,468,904</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Interfund Receivables/Payables and Transfers

As of June 30, 2020 interfund receivable and payables were as follows:

Due To	Due From Nonmajor Governmental Funds
General Fund	\$ 686,376

The above interfund receivables and payables are due to cash shortfalls at June 30, 2020. Cash was received subsequent to June 30, 2020 to repay the short-term borrowings.

Interfund transfers for the year ended June 30, 2020 consisted of the following:

Transfers To	Transfers From Nonmajor Governmental Funds
General Fund	\$ 8,128

Transfers from the Nonmajor Governmental Funds to the General Fund were recorded to allocate indirect costs for various federal grants passed through the Arizona Department of Education.

C. Short-Term Obligations

The District issued tax anticipation notes at the beginning of the fiscal year for cash flow purposes. The tax anticipation notes are short-term in nature and due within one year of issuance. Activity during the year was as follows:

	July 1, 2019	Additions	Retirements	June 30, 2020
Governmental Activities:				
Tax Anticipation Notes Payable	\$ -	\$ 4,000,000	\$ -	\$ 4,000,000

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations

The District has long-term bonds payable issued to provide funds for the acquisition and construction of major capital facilities. The principal and interest paid on the bonds are recorded in the Debt Service Fund. Compensated absences are paid by the applicable fund where each employee is regularly paid, primarily the General Fund.

On May 7, 2020, the District issued \$41,510,000 of School Improvement Bonds, Series 2020 to provide funds for the construction of school projects and to pay related bond issue costs. The issuance yielded \$41,316,331 of net bond proceeds, including a bond premium of \$6,906,331, less bond issue costs of \$682,405.

General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates (%)	Maturity Dates	Original Issue Amounts	Amount Outstanding
School Improvement Bonds Project of				
2009, Series B	4.50-5.50%	7/1/20-25	\$ 10,000,000	\$ 5,220,000
2013, Series B	2-5%	7/1/20-29	15,000,000	6,185,000
2020, Series	2-5%	7/1/21-35	<u>41,510,000</u>	<u>41,510,000</u>
Total General Obligation Bonds Payable			<u>\$ 66,510,000</u>	<u>\$ 52,915,000</u>

Changes in long-term obligations for the year ended June 30, 2020 are as follows:

	July 1, 2019	Additions	Retirements	June 30, 2020	Due within One Year
Governmental Activities:					
General Obligation Bonds	\$ 13,305,000	\$ 41,510,000	\$ (1,900,000)	\$ 52,915,000	\$ 2,525,000
Deferred Amount On:					
Premium	<u>589,799</u>	<u>6,906,331</u>	<u>(169,099)</u>	<u>7,327,031</u>	<u>-</u>
	13,894,799	48,416,331	(2,069,099)	60,242,031	2,525,000
Compensated Absences	232,348	163,706	(132,489)	263,565	109,744
Net Pension Liability	<u>10,019,152</u>	<u>2,352,247</u>	<u>-</u>	<u>12,371,399</u>	<u>-</u>
Governmental Activities Long-Term Debt	<u>\$ 24,146,299</u>	<u>\$ 50,932,284</u>	<u>\$ (2,201,588)</u>	<u>\$ 72,876,995</u>	<u>\$ 2,634,744</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Long-Term Obligations (Continued)

The following table summarizes the District's debt service requirements on long-term bonds to maturity at June 30, 2020.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 2,525,000	\$ 498,349
2022	2,625,000	498,349
2023	2,740,000	498,349
2025	2,870,000	498,349
2026	3,000,000	498,349
2027-2031	17,295,000	2,347,808
2032-2035	21,860,000	2,158,228
Totals	<u>\$ 52,915,000</u>	<u>\$ 6,997,781</u>

NOTE 3 OTHER INFORMATION

A. 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's insurance protection is provided by the Arizona School Risk Retention Trust, of which the District is a participating member. The limit for basic coverage is \$10 million per occurrence on a claims made basis. Excess coverage is for an additional \$50 million per occurrence on a follow form, claims made basis.

The Arizona School Risk Retention Trust is structured such that member premiums are based on an actuarial review that will provide adequate reserves to allow the pool to meet its expected financial obligations. The pool has the authority to assess its member's additional premiums should reserves and annual premiums be insufficient to meet the pool's obligations.

B. Contingencies

Ground Lease

In October 2005, the District executed a ground lease for the Winter's Well school site. The District granted a leasehold interest in a parcel of property to a bank (Trustee). The Trustee, in turn, leased the property to the Arizona School Facilities Board (SFB) by which the SFB is obligated to make lease payments to the Trustee, subject to receiving legislative appropriations, until the obligation to the Trustee is satisfied. Once the obligation to the Trustee is satisfied, all rights, title, and interest in the property (land and buildings) become the District's. However, if legislative appropriations are not received, the SFB is relieved of any subsequent obligation under the lease and the obligation is considered in default. In the event of default, the leases shall automatically terminate and the District agrees that it shall promptly surrender possession of the property to the Trustee. Due to the closing of Winter's Well School, the value of the land has been removed from the District's capital assets.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Retirement Plans

Cost-Sharing Pension Plans

The District contributes to the Arizona State Retirement System (ASRS). The plan is a component unit of the State of Arizona.

At June 30, 2020, the District reported the following related to pensions to which it contributes:

Statement of Net Position and Statement of Activities	Governmental Activities
Net Pension Liability	\$ 12,371,399
Deferred Outflows of Resources	3,170,212
Deferred Inflows of Resources	773,045
Pension Expense	2,196,103

Arizona State Retirement System

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); 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. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its website at www.azasrs.gov.

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	Sum of years and age equals 80	30 years age 55
and Age Required	10 years age 62	25 years age 60
to Receive Benefit	5 year age 50*	10 years age 62
	any years age 65	5 years age 50*
		any years age 65
Final Average Salary is Based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit Percentage Per Year of Service	2.1% to 2.3%	2.1% to 2.3%

* With actuarially reduced benefits

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Retirement Plans (Continued)

Arizona State Retirement System (Continued)

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 year ended June 30, 2020, active ASRS members were required by statute to contribute at the actuarially determined rate of 11.94% of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 11.45% of the active members' annual covered payroll.

In addition, the District was required by statute to contribute at the actuarially determined rate of 10.29% of annual covered payroll of retired members who worked for the District in positions that would typically be filled by an employee who contributes to the ASRS.

The District's contributions to the pension plan for the year ended June 30, 2020 were \$1,197,219.

During the fiscal year ended June 30, 2020, the District paid for ASRS contributions as follows: 87% from the General Fund and 13% from the nonmajor governmental funds.

Pension Liability – The net asset and net liabilities were measured as of June 30, 2019. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019. The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2019, and the change from its proportions measured as of June 30, 2018. The District's proportion measured as of June 30, 2019, was 0.08502%, which was a decrease of 0.0013 from its proportion measured as of June 30, 2018.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Retirement Plans (Continued)

Arizona State Retirement System (Continued)

Pension Expense and Deferred Outflows/Inflows of Resources – For the year ended June 30, 2020, the District recognized pension expense for ASRS of \$2,196,103. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 223,493	\$ 2,326
Changes of Assumptions or Other Inputs	52,294	492,653
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	278,066
Changes in Proportion and Differences between District Contributions and Proportionate Share of Contributions	1,697,206	-
Contributions Subsequent to the Measurement Date	1,197,219	-
Total	<u>\$ 3,170,212</u>	<u>\$ 773,045</u>

The \$1,197,219 reported as deferred outflows of resources related to ASRS pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2021	\$ 901,829
2022	277,046
2023	(53,401)
2024	74,474

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

Actuarial Valuation Date	June 30, 2018
Actuarial Roll Forward Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Discount Rate	7.50%
Projected Salary Increases	2.7 - 7.2%
Inflation	2.30%
Permanent Benefit Increase	Included
Mortality Rates	2017 SRA Scale U-MP

Actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial study for the five-year period ended June 30, 2016.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Retirement Plans (Continued)

Arizona State Retirement System (Continued)

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.50% using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan 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 and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Equity	50.00%	6.09%
Credit	20.00%	5.36%
Interest Rate Sensitive Bonds	10.00%	1.62%
Real Estate	20.00%	5.85%
Total	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the ASRS total pension liability was 7.50%. 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 statutes. 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 plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the ASRS Net Pension Liability to Changes in the Discount Rate – The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate.

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
The District's Proportionate Share of the Net Pension Liability	<u>\$ 17,607,367</u>	<u>\$ 12,371,399</u>	<u>\$ 7,995,478</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 OTHER INFORMATION (CONTINUED)

C. Retirement Plans (Continued)

Arizona State Retirement System (Continued)

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report.

Contributions Payable – The District’s accrued payroll and employee benefits included \$0 of outstanding pension contributions payable to ASRS for the year ended June 30, 2020.

D. Subsequent Event

In July 2020, the District issued \$4,000,000 in tax anticipation notes to cover short-term financing for operations. The tax anticipation notes will be repaid by property taxes and equalization revenues received during fiscal year 2020-21.

E. Uncertainties

The spread of novel strain of coronavirus (COVID-19) in 2020 has caused significant volatility in U.S. markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19, as well as its impact on the U.S. economy. The extent of the impact of COVID-19 on the District’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and the impact on schools, employees and vendors, all of which are uncertain and cannot be determined at this time.

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REQUIRED SUPPLEMENTARY INFORMATION

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND DISTRICT PENSION CONTRIBUTIONS
COST SHARING PENSION PLANS
LAST TEN YEARS**

Schedule of the District's Proportionate Share of the Net Pension Liability	Reporting Year (Measurement Date)		
	2020	2019	2018
	(2019)	(2018)	(2017)
District's Proportion of the Net Pension Liability	0.085020%	0.071840%	0.064080%
District's Proportionate Share of the Net Pension Liability	\$ 12,371,399	\$ 10,019,152	\$ 9,982,415
District's Covered Payroll	8,176,017	7,273,628	6,417,105
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	151.31%	137.75%	155.56%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.24%	73.40%	69.92%

Schedule of District Pension Contributions

	2020	2019	2018
Statutorily Required Contribution	\$ 1,197,219	\$ 826,631	\$ 770,572
District's Contributions in Relation to the Statutorily Required Contribution	<u>1,197,219</u>	<u>826,631</u>	<u>770,572</u>
District's Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 10,785,206	\$ 8,176,017	\$ 7,273,628
District's Contributions as a Percentage of Covered Payroll	11.10%	10.11%	10.59%

See accompanying notes to Required Supplementary Information.

Reporting Year (Measurement Date)			
2017 (2016)	2016 (2015)	2015 (2014)	2014 (2013)
0.063060%	0.064400%	0.063921%	0.061197%
\$ 10,178,517	\$ 10,031,509	\$ 9,458,122	\$ 10,173,554
5,995,907	6,126,133	6,124,483	5,678,817
169.76%	163.75%	154.43%	179.15%
67.06%	68.35%	69.49%	Not Available
<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 673,756	\$ 643,173	\$ 643,591	\$ 616,536
<u>673,756</u>	<u>643,173</u>	<u>643,591</u>	<u>616,536</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 6,417,105	\$ 5,995,907	\$ 6,126,133	\$ 6,124,843
10.50%	10.73%	10.51%	10.07%

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (BUDGETARY BASIS)
JUNE 30, 2020

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
REVENUES				
Property Taxes	\$ -	\$ -	\$ 15,470,278	\$ 15,470,278
Intergovernmental	-	-	335,547	335,547
Investment Earnings	-	-	54,082	54,082
Other	-	-	2,023	2,023
Total Revenues	-	-	15,861,930	15,861,930
EXPENDITURES				
Regular Education:				
Instruction	6,790,506	6,654,029	5,486,493	1,167,536
Support Services - Students	236,622	227,409	230,485	(3,076)
Support Services - Instructional Staff	258,874	251,256	499,882	(248,626)
Support Services - General Administration	304,261	294,218	325,386	(31,168)
Support Services - School Administration	965,478	920,705	899,286	21,419
Support Services - Business and Other	546,606	529,631	558,494	(28,863)
Operations and Maintenance of Plant	2,509,789	2,573,804	2,059,556	514,248
Operation of Noninstructional Services	11,290	11,290	11,266	24
Total Regular Education	11,623,426	11,462,342	10,070,848	1,391,494
Special Education:				
Instruction	2,680,588	2,588,562	2,901,157	(312,595)
Support Services - Students	655,049	634,191	767,697	(133,506)
Support Services - Instructional Staff	220,584	211,392	236,300	(24,908)
Total Special Education	3,556,221	3,434,145	3,905,154	(471,009)
Pupil Transportation:				
Student Transportation Services	929,616	894,332	866,197	28,135
K-3 Reading Program				
Instruction	61,455	58,280	50,811	7,469
Total Expenditures	16,170,718	15,849,099	14,893,010	956,089
Excess (Deficiency) of Revenues Over Expenditures	(16,170,718)	(15,849,099)	968,920	(902,007)
FUND BALANCE				
Beginning of Year	-	-	(60,658)	(60,658)
Increase in Nonspendable for Inventories	-	-	4,385	4,385
End of Year	<u>\$ (16,170,718)</u>	<u>\$ (15,849,099)</u>	<u>\$ 912,647</u>	<u>\$ (958,280)</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

NOTE 1 COST SHARING PENSION PLAN

The District is required to present ten years of data; however, information prior to the measurement date (June 30, 2013) was not available. Ten years of data will be presented as information becomes available.

NOTE 2 BASIS OF ACCOUNTING

The General Fund budgetary comparison schedule is prepared on the budgetary basis of accounting. See Note 4 to the required supplementary information for a reconciliation of the General Fund budgetary comparison schedule to the statement of revenues, expenditures, and changes in fund balances.

NOTE 3 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The District adopts an annual operating budget for expenditures for all governmental fund types on essentially the same modified accrual basis of accounting used to record actual expenditures (see Note 4 for exception). The Governing Board presents a proposed budget to the Superintendent of Public Instruction and County School Superintendent on or by July 5. The Governing Board legally adopts the final budget by July 15, after a public hearing has been held. Once adopted the budget can be increased or decreased only for specific reasons set forth in the A.R.S. All appropriations lapse at year-end.

Budgetary control over expenditures is exercised at the fund level. However, the General Fund is budgeted within four subsections (see Note 1 in the basic financial statements for a description of General Fund), any of which may be over expended with the prior approval of the Governing Board at a public meeting, providing the expenditures for all subsections do not exceed the General Fund's total budget.

The District did not adopt a revenue budget and no supplementary budgetary appropriations were necessary during the year.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2020

NOTE 4 BUDGETARY COMPARISON SCHEDULE RECONCILIATION

The District's adopted budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, with the following exceptions: prepaid insurance and software payments were charged against the budget in the year which the payment was made. In addition, the General Fund as reported in the statement of revenues, expenditures, and changes in fund balances includes the District's Maintenance and Operation Fund in addition to several other District funds as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. However, for budgetary purposes, the District prepares a separate Maintenance and Operation Fund budget. Therefore, the following adjustments are necessary to present actual revenues, expenditures, other financing sources and uses, beginning fund balance and ending fund balance on a budgetary basis in order to present only the activity of the District's Maintenance and Operation Fund for budgetary purposes.

	Total Revenues	Total Expenditures	Other Financing Sources and Uses	Fund Balance Beginning of Year	Fund Balance End of Year
Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 17,013,149	\$ 16,537,884	\$ 8,128	\$ 2,033,764	\$ 2,521,542
Nonmaintenance and Operation Activity Included in General Fund	(1,151,219)	(986,807)	(8,128)	(970,375)	(1,142,915)
Current Year Prepaid Items	-	465,980	-	-	(465,980)
Items Prepaid in a Prior Fiscal Year That Were Reported as Expenditures in the Current Year	-	(1,124,047)	-	(1,124,047)	-
Budgetary Comparison Schedule - General Fund	<u>\$ 15,861,930</u>	<u>\$ 14,893,010</u>	<u>\$ -</u>	<u>\$ (60,658)</u>	<u>\$ 912,647</u>

NOTE 5 OVEREXPENDITURES

The District reported expenditures in excess of the adopted budget in the Bond Building Fund (\$2,614,569), Debt Service Fund (\$291,262), Special Projects Fund (\$615,055), Food Service Fund (\$17,586) and the Building Renewal Fund (\$44,645). These are all cash controlled funds and cash was available to meet all of the overexpenditures.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Instructional Improvement Fund – accounts for the revenues and expenditures for State apportioned Indian Gaming monies.

Classroom Site Fund – accounts for the revenues and expenditures of State apportioned Proposition 301 monies.

Special Projects Fund – accounts for the revenues and expenditures of federal and state projects.

Food Service Fund – accounts for the financial operations of preparing and serving regular and incidental meals and snacks in connection with school functions.

Other Special Revenue Fund – accounts for the revenues and expenditures of the following activities or objectives: civic center, community school, extracurricular fee tax credit, fingerprinting, insurance proceeds, school opening, and textbooks.

CAPITAL PROJECTS FUNDS

Adjacent Ways Fund – accounts for monies received to finance such improvements as public streets or alleys adjacent to school property.

Building Renewal Grant Fund – accounts for grants received from the Arizona School Facilities Board to fund school improvements.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020

	Special Revenue			
	Instructional Improvement	Classroom Site	Special Projects	Food Service
ASSETS				
Cash and Investments	\$ 27,168	\$ 291,509	\$ -	\$ 114,654
Receivables:				
Property Taxes	-	-	-	-
Intergovernmental Receivables	48,358	84,448	683,923	86,532
Inventory	-	-	-	22,260
Total Assets	<u>\$ 75,526</u>	<u>\$ 375,957</u>	<u>\$ 683,923</u>	<u>\$ 223,446</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 8,185	\$ 56,948
Accrued Wages and Benefits	-	-	-	1,417
Due to Other Funds	-	-	674,543	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>682,728</u>	<u>58,365</u>
Deferred Inflows of Resources:				
Unavailable Revenues	-	-	-	-
Fund Balances:				
Nonspendable	-	-	-	22,260
Restricted	75,526	375,957	1,195	142,821
Total Fund Balances	<u>75,526</u>	<u>375,957</u>	<u>1,195</u>	<u>165,081</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 75,526</u>	<u>\$ 375,957</u>	<u>\$ 683,923</u>	<u>\$ 223,446</u>

Special Revenue Fund		Capital Projects				Total Nonmajor Governmental Funds
Other Special Revenue	Total Special Revenue Funds	Adjacent Ways	Building Renewal	Total Capital Projects Funds		
\$ 240,427	\$ 673,758	\$ 2,118	\$ -	\$ 2,118	\$ 675,876	
-	-	4,923	-	4,923	4,923	
-	903,261	-	14,898	14,898	918,159	
-	22,260	-	-	-	22,260	
<u>\$ 240,427</u>	<u>\$ 1,599,279</u>	<u>\$ 7,041</u>	<u>\$ 14,898</u>	<u>\$ 21,939</u>	<u>\$ 1,621,218</u>	
\$ 1,393	\$ 66,526	\$ -	\$ 3,065	\$ 3,065	\$ 69,591	
108	1,525	-	-	-	1,525	
-	674,543	-	11,833	11,833	686,376	
<u>1,501</u>	<u>742,594</u>	<u>-</u>	<u>14,898</u>	<u>14,898</u>	<u>757,492</u>	
-	-	4,923	-	4,923	4,923	
-	22,260	-	-	-	22,260	
238,926	834,425	2,118	-	2,118	836,543	
<u>238,926</u>	<u>856,685</u>	<u>2,118</u>	<u>-</u>	<u>2,118</u>	<u>858,803</u>	
<u>\$ 240,427</u>	<u>\$ 1,599,279</u>	<u>\$ 7,041</u>	<u>\$ 14,898</u>	<u>\$ 21,939</u>	<u>\$ 1,621,218</u>	

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020**

	Special Revenue			
	Instructional Improvement	Classroom Site	Special Projects	Food Services
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	88,580	1,013,377	1,782,352	1,056,155
Food Service Sales	-	-	-	134,419
Contributions and Donations	-	-	-	-
Investment Earnings (Loss)	983	8,507	(1,205)	1,127
Other	-	-	-	-
Total Revenues	<u>89,563</u>	<u>1,021,884</u>	<u>1,781,147</u>	<u>1,191,701</u>
EXPENDITURES				
Current:				
Instruction	-	962,565	341,838	900
Support Services				
Students	89,087	-	135,676	-
Instructional Staff	-	-	144,223	-
General Administration	-	-	-	-
School Administration	-	-	-	-
Business and Other	-	-	1,056,272	-
Operations and Maintenance of Plant	-	-	147,694	-
Operation of Noninstructional Services	-	-	-	1,160,486
Total Expenditures	<u>89,087</u>	<u>962,565</u>	<u>1,825,703</u>	<u>1,161,386</u>
Excess (Deficiency) of Revenues Over Expenditures	476	59,319	(44,556)	30,315
OTHER FINANCING USES				
Transfers Out	-	-	(8,128)	-
Net Changes in Fund Balances	476	59,319	(52,684)	30,315
FUND BALANCES				
Beginning of Year	75,050	316,638	53,879	127,164
Decrease in Nonspendable for Inventories	-	-	-	7,602
End of Year	<u>\$ 75,526</u>	<u>\$ 375,957</u>	<u>\$ 1,195</u>	<u>\$ 165,081</u>

Special Revenue		Capital Projects			Total Nonmajor Governmental Funds
Other Special Revenue	Total Special Revenue Funds	Adjacent Ways	Building Renewal	Total Capital Projects Funds	
\$ -	\$ -	\$ 42	\$ -	\$ 42	\$ 42
-	3,940,464	-	104,645	104,645	4,045,109
-	134,419	-	-	-	134,419
29,882	29,882	-	-	-	29,882
3,592	13,004	40	-	40	13,044
179,748	179,748	-	-	-	179,748
<u>213,222</u>	<u>4,297,517</u>	<u>82</u>	<u>104,645</u>	<u>104,727</u>	<u>4,402,244</u>
133,871	1,439,174	-	-	-	1,439,174
-	224,763	-	-	-	224,763
17,800	162,023	-	-	-	162,023
4,700	4,700	-	-	-	4,700
3,117	3,117	-	-	-	3,117
5,673	1,061,945	-	-	-	1,061,945
9,888	157,582	-	104,645	104,645	262,227
-	1,160,486	-	-	-	1,160,486
<u>175,049</u>	<u>4,213,790</u>	<u>-</u>	<u>104,645</u>	<u>104,645</u>	<u>4,318,435</u>
38,173	83,727	82	-	82	83,809
-	(8,128)	-	-	-	(8,128)
<u>38,173</u>	<u>75,599</u>	<u>82</u>	<u>-</u>	<u>82</u>	<u>75,681</u>
200,753	773,484	2,036	-	2,036	775,520
-	7,602	-	-	-	7,602
<u>\$ 238,926</u>	<u>\$ 856,685</u>	<u>\$ 2,118</u>	<u>\$ -</u>	<u>\$ 2,118</u>	<u>\$ 858,803</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
BOND BUILDING FUND
YEAR ENDED JUNE 30, 2020

	Original and Final	Actual	Variance with Final Budget
EXPENDITURES			
Current:			
Support Services:			
School Administration	\$ -	\$ 7,427	\$ (7,427)
Operations and Maintenance of Plant	-	5,318	(5,318)
Student Transportation	-	764,967	(764,967)
Debt Service:			
Issuance Costs	-	680,386	(680,386)
Facilities Acquisition	8,462	1,164,933	(1,156,471)
Total Expenditures	8,462	2,623,031	(2,614,569)
Excess (Deficiency) of Revenues Over Expenditures	(8,462)	(2,623,031)	(2,614,569)
OTHER FINANCING SOURCES (USES)			
Issuance of Long-term Debt	-	41,510,000	41,510,000
Premium on Issuance of Long-term Debt	-	6,615,571	6,615,571
Total Other Financing Sources (Uses)	-	48,125,571	48,125,571
Net Change in Fund Balance	(8,462)	45,502,540	45,511,002
FUND BALANCE			
Beginning of Year	-	8,921	8,921
End of Year	\$ (8,462)	\$45,511,461	\$45,519,923

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2020

	Original and Final	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ -	\$ 2,402,098	\$ 2,402,098
Investment Earnings	-	84,637	84,637
Total Revenues	-	2,486,735	2,486,735
EXPENDITURES			
Debt Service:			
Principal Retirement	1,900,000	1,900,000	-
Interest on Long-Term Debt	547,469	838,229	(290,760)
Issuance Costs	-	502	(502)
Total Expenditures	2,447,469	2,738,731	(291,262)
Excess (Deficiency) of Revenues Over Expenditures	(2,447,469)	(251,996)	2,195,473
OTHER FINANCING SOURCES (USES)			
Premium on Issuance of Long-term Debt	-	290,760	290,760
Net Change in Fund Balance	(2,447,469)	38,764	2,486,233
FUND BALANCE			
Beginning of Year	-	128,960	128,960
End of Year	\$ (2,447,469)	\$ 167,724	\$ 2,615,193

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
INSTRUCTIONAL IMPROVEMENT FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 88,580	\$ 88,580
Investment Earnings	-	-	983	983
Total Revenues	<u>-</u>	<u>-</u>	<u>89,563</u>	<u>89,563</u>
EXPENDITURES				
Current:				
Support Services:				
Students	<u>125,000</u>	<u>83,272</u>	<u>89,087</u>	<u>35,913</u>
Excess (Deficiency) of Revenues Over Expenditures	(125,000)	(83,272)	476	83,748
FUND BALANCE				
Beginning of Year	-	-	75,050	75,050
End of Year	<u>\$ (125,000)</u>	<u>\$ (83,272)</u>	<u>\$ 75,526</u>	<u>\$ 200,526</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
CLASSROOM SITE FUND
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,013,377	\$ 1,013,377
Investment Earnings	-	-	8,507	8,507
Total Revenues	-	-	1,021,884	1,021,884
EXPENDITURES				
Current:				
Instruction	1,300,224	1,336,399	962,565	373,834
Excess (Deficiency) of Revenues Over Expenditures	(1,300,224)	(1,336,399)	59,319	1,395,718
FUND BALANCE				
Beginning of Year	-	-	316,638	316,638
End of Year	<u>\$ (1,300,224)</u>	<u>\$ (1,336,399)</u>	<u>\$ 375,957</u>	<u>\$ 1,712,356</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,782,352	\$ 1,782,352
Investment Earnings (Loss)	-	-	(1,205)	(1,205)
Total Revenues	-	-	1,781,147	1,781,147
EXPENDITURES				
Current:				
Instruction	206,418	226,677	341,838	(115,161)
Support Services:				
Students	81,928	89,968	135,676	(45,708)
Instructional Staff	87,089	95,636	144,223	(48,587)
Business and Other Support Services	637,828	700,428	1,056,272	(355,844)
Operations and Maintenance of Plant	89,185	97,938	147,694	(49,756)
Total Expenditures	1,102,448	1,210,648	1,825,703	(615,055)
Excess (Deficiency) of Revenues Over Expenditures	(1,102,448)	(1,210,648)	(44,556)	1,166,092
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(8,128)	(8,128)
Net Change in Fund Balance	(1,102,448)	(1,210,648)	(52,684)	1,157,964
FUND BALANCE				
Beginning of Year	-	-	53,879	53,879
End of Year	<u>\$ (1,102,448)</u>	<u>\$ (1,210,648)</u>	<u>\$ 1,195</u>	<u>\$ 1,211,843</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
FOOD SERVICE FUND
YEAR ENDED JUNE 30, 2020

	Original and Final	Actual	Variance with Final Budget
REVENUES			
Intergovernmental	\$ -	\$ 1,056,155	\$ 1,056,155
Food Service Sales	-	134,419	134,419
Investment Earnings	-	1,127	1,127
Total Revenues	<u>-</u>	<u>1,191,701</u>	<u>1,191,701</u>
EXPENDITURES			
Current:			
Instruction	-	900	900
Operation of Noninstructional Services	1,142,000	1,160,486	(18,486)
Total Expenditures	<u>1,142,000</u>	<u>1,161,386</u>	<u>(17,586)</u>
Excess (Deficiency) of Revenues Over Expenditures	(1,142,000)	30,315	1,172,315
FUND BALANCE			
Beginning of Year	-	127,164	127,164
Increase (Decrease) in Nonspendable for Inventories	-	7,602	7,602
End of Year	<u>\$ (1,142,000)</u>	<u>\$ 165,081</u>	<u>\$ 1,307,081</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
OTHER SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2020

	Original and Final	Actual	Variance with Final Budget
REVENUES			
Contributions and Donations	\$ -	\$ 29,882	\$ 29,882
Investment Earnings	-	3,592	3,592
Other	-	179,748	179,748
Total Revenues	-	213,222	213,222
EXPENDITURES			
Current:			
Instruction	201,133	133,871	67,262
Support Services:			
Instructional Staff	26,744	17,800	8,944
General Administration	7,061	4,700	2,361
School Administration	4,683	3,117	1,566
Business and Other Support Services	8,524	5,673	2,851
Operations and Maintenance of Plant	14,856	9,888	4,968
Total Expenditures	263,001	175,049	87,952
Excess (Deficiency) of Revenues Over Expenditures	(263,001)	38,173	301,174
FUND BALANCE			
Beginning of Year	-	200,753	200,753
End of Year	\$ (263,001)	\$ 238,926	\$ 501,927

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
ADJACENT WAYS FUND
YEAR ENDED JUNE 30, 2020

	Original and Final	Actual	Variance with Final Budget
REVENUES			
Property Taxes	\$ -	\$ 42	\$ 42
Investment Earnings	-	40	40
Total Revenues	<u>-</u>	<u>82</u>	<u>82</u>
EXPENDITURES			
Facilities Acquisition	<u>2,021</u>	<u>-</u>	<u>2,021</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,021)	82	2,103
FUND BALANCE			
Beginning of Year	-	2,036	2,036
End of Year	<u>\$ (2,021)</u>	<u>\$ 2,118</u>	<u>\$ 4,139</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
BUILDING RENEWAL FUND
YEAR ENDED JUNE 30, 2020

	Original and Final	Actual	Variance with Final Budget
REVENUES			
Intergovernmental	\$ -	\$ 104,645	\$ 104,645
EXPENDITURES			
Current:			
Support Services:			
Operations and Maintenance of Plant	60,000	104,645	(44,645)
Excess (Deficiency) of Revenues Over Expenditures	(60,000)	-	60,000
FUND BALANCE			
Beginning of Year	-	-	-
End of Year	\$ (60,000)	\$ -	\$ 60,000

AGENCY FUND

Student Activities Fund – accounts for monies raised by students to finance student clubs and organizations but held by the District as an agency.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
ASSETS				
Cash and Investments	\$ 61,414	\$ 129,755	\$ (111,225)	\$ 79,944
LIABILITIES				
Due to Student Groups	\$ 61,414	\$ 129,755	\$ (111,225)	\$ 79,944

STATISTICAL SECTION

This section of the Saddle Mountain Unified School District No. 90's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

See the table of contents for page numbers of the schedules that encompass the above sections.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
Governmental Activities:				
Net Investment in Capital Assets	\$ 45,826,629	\$ 46,019,024	\$ 41,519,516	\$ 45,420,849
Restricted	2,383,353	848,633	478,594	1,014,421
Unrestricted	8,919,920	6,798,800	3,859,554	1,461,960
Total Governmental Activities				
Net Position	<u>\$ 57,129,902</u>	<u>\$ 53,666,457</u>	<u>\$ 45,857,664</u>	<u>\$ 47,897,230</u>

Source: District's Business Department

Fiscal Year

2015	2016	2017	2018	2019	2020
\$ 45,132,415	\$ 44,936,909	\$ 44,894,188	\$ 44,476,320	\$ 44,275,033	\$ 42,931,630
743,717	877,312	1,179,007	1,017,379	921,828	1,044,596
(7,217,039)	(6,373,161)	(6,758,080)	(6,023,685)	(7,112,461)	(7,656,533)
<u>\$ 38,659,093</u>	<u>\$ 39,441,060</u>	<u>\$ 39,315,115</u>	<u>\$ 39,470,014</u>	<u>\$ 38,084,400</u>	<u>\$ 36,319,693</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year				
	2011	2012	2013	2014	2015
Expenses					
Governmental Activities:					
Instruction	\$ 6,227,584	\$ 9,382,473	\$ 5,567,743	\$ 6,982,114	\$ 7,901,695
Support Services:					
Support Services - Students and Staff	1,119,198	1,905,457	1,557,467	2,063,951	1,557,246
Support Services - Administration	1,451,266	1,570,555	1,777,788	1,594,804	1,360,873
Operation and Maintenance of Plant	2,095,434	2,524,029	2,106,242	2,117,741	2,234,196
Student Transportation	1,063,787	1,356,931	941,110	808,595	996,368
Operation of Noninstructional Services	788,511	911,301	792,366	777,380	750,006
Interest on Long-Term Debt	810,789	871,774	1,062,982	706,266	960,190
Bond Issuance Costs	-	-	-	-	-
Total Governmental Activities	<u>13,556,569</u>	<u>18,522,520</u>	<u>13,805,698</u>	<u>15,050,851</u>	<u>15,760,574</u>
Program Revenues					
Governmental Activities:					
Charges for Services:					
Instruction	17,004	22,344	35,642	37,018	28,669
Operation of Noninstructional Services	137,258	158,846	176,711	187,665	187,694
Other Activities	-	-	5,873	6,263	148
Operating Grants and Contributions	1,862,447	2,891,067	3,140,591	3,108,926	3,260,328
Capital Grants and Contributions	-	-	24,710	128,358	44,641
Total Governmental Activities	<u>2,016,709</u>	<u>3,072,257</u>	<u>3,383,527</u>	<u>3,468,230</u>	<u>3,521,480</u>
Program Revenues	<u>2,016,709</u>	<u>3,072,257</u>	<u>3,383,527</u>	<u>3,468,230</u>	<u>3,521,480</u>
Net (Expense)/Revenue					
Governmental Activities	(11,539,860)	(15,450,263)	(10,422,171)	(11,582,621)	(12,239,094)
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property Taxes	14,509,291	11,689,858	10,182,204	13,282,318	12,292,469
State Equalization and Additional State Aid	102,378	58,168	52,583	66,214	77,174
Investment Earnings	96,432	91,356	21,338	26,047	66,207
Other	240,073	147,436	225,707	247,608	122,125
Total Governmental Activities	<u>14,948,174</u>	<u>11,986,818</u>	<u>10,481,832</u>	<u>13,622,187</u>	<u>12,557,975</u>
Change in Net Position					
Governmental Activities	<u>\$ 3,408,314</u>	<u>\$ (3,463,445)</u>	<u>\$ 59,661</u>	<u>\$ 2,039,566</u>	<u>\$ 318,881</u>

Source: District's Business Department.

Fiscal Year				
2016	2017	2018	2019	2020
\$ 7,502,322	\$ 7,360,233	\$ 8,808,678	\$ 11,600,263	\$ 11,899,302
1,653,400	1,615,656	1,671,239	2,219,988	2,346,770
1,492,437	1,811,753	1,609,177	1,738,416	3,216,838
2,257,525	2,392,869	2,286,710	2,550,483	3,366,981
868,260	1,152,341	1,472,096	1,223,157	2,308,162
618,864	900,451	983,757	1,141,395	1,177,736
901,949	809,127	711,014	595,265	669,130
-	-	-	-	680,888
<u>15,294,757</u>	<u>16,042,430</u>	<u>17,542,671</u>	<u>21,068,967</u>	<u>25,665,807</u>
26,003	26,008	31,418	34,222	25,435
167,484	205,626	257,555	290,619	228,082
-	-	-	-	-
2,797,388	2,425,216	2,901,946	3,064,011	4,412,521
8,412	73,212	46,760	157,783	104,645
<u>2,999,287</u>	<u>2,730,062</u>	<u>3,237,679</u>	<u>3,546,635</u>	<u>4,770,683</u>
(12,295,470)	(13,312,368)	(14,304,992)	(17,522,332)	(20,895,124)
12,721,576	12,706,053	14,120,668	15,661,981	18,560,505
150,163	171,641	126,804	169,213	249,231
60,710	56,737	80,170	110,622	164,174
144,988	251,992	132,249	194,902	156,507
<u>13,077,437</u>	<u>13,186,423</u>	<u>14,459,891</u>	<u>16,136,718</u>	<u>19,130,417</u>
<u>\$ 781,967</u>	<u>\$ (125,945)</u>	<u>\$ 154,899</u>	<u>\$ (1,385,614)</u>	<u>\$ (1,764,707)</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
General Fund:				
Nonspendable	\$ 6,767.0	\$ 4,597	\$ 4,063	\$ 165,331
Unassigned	5,539,719	3,283,286	1,236,488	1,393,483
Total General Fund	<u>\$ 5,546,486</u>	<u>\$ 3,287,883</u>	<u>\$ 1,240,551</u>	<u>\$ 1,558,814</u>
All Other Governmental Funds:				
Nonspendable	\$ 33,103	\$ 22,434	\$ 6,081	\$ 22,215
Restricted	12,744,852	2,963,083	451,397	13,701,957
Unassigned	(18,835)	(13,600)	(599,656)	-
Total All Other Governmental Funds	<u>\$ 12,759,120</u>	<u>\$ 2,971,917</u>	<u>\$ (142,178)</u>	<u>\$ 13,724,172</u>

Source: District's Business Department.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 195,634	\$ 16,556	\$ 32,037	\$ 216,823	\$ 947,665	\$ 505,615
2,406,767	3,458,961	3,051,819	3,196,620	1,086,099	2,015,927
<u>\$ 2,602,401</u>	<u>\$ 3,475,517</u>	<u>\$ 3,083,856</u>	<u>\$ 3,413,443</u>	<u>\$ 2,033,764</u>	<u>\$ 2,521,542</u>
\$ 13,135	\$ 13,864	\$ 17,295	\$ 15,668	\$ 14,658	\$ 22,260
8,083,257	5,239,573	3,244,614	1,460,057	898,743	46,515,728
-	-	-	-	-	-
<u>\$ 8,096,392</u>	<u>\$ 5,253,437</u>	<u>\$ 3,261,909</u>	<u>\$ 1,475,725</u>	<u>\$ 913,401</u>	<u>\$ 46,537,988</u>

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Year			
	2011	2012	2013	2014
Revenue Sources				
Property Taxes	\$ 14,566,597	\$ 11,832,493	\$ 10,234,504	\$ 13,297,126
Intergovernmental	1,900,303	2,924,864	3,194,703	3,260,976
Food Service Sales	137,079	109,445	122,146	118,708
Auxiliary Operations	-	49,222	54,374	68,764
Contributions and Donations	68,226	24,371	23,181	42,522
Investment Earnings	96,432	91,356	21,338	26,047
Other	257,256	169,959	267,413	291,082
Total Revenues	<u>17,025,893</u>	<u>15,201,710</u>	<u>13,917,659</u>	<u>17,105,225</u>
Expenditures				
Instruction	4,966,830	5,182,047	5,211,416	5,574,410
Support Services:				
Students and Staff	1,110,886	1,476,105	1,587,511	2,552,674
Administration	1,805,117	1,427,553	1,802,884	1,525,734
Operation and Maintenance of Plant	1,792,551	1,730,614	1,661,750	1,911,922
Student Transportation	1,090,774	906,762	690,478	1,628,885
Operation of Noninstructional Services	724,907	671,110	646,412	716,413
Debt Service:				
Principal Retirement	2,987,633	3,153,156	3,350,334	3,390,000
Interest on Long-Term Debt	802,264	864,168	663,493	720,704
Issuance Costs	300,371	101,650	-	283,191
Facilities Acquisition	1,841,247	11,686,674	3,447,921	359,139
Total Expenditures	<u>17,422,580</u>	<u>27,199,839</u>	<u>19,062,199</u>	<u>18,663,072</u>
Other Financing Sources (Uses)				
Issuance of Long-Term Debt	10,000,000	5,650,000	-	15,000,000
Payment to Refunded Debt Escrow Agent	-	(5,791,250)	-	-
Proceeds from Capital Leases	121,123	-	-	-
Premium on Sale of Bonds	270,319	106,412	-	722,777
Transfers In	97,730	66,635	137,709	139,751
Transfers Out	(97,730)	(66,635)	(137,709)	(139,751)
Total Other Financing Sources (Uses)	<u>10,391,442</u>	<u>(34,838)</u>	<u>-</u>	<u>15,722,777</u>
Net Change in Fund Balance	<u>\$ 9,994,755</u>	<u>\$ (12,032,967)</u>	<u>\$ (5,144,540)</u>	<u>\$ 14,164,930</u>
Debt Service as a Percentage of Noncapital Expenditures	24%	26%	26%	22%

Source: District's Business Department.

Fiscal Year

	2015	2016	2017	2018	2019	2020
\$	12,307,624	\$ 12,705,115	\$ 12,733,234	\$ 14,086,331	\$ 15,659,524	\$ 18,561,533
	2,790,099	2,905,435	2,607,946	3,005,740	3,341,399	4,723,072
	110,696	96,866	106,097	100,677	134,954	134,419
	76,819	70,439	99,350	156,699	155,486	93,663
	592,044	50,528	62,123	69,770	49,609	43,325
	66,207	60,710	56,737	80,170	110,623	164,174
	151,121	171,170	278,179	163,846	229,303	181,942
	<u>16,094,610</u>	<u>16,060,263</u>	<u>15,943,666</u>	<u>17,663,233</u>	<u>19,680,898</u>	<u>23,902,128</u>
	6,256,020	6,125,253	6,222,259	7,862,463	10,046,618	10,414,978
	1,511,458	1,524,995	1,472,111	1,627,177	2,112,242	2,273,772
	1,249,809	1,403,960	1,755,324	1,580,406	1,734,397	2,941,883
	2,577,952	1,956,412	2,063,219	2,170,572	2,574,662	3,127,955
	1,842,085	1,348,668	798,871	1,244,461	952,827	1,647,940
	671,022	705,017	777,520	901,505	1,186,171	1,175,934
	2,540,000	2,235,000	2,325,000	2,315,000	2,280,000	1,900,000
	1,026,894	968,653	875,831	777,718	661,969	838,229
	-	-	-	-	-	680,888
	3,031,358	1,734,942	2,036,077	642,840	91,834	1,216,502
	<u>20,706,598</u>	<u>18,002,900</u>	<u>18,326,212</u>	<u>19,122,142</u>	<u>21,640,720</u>	<u>26,218,081</u>
	-	-	-	-	-	41,510,000
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	6,906,331
	91,406	122,050	85,386	29,522	36,780	8,128
	(91,406)	(122,050)	(85,386)	(29,522)	(36,780)	(8,128)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,416,331</u>
\$	<u>(4,611,988)</u>	<u>(1,942,637)</u>	<u>(2,382,546)</u>	<u>(1,458,909)</u>	<u>(1,959,822)</u>	<u>46,100,378</u>
	20%	20%	20%	17%	14%	14%

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year			
	2020	2019	2018	2017
Secondary Assessed Valuation				
Saddle Mountain Unified				
School District No. 90	\$ 741,979,260	\$ 781,505,286	\$ 742,127,564	\$ 752,761,355
Town of Buckeye	694,497,594	599,519,571	510,866,160	455,998,962
Maricopa County	43,194,326,395	40,423,232,421	38,251,891,249	44,850,741,762
State of Arizona	66,157,223,639	62,326,357,186	59,406,279,473	67,264,430,756
Full-Cash Value				
Saddle Mountain Unified				
School District No. 90	\$ 4,645,730,999	\$ 5,707,869,783	\$ 4,562,710,061	\$ 4,495,996,512
District Total DirectTax Rate	2.2192	1.8561	1.6307	1.4654
Assessed Value as a Percentage of Actual	15.97%	13.69%	16.27%	16.74%

Source: Maricopa County Assessor's Office.

Fiscal Year					
2016	2015	2014	2013	2012	2011
\$ 781,996,778	\$ 812,844,836	\$ 799,940,002	\$ 836,599,631	\$ 864,058,460	\$ 960,699,090
408,074,462	324,277,466	287,873,371	300,289,266	402,403,658	425,009,460
41,125,604,014	35,075,714,985	32,229,006,810	34,400,455,716	38,760,296,714	49,707,952,123
62,635,586,917	55,349,948,120	52,598,341,678	56,283,023,907	61,700,292,915	75,643,290,856
\$ 4,458,304,296	\$ 4,272,327,855	\$ 4,384,700,627	\$ 4,578,318,518	\$ 4,984,853,935	\$ 5,590,495,591
1.4221	1.3469	1.467	1.0758	1.2112	1.3648
17.54%	19.03%	18.24%	18.27%	17.33%	17.18%

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SECONDARY ASSESSED VALUE BY PROPERTY CLASSIFICATION
LAST TEN FISCAL YEARS
(UNAUDITED)

Description	2019-20 Net Limited Assessed Valuation	2018-19 Net Limited Assessed Valuation	2017-18 Net Limited Assessed Valuation	2016-17 Net Limited Assessed Valuation
Commercial, Industrial, Utilities, Mines	\$ 669,368,211	\$ 678,775,018	\$ 678,775,018	\$ 693,308,808
Agriculture and Vacant	28,561,750	50,156,090	50,156,090	49,019,532
Residential (owner occupied)	30,405,656	36,977,649	36,977,649	31,111,787
Residential (rental occupied)	13,643,643	15,596,529	15,596,529	14,381,663
Total	<u>\$ 741,979,260</u>	<u>\$ 781,505,286</u>	<u>\$ 781,505,286</u>	<u>\$ 787,821,790</u>

Source: Maricopa County Assessor's Office.

2015-16 Net Limited Assessed Valuation	2014-15 Net Secondary Assessed Valuation	2013-14 Net Secondary Assessed Valuation	2012-13 Net Secondary Assessed Valuation	2011-12 Net Secondary Assessed Valuation	2010-11 Net Secondary Assessed Valuation
\$ 699,835,393	\$ 727,662,076	\$ 754,897,649	\$ 742,049,188	\$ 769,341,410	\$ 780,938,310
37,955,812	30,354,417	25,891,124	31,101,176	36,184,834	48,990,499
28,551,586	26,052,728	22,006,996	19,360,302	26,956,766	30,215,755
13,538,970	12,459,616	10,049,067	7,429,336	4,116,621	3,913,896
<u>\$ 779,881,761</u>	<u>\$ 796,528,837</u>	<u>\$ 812,844,836</u>	<u>\$ 799,940,002</u>	<u>\$ 836,599,631</u>	<u>\$ 864,058,460</u>

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SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
DIRECT AND OVERLAPPING ASSESSED VALUATIONS
JUNE 30, 2020
(UNAUDITED)

<u>Overlapping Jurisdiction</u>	<u>2019-20 Net Limited Assessed Valuation</u>	<u>2019-20 Total Tax Rate Per \$100 Assessed Valuation</u>
State of Arizona	\$ 66,154,632,834	None
Maricopa County	43,194,326,395	\$ 1.8575
Maricopa County Community College District	43,194,326,395	1.3285
Maricopa County Special Health Care District	43,194,326,395	0.0095
Maricopa County Fire District Assistance Tax	43,194,326,395	0.3333
Maricopa County Library District	43,194,326,395	0.0556
Maricopa County Flood Control District	39,558,003,840	0.1792
Central Arizona Water Conservation District	43,194,326,395	0.1400
Town of Buckeye	496,102,577	1.8000
Anthem Sun Valley Community Facilities District	24,441	0.3000
Elianto Community Facilities District	35,727	0.3000
Mirielle Community Facilities District	61,134	0.3000
Tartesso West Community Facilities District	20,383,806	3.3805
Trillium Community Facilities District	22,612	0.3000
Verrado Community Facilities District	109,299,071	3.9440
Verrado Western Overlay Community Facilities District	15,958,190	4.4971
Buckeye Valley Fire District	146,248,089	4.5249
Harquahala Valley Fire District	39,182,609	3.2000
Tonopah Valley Fire District	20,874,081	3.2000
Western Maricopa Education Center	15,925,613,792	0.1634
Saddle Mountain Unified School District No. 90	741,979,260	2.2192

* Includes state education equalization tax rate.

Source: The Maricopa County Treasurer Assessment Roll.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	District Direct Rates			Overlapping Rates	
	District's Primary Tax Rate per \$100 Assessed	District's Secondary Tax Rate per \$100	District's Total Tax Rate per \$100 Assessed	Maricopa County	Maricopa County Community College District
2019-20	\$ 1.7679	\$ 0.4513	\$ 2.2192	\$ 1.8575	\$ 1.3285
2018-19	1.3802	0.4759	1.8561	1.6357	1.3754
2017-18	1.1601	0.4706	1.6307	1.6357	1.1956
2016-17	1.0094	0.4560	1.4654	1.6357	1.4651
2015-16	1.0071	0.4150	1.4221	1.5757	1.4940
2014-15	0.9160	0.4309	1.3469	1.5157	1.5187
2013-14	0.9492	0.5178	1.4670	1.4637	1.5340
2012-13	0.5988	0.4770	1.0758	1.4679	1.3778
2011-12	0.7666	0.4446	1.2112	1.4679	1.2082
2010-11	0.7529	0.6119	1.3648	1.2409	0.9728

Source: Maricopa County Assessor's Office.

Overlapping Rates

Central Arizona Water Conservation District		City of Buckeye	Fire Districts	Western Maricopa Education Center
\$	0.1400	\$ 1.8000	\$ 0.0095	\$ 0.1634
	0.1400	1.8000	0.0107	0.1494
	0.1400	1.8000	0.0102	0.1780
	0.1400	1.8000	0.0112	0.0840
	0.1400	1.8000	0.0116	0.0698
	0.1400	1.8011	0.0113	0.0810
	0.1400	1.8011	0.0121	0.0592
	0.1000	1.8046	0.0110	-
	0.1000	1.6061	0.0084	-
	0.1000	1.1883	0.0066	-

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SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
PRINCIPAL PROPERTY TAXPAYERS
JUNE 30, 2020 AND 2011
(UNAUDITED)

Taxpayer	2019-20 Net Limited Assessed Valuation	Rank	2019-20 Percent of Total	2010-11 Limited Assessed Valuation	Rank	2010-11 Percent of Total
Arizona Public Service Company	\$ 337,450,733	1	45.48%	\$ 361,725,591	1	33.30%
Southern California Edison Co (T&D)	107,045,711	2	14.43%	154,086,577	2	14.20%
El Paso Electric Co (T&D)	95,478,030	3	12.87%	132,833,832	3	12.20%
Public Service Company of New Mexico (T&D)	63,473,510	4	8.55%	77,271,278	4	7.10%
Southern California Public Power Authority (Palo Verde)	34,344,386	5	4.63%	55,176,597	5	5.10%
City of Los Angeles Department of Water and Power (T&D)	29,022,779	6	3.91%	30,695,598	6	2.80%
Hickman's Egg Ranch, Inc.	4,585,157	7	0.62%	-	-	-
Fidelity National Title Company TRB176	3,269,754	8	0.44%	7,014,845	8	0.80%
Elianto Landvalorem LP	3,196,740	9	0.43%	-	-	-
DR Horton Inc.	2,765,370	10	0.37%	-	-	-
Tartesso Partners, LLC	-	-	-	8,693,920	7	0.60%
Bayview Financial Property Trust	-	-	-	4,324,827	9	0.40%
Pulte Home Corporation	-	-	-	3,907,106	10	0.40%
Total	<u>\$ 680,632,170</u>		<u>91.73%</u>	<u>\$ 835,730,171</u>		<u>76.90%</u>

Source: Maricopa County Assessor's Office.

Note: Information for 2009-2010 was not available.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	District Total Tax Rate	Real and Secured Personal Property Tax Levy	Collected to June 30 of Initial Fiscal Year (a)		Cumulative Collection to 6/30/20	
			Amount	Percent of Levy	Amount	Percent of Levy
2019-20	2.2192	\$ 16,201,870	\$ 16,101,807	99.38%	\$ 16,056,900	99.11%
2018-19	1.8561	13,620,575	13,608,152	99.91%	13,544,383	99.44%
2017-18	1.6307	12,196,961	12,184,538	99.90%	12,195,774	99.99%
2016-17	1.4654	10,983,109	10,968,451	99.87%	10,982,419	99.99%
2015-16	1.4221	11,030,648	11,018,735	99.89%	11,029,998	99.99%
2014-15	1.3469	10,812,192	10,797,587	99.86%	10,811,479	99.99%
2013-14	1.4670	11,617,499	11,574,358	99.63%	11,616,928	100.00%
2012-13	1.0758	8,965,396	8,923,728	99.54%	8,964,833	99.99%
2011-12	1.2112	10,416,919	10,329,287	99.16%	10,416,378	99.99%
2010-11	1.3648	13,129,042	12,901,063	98.26%	13,127,963	99.99%

Source: Maricopa County Treasurer.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Governmental Activities

Fiscal Year	General Obligation Bonds	Capital Leases	Total Primary Government	Debt Per Capita	Percentage of Personal Income	Population
2011	\$ 20,085,319	\$ 78,490	\$ 20,163,809	\$ 2,286	6.87%	8,820
2012	17,053,166	40,334	17,093,500	1,938	8.05	8,820
2013	13,672,780	-	13,672,780	1,477	6.11	9,260
2014	25,923,319	-	25,923,319	2,716	11.01	9,546
2015	23,316,615	-	23,316,615	2,345	9.41	9,941
2016	21,014,911	-	21,014,911	2,207	8.06	9,521
2017	18,623,207	-	18,623,207	1,848	6.82	10,077
2018	16,241,503	-	16,241,503	1,541	5.66	10,540
2019	13,894,799	-	13,894,799	1,200	4.64	11,582
2020	60,242,031	-	60,242,031	4,770	19.09	12,629

Source: The District Business and Finance Department for long-term debt. The source of the estimated district population is the U.S. Census Bureau, 2010 Census, as reported by the National Center for Education Statistics, School District Demographics System.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Governmental Activities

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted for Principal (1)	Total Primary Government	Debt Per Capita	Percentage of Personal Income	Population
2011	\$ 20,085,319	N/A	\$ 20,085,319	\$ 2,277	9.46%	8,820
2012	17,053,166	\$ -	17,053,166	1,842	7.63	9,260
2013	13,672,780	(39,852)	13,593,076	1,424	5.78	9,546
2014	25,923,319	(388,795)	25,145,729	2,529	10.15	9,941
2015	23,316,615	(54,055)	23,208,505	2,438	8.90	9,521
2016	21,014,911	(46,018)	20,922,875	2,076	7.66	10,077
2017	18,623,207	(44,391)	18,534,425	1,758	6.46	10,540
2018	16,241,503	(124,773)	15,991,957	1,381	5.34	11,582
2019	13,894,799	(128,960)	13,765,839	1,100	4.40	11,629
2020	60,242,031	(167,724)	59,906,583	4,744	18.99	12,629

Source: The District Business and Finance Department for long-term debt. The source of the estimated district population is the U.S. Census Bureau, 2010 Census, as reported by the National Center for Education Statistics, School District Demographics System.

(1) Amount is obtained from the fiscal year ended Debt Service Fund Balance.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
GENERAL OBLIGATION BONDED DEBT
JUNE 30, 2020
(UNAUDITED)

Overlapping Jurisdiction	General Obligation Bonded Debt	Portion Applicable To the District	
		Approximate Percent	Net Debt Amount
State of Arizona	None	1.12%	None
Maricopa County	None	1.72%	None
Maricopa County Community College District	\$312,450,000	1.72%	\$5,374,140
Maricopa County Special Health Care District	459,125,000	1.72%	7,896,950
City of Buckeye	None	8.24%	None
Tartesso West Community Facilities District	6,050,000	96.09%	5,813,445
Verrado Community Facilities District No. 1	32,075,000	16.09%	5,160,868
Verrado Western Overlay Community Facilities District	7,400,000	100.00%	7,515,000
Buckeye Valley Fire District	6,840,000	1.06%	72,504
Western Maricopa Education Center	16,954,500	4.67%	5,441,017
Saddle Mountain Unified School District No. 90	60,242,031	100.00%	<u>60,242,031</u>
Net Direct and Overlapping General Obligation Bonded Debt			<u><u>\$ 48,577,315</u></u>

Source: Maricopa County Treasurer and individual overlapping entities.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
LEGAL DEBT MARGIN INFORMATION
LAST SIX FISCAL YEARS
(UNAUDITED)

	Fiscal Year						
	2014	2015	2016	2017	2018	2019	2020
Total Legal Debt Margin Debt Limit	\$ 239,982,001	\$ 243,853,451	\$ 238,958,651	\$ 233,964,528	\$ 222,638,269	\$ 234,451,586	\$ 222,593,778
Total Applicable to Limit	25,000,000	22,460,000	20,225,000	17,900,000	15,585,000	13,305,000	52,915,000
Legal Debt Margin	<u>\$ 214,982,001</u>	<u>\$ 221,393,451</u>	<u>\$ 218,733,651</u>	<u>\$ 216,064,528</u>	<u>\$ 207,053,269</u>	<u>\$ 221,146,586</u>	<u>\$ 169,678,778</u>
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	10.4 %	9.2 %	8.5 %	7.7 %	7.0 %	5.7 %	23.8 %
Class B Bonds Debt Limit	\$ 159,988,000	\$ 162,568,967	\$ 159,305,767	\$ 155,976,352	\$ 148,425,513	\$ 156,301,057	\$ 148,395,852
Total Applicable to Limit	25,000,000	22,460,000	20,225,000	17,900,000	15,585,000	13,305,000	52,915,000
Legal Debt Margin	<u>\$ 134,988,000</u>	<u>\$ 140,108,967</u>	<u>\$ 139,080,767</u>	<u>\$ 138,076,352</u>	<u>\$ 132,840,513</u>	<u>\$ 142,996,057</u>	<u>\$ 95,480,852</u>
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	15.6 %	13.8 %	12.7 %	11.5 %	10.5 %	8.5 %	35.7 %

Note: Information prior to 2014 was not available

Source: The District's Business and Finance Department

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
CALCULATION OF LEGAL DEBT MARGIN
JUNE 30, 2020
(UNAUDITED)

Net Secondary Assessed Value		<u>\$ 741,979,260</u>
<hr/>		
Legal Debt Margin:		
Debt Limitation - 30% of Assessed Value		\$ 222,593,778
Amount of Debt Applicable to Debt Limit:		
Class B General Obligation and Refunding Bonds Outstanding	\$ 52,915,000	
Total Amount of Debt Applicable to Debt Limit		<u>52,915,000</u>
Total Legal Debt Margin		<u>\$ 169,678,778</u>
<hr/>		
Class B Legal Debt Margin		
Debt Limit - the Greater of 20% of the Net Secondary Assessed Valuation or \$1,500 Per Student (ADM)		
20% of Net Secondary Assessed Valuation		\$ 148,395,852
\$1,500 Per Student (ADM)		3,093,000
Amount of Debt Applicable to Debt Limit:		
Class B General Obligation and Refunding Bonds Outstanding	\$ 52,915,000	
Total Amount of Debt Applicable to Debt Limit		<u>52,915,000</u>
Class B Legal Debt Margin		<u>\$ 95,480,852</u>

Source: The District's Business and Finance Department

Note: State statutes limit the total amount of bonded debt for a unified school district to 30% of the net secondary assessed valuation of the District. In addition Class B bonded debt is limited to the greater of 10% of the net secondary assessed valuation of the District or \$1,500 per student for a unified school district.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YARS
(UNAUDITED)

Fiscal Year	Estimated District Population (1)	State Personal Income (thousand) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)	County Population (5)
2011	8,820	\$ 212,423	\$ 49,117	9.80%	3,843,370
2012	9,260	223,603	39,194	10.20	3,884,705
2013	9,546	235,372	39,088	8.90	3,944,859
2014	9,941	247,760	36,388	8.50	4,008,651
2015	9,521	260,800	38,798	7.40	4,076,438
2016	10,077	273,200	39,959	5.00	4,137,076
2017	10,540	286,700	41,340	5.20	4,221,684
2018	11,582	299,600	42,576	4.70	4,294,460
2019	12,629	315,500	44,080	3.70	4,329,580
2020	14,941	345,800	46,781	7.30	4,568,420

- (1) National Center for Education Statistics, School District Demographic System and District Estimates
- (2) Estimated using per Capita State averages from the Arizona Economics Estimates Commission.
- (3) Arizona Economics Estimates Commission
- (4) Arizona Office of Employment Statistics

**SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
PRINCIPAL EMPLOYERS
JUNE 30, 2020 AND NINE YEARS PRIOR
(UNAUDITED)**

Employer *	2020			2011		
	Employees	Total	Rank	Employees	of Total	Rank
Banner Health	45,894	2.20%	1	28,220	1.73%	3
State of Arizona	37,040	1.77%	2	49,282	3.02%	1
Walmart Inc	33,619	1.61%	3	30,608	1.88%	2
Fry's Food Stores	20,165	0.97%	4	-	N/A	
Wells Fargo & Co	16,700	0.80%	5	13,100	0.80%	5
University of Arizona	15,967	0.76%	6	-	N/A	
Amazon.com Inc.	15,000	0.72%	7	-	N/A	
Arizona State University	14,889	0.71%	8	12,221	0.75%	8
City of Phoenix	14,821	0.71%	9	15,544	0.95%	4
Maricopa County	13,595	0.65%	10	12,458	0.76%	7
Apollo Group Inc.	-	N/A		13,000	0.80%	6
Bank of America	-	N/A		12,000	0.74%	9
Raytheon Co.	-	N/A		12,000	0.74%	10
	<u>227,690</u>	10.91%		<u>198,433</u>	12.17%	
Total Employment	<u>2,087,640</u>			<u>1,630,600</u>		

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

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

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function	Full-Time Equivalent Employees			
	2011	2012	2013	2014
Instruction	92	83	70	92
Support Services - Students and Staff	9	10	10	7
Support Services - Administration	20	25	21	26
Operation and Maintenance of Plant Services	15	11	10	12
Student Transportation Services	24	23	15	26
Operation of Noninstructional Services	1	1	1	1
Total	<u>161</u>	<u>153</u>	<u>127</u>	<u>164</u>

Source: The District's Human Resources Department and Business and Finance Department.

Note 1: This data includes both vacant and filled positions.

Full-Time Equivalent Employees

2015	2016	2017	2018	2019	2020
94	102	107	117	128	147
13	11	9	11	19	20
22	26	23	25	14	20
12	13	20	16	15	14
24	21	30	27	24	21
1	2	1	2	1	3
<u>166</u>	<u>175</u>	<u>189</u>	<u>198</u>	<u>201</u>	<u>225</u>

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SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment (3)	Maintenance and Operating Expenditures (2)	Cost per Pupil	Percentage Change	Teaching Staff (1)	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2011	1,231	\$ 12,207,642	\$ 9,917	15.22%	78	15.78	65.00 %
2012	1,248	11,128,705	8,917	(10.08)	74	16.86	65.00
2013	1,316	11,559,174	8,784	(1.50)	76	17.32	65.00
2014	1,393	12,045,057	8,647	(1.56)	77	18.09	65.00
2015	1,383	11,635,535	8,413	(2.70)	80	17.29	65.00
2016	1,443	11,646,126	8,071	(4.07)	82	17.60	65.00
2017	1,494	12,922,043	8,649	7.17	83	18.00	65.00
2018	1,656	18,216,485	11,000	27.18	87	19.03	65.00
2019	1,909	18,060,687	9,461	(13.99)	104	18.36	65.00
2020	2,062	20,751,674	10,064	6.37	121	17.04	65.00

Source: The District's Business and Finance Department.

- (1) Teacher Staff (FTE) includes all teaching positions filled and vacant.
- (2) Includes expenditures of all funds except Debt Service and Capital Outlay.
- (3) Enrollment is based on 100th day figures.

SADDLE MOUNTAIN UNIFIED SCHOOL DISTRICT NO. 90
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

Schools	Fiscal Year			
	2011	2012	2013	2014
Elementary/ Middle				
Buildings	10	10	10	10
Square Feet	202,381	202,381	202,381	202,381
Capacity	2,412	2,412	2,412	2,412
Enrollment	865	1,014	941	1,010
High				
Buildings	8	8	8	8
Square Feet	126,224	126,224	126,224	126,224
Capacity	1,027	1,027	1,027	1,027
Enrollment	359	405	375	383
Administrative				
Buildings	2	2	2	2
Square Feet	24,363	24,363	24,363	24,363
Transportation				
Garages	1	1	1	1
Buses	21	21	21	21
Athletics				
Multi-purpose Fields	0	0	0	0
Football Fields	2	2	2	2
Running Tracks	2	2	2	2
Baseball/softball Fields	2	2	2	2
Swimming Pools	1	1	1	1

Source: District's Business Department.

Fiscal Year					
2015	2016	2017	2018	2019	2020
10	10	10	10	10	11
202,381	202,381	202,381	202,381	202,381	227,834
2,412	2,412	2,412	2,412	2,412	2,412
1,006	995	1,046	1,141	1,141	1,476
8	8	8	8	8	7
126,224	126,224	126,224	126,224	126,224	134,004
1,027	1,027	1,027	1,027	1,027	1,027
377	449	446	501	501	587
2	2	2	2	2	2
24,363	24,363	24,363	24,363	24,363	23,907
1	1	1	1	1	1
21	21	21	21	24	26
0	0	0	0	0	0
2	2	2	2	2	2
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1

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