



Regular Board Meeting Agenda

Tuesday, October 12, 2021 | 6:00 PM | District Office Board Room, 8176 N. Westover, Joseph City, AZ 86032

Items on the regular meeting agenda may be discussed in executive session related to employment matters, for the purpose of obtaining legal advice thereon or other matters pursuant to A.R.S. 38-431.03(A). The Governing Board may change the order of agenda items, pursuant to Governing Board Policy BEDB.

1. PUBLIC HEARING

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Individuals may comment on the draft plan to modify the instructional days to allow for remote and assignment-based learning for students. This hearing is an opportunity for the public to comment on the plan prior to adoption by the Governing Board and submission to the Arizona Department of Education. This is the second Public Hearing held for this purpose.

An instructional time model (ITM) that includes assignment-based learning will only be implemented should the need arise in the future. A copy of the draft ITM may be viewed at the Joseph City School District Office and online at jcusd.org/itm. Later in this meeting, the Governing Board will discuss and possibly approve an Instructional Time Model for Joseph City Schools.



Instructional Time Model for 2021 – 2022

Arizona school districts are required to meet certain legal requirements if the need arises to adjust instructional methods and/or schedules due to a COVID outbreak. This model is proposed for Joseph City Schools for the 2021-22 school year.

Summary of the Law and Allowance for Calendar Modifications for 2021 -2022:

HB- 2862 authorizes school districts to adopt an Instructional Time Model (ITM) for the purpose of allowing flexibility in how student instructional hours are met. Local governing board approval and submittal by the district to the state board of education after two public hearings is required. If more than 50% of the total instructional hours are offered using this model, a financial penalty to the district will be assessed.

Method of Instruction:

Remote and Assignment Based

How will these methods replace instruction that would otherwise be provided in a teacher-led, in-person classroom?

Students will be provided resources and materials to complete assignments and projects to be completed at home. Student learning will occur through strategies which include, reading, researching, reviewing examples, and practicing learning outcomes.

- Instructional planning for student remote learning will include daily coursework that accounts for approximately 30 minutes per day/per course subject area, of reading, research, and review; and
- Approximately 30 minutes per day/per course subject area, of independent practice, writing, or analysis of daily learning objectives.
- Examples of tools, resources, and materials
 - Google Products
 - Worksheets, Textbooks and other “Hard” copies of materials
 - Chromebooks and iPads with Internet Access
 - Educational Software Programs such as BT and IXL

Procedure for how students will be reported as present and participating in remote instruction or absent on the corresponding calendar days:

COVID- A (absent) or COVID- P (present)

- Attendance for students will be determined upon completion of each daily corresponding assignment.
- Daily assignments will be submitted, or collected, for attendance accountability no later than 4 days from each calendar date for this approved ITM.

The public may comment on this Instructional Time Model:

Email comments to:

bryanf@jcusd.org

Mail written comments to:

Bryan Fields
Joseph City Schools
PO Box 8
Joseph City, AZ 86032

Submit written comments in person to:

Bryan Fields
Joseph City Schools
8176 Westover
Joseph City, AZ

Attend a public hearing:

Public hearings will be held in conjunction with Joseph City Schools Governing Board meetings. Board meeting schedules and agendas may be viewed at [jcusd.org/boardmeetings](https://www.jcusd.org/boardmeetings).

2. OPENING ITEMS

- A. Call to Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Invocation
- E. Adoption of Agenda
- F. Approve Minutes of the September 14, 2021 Regular Board Meeting

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**Minutes of Regular Board Meeting of the Governing Board
Joseph City Unified School District
District Office Board Room | 8176 N. Westover | Joseph City, AZ 86032
Tuesday, September 14, 2021**

Members present

Rhonda Roberson, Clerk; Andrew Bushman; Dayton Flake; Karsten Flake

Administrators present

Bryan Fields, Superintendent

Others present

3 Community members

1. PUBLIC HEARING

The public were invited comment on the draft plan to modify the instructional days to allow for remote and assignment-based learning for students. There were no comments from the public.

2. OPENING ITEMS

A. Call to Order

Karsten Flake, Vice-President, called the meeting to order at 6:01 p.m.

B. Roll Call

C. Pledge of Allegiance

D. Invocation

E. Adoption of Agenda

Motion by Karsten Flake to accept the agenda with the change of moving Personnel Appointment - Amelia Rascon from agenda Item 6B to 6C. Second by Andrew Bushman.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

F. Approve Minutes of the August 10, 2021 Regular Board Meeting

Motion to approve the minutes by Rhonda Roberson, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

G. Superintendent's Report

3. CALL TO THE PUBLIC

There were no requests to address the board.

4. EXECUTIVE SESSION (*)

An Executive Session was convened as part of Agenda Item 7.D.

5. CONSENT AGENDA

Motion to approve Consent Agenda items by Karsten Flake, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

A. Approve Expense Vouchers

Action to ratify district vouchers for the period 8/4/21 through 9/7/21.

General and Special Funds: #1066 \$13,151.94 (encumbered); #1067 \$9,532.03 (encumbered); #4 \$141,486.35; #5 \$1,503.17; #6 \$135,566.14; #1006 \$202,771.25; #1007 \$1,552.17; #1008 \$42,734.68; #1009 \$82,996.63; #1010 \$60,408.61; #1011 \$2,112.15; #2012 \$37,398.29

Auxiliary Operations Funds: #1075 \$308.55 (encumbered); #1076 \$1,349.75 (encumbered); #1008 \$12,960.00; #1010 \$682.95; #1011 \$5,651.95; #1014 \$1,267.38; #1015 \$25,180.00

Student Activities Fund: #1009 \$1,987.65; #1012 \$429.42 #1013 \$1,343.59

B. Student Activities Fund Report

Revenues, expenditures, and charges in the Student Activities Fund Report; period of 8/1/21 through 8/31/21.

C. Approve Arizona School Facilities Board Building Renewal Grant for Elementary School Roof Repair and Replacement

Building Renewal Grant in the amount of \$1,068,585.10 for Joseph City Elementary main classroom building roof

D. Approve Arizona School Facilities Board Building Renewal Grant for Temporary Elementary School Roof Repairs.

Amount of the grant is \$5,247.00

E. Disposal of Surplus Property

Approve the disposal of unused surplus furniture, equipment, books, vehicles, and other items in compliance with Arizona statutes and administrative code via our online auction web service.

F. Approval of Arizona Department of Economic Security Child Care Stabilization Grant

G. Approval of APS \$500 Classroom Grant to Michael Gayer

6. PERSONNEL REQUESTS

A. Employee Assignments, Employee Renewals, Volunteers, Employee Resignations

Motion to approve Employee assignments, Employee Renewals, Volunteers, and Employee Resignations by Karsten Flake, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

ASSIGNMENTS:

Laurie Bowler - Tutor

Peter Bushman - Elementary Soccer Coach

Andy Foree - Drama Coach (School Musical)

Andy Foree - Project Coordinator II (Joseph City Arts - Funded by donations and event ticket sales)

Roland Hancock - Future Business Leaders of America (FBLA) Sponsor/Concession Manager

Ruth Hansen - Elementary Soccer Coach

Cara Hutchens - Hospitality Coordinator for the HS Volleyball Tournament

Gerard Krebs - Assistant JH Wrestling Coach

Adam Neat - Tutor

Nicole Neat - Elementary Soccer Coach

Gayla Smith - Assistant Track Coach

VOLUNTEERS:

Charlotte Baker
Neleigha Hutchens
Qeturah McIntyre

B. Personnel Appointments

Motion to approve Personnel appointments 6.B. by Karsten Flake, second by Rhonda Roberson.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

Drew Colligon - Substitute Teacher
Aaron Dalton - Student Worker (Concession Stand)
Neleigha Hutches - Event Worker
Trina Larsen - Elementary Soccer Coach
Zoe McLaws - Student Worker (Concession Stand)
Arami Miller - Student Worker (Concession Stand)
Jasmine Nells - Student Worker (Concession Stand)
Tyson Smith - Maintenance Tech / Mechanic (ratification)
Ed Sorgen - Concession Stand Coordinator
Jeffrey Strong - Skilled Seasonal Worker (Technology)
Austin Westover - Student Worker (Concession Stand)
Autum Van Hemert - Substitute Teacher

C. Personnel Appointments

Motion to approve Personnel appointments 6.C by Andrew Bushman, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake

Abstained: Karsten Flake

Amelia Rascon - Student Worker (Concession Stand)

7. ACTION ITEMS

A. Approve Teacher Performance Pay Plan and Classroom Site Fund Allocation

Motion to approve Teacher performance pay plan and classroom site fund allocation as presented, by Karsten Flake, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

B. Discussion and Possible Approval of Tuition Assistance Benefit for Staff

Motion to approve Tuition Assistance Benefit for Staff as presented, by Karsten Flake, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

C. Discussion and Possible Approval of Adjustments to Extra Duty 2 Pay Schedule and Pay for Soccer Camp Workers.

Motion to approve Adjustment to Extra Duty II Pay schedule and Pay for Soccer Camp workers as presented, by Karsten Flake, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

D. Approve Superintendent's Performance Payment

Motion to convene an Executive Session pursuant to A.R.S. 38-431.03 (A) (1) for personnel matters to discuss approval of the Superintendent's performance payment. Motion by Karsten Flake, second by Dayton Flake.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

(*) Executive session convened at 7:02 p.m.

Regular session was reconvened at 7:14 p.m.

Motion to approve the Superintendent's performance payment by Karsten Flake, second by Dayton Flake.

Final Resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

E. Second Reading and Approval of Governing Board Policies, Regulations and Exhibits

Motion to approve the following Governing Board Policies, Regulations and Exhibits as presented, by Karsten Flake, second by Rhonda Roberson.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

BDF, BEDD, BEDH, BIB, BIB-R, DIE, DJ, EEAEA, GBGB-R, GCB, GCF, GCH, GDB, GDF, IC, IHA, IHA-E, IHAMB, IHAMB-R, IHAMD, IJ, IJJ, IKE-RB, IMB, JFAA, JFAA-EA, JFAA-EB, JFAB, JFAB-EA, JFAB-EB, JFB, JICA-RB, JK, JKD, JKE, JLCB, JLCB-R, JLCB-E, JLF, KB, KI-RB

8. DISCUSSION ITEMS

A. Discussion on the Joseph City Unified Instructional Time Model for the 2021 -2022 School Year

9. INFORMATION ITEMS

A. Requests for Future Agenda Items

B. Upcoming Meetings and Events Calendar

- Next Regular Board Meeting - October 12, 2021 at 6:00 p.m.
- Board Study Session

Motion to schedule a Board Study Session to consider future budget and ESSER allocation plans for November 3, 2021 at 6:00 p.m. by Karsten Flake, second by Rhonda Roberson.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

10. ADJOURNMENT

Motion to adjourn by Karsten Flake, second by Rhonda Roberson.

Final resolution: Motion carries

Yes: Rhonda Roberson, Andrew Bushman, Dayton Flake, Karsten Flake

Meeting adjourned at 7:25 p.m.

APPROVED:

Board Clerk or President

2021 October Governing Board Meeting

Current Events and Updates

Prepared by B. Fields

- COVID cases have increased for the District. At our peak last week, we had what we believe to be approximately 15 cases between staff and students. Some of these cases include students who have household members with cases and that is why they are quarantining. We are monitoring the situation closely and doing what we can to try to contain the spread.
- We have lined out the 2nd Vaccine clinic which is on October 11th. We also had our regular flu shot clinic on September 27th.
- They have notified us that the materials for the Elementary roof will not arrive until March 2022. They will start on the installation of the structural supports this fall and hopefully be ready to go once the roofing materials arrive. Progress is continuing on the JH/HS roof and the ceiling repairs.
- Homecoming activities last month went well. Feel free to express your gratitude to Mr. Miller and his staff for their work in putting everything together.
- We had a request to accelerate an elementary student to the 2nd grade. This request went through the procedures outlined in policy and was approved. Mr. Mosier and the Elementary staff will continue to monitor this student's progress to ensure that the agreed upon expectations for the student will be met.
- As you all are aware Bob Winner recently passed away. I was saddened by this news because I've developed a working relationship with him over the past few years and will miss him. You should all know that he enjoyed talking with you all and attending Governing Board meetings. He has a grandson who attends at our High School who he deeply cared for. Mr. Winner tried to stay informed and be constructive with the things that he brought to me. The last time I talked to him he was working on a plan to present to us where our student musicals/plays could perform at other schools, and other schools could also come here. I have a file where I tried to keep all of the letters and information that Mr. Winner gave me concerning education. This file is surprisingly full. He was well-read, and enjoyed trying to help however he could.
- We are working with Navajo County to modify the existing crosswalk in front of the Elementary on Westover Ave. They are going to repaint it so that it leads to the handicapped accessible ramp on the sidewalk. The welding class has agreed to make the additional roll-out sign that will need to be added. This was a request that begun with community members talking to Principal Mosier.
- Parent-teacher conferences were last week and went well. We tried to conduct most of them virtually where possible.
- Maintenance staff has been busy doing several different projects. You may be interested in the new LED lights that have been installed on the pole in the Elementary parking lot. The lights that were on this pole had a problem and the entire fixture needed to be replaced.
- We have a meeting scheduled to discuss ESSER funds on November 3rd, at 6:00pm.



**Summary of Financial Operations (Unaudited)
September 30, 2021**

Fund		Budget	YTD Expenses	Balance	Encumbrances	Budget Balance
001	Maintenance & Operation	\$4,836,067	\$1,047,935	\$3,788,132	\$2,945,580	\$ 842,552
010-013	Classroom Site Funds	\$ 431,004	\$ 20,234	\$ 410,770	\$ 111,145	\$ 299,625
100-130	Title I	\$ 260,000	\$ 22,714	\$ 237,286	\$ 90,835	\$ 146,452
140-150	Title II - Profesional Development	\$ 40,000	\$ 4,191	\$ 35,809	\$ -	\$ 35,809
200-209	Title VII - Indian Education	\$ 15,000	\$ 8,756	\$ 6,244	\$ 293	\$ 5,951
220-229	IDEA/Special Education Grants	\$ 175,000	\$ 16,009	\$ 174,810	\$ 65,545	\$ 109,265
230	Johnson-O'Malley (JOM)	\$ 4,500	\$ 190	\$ 4,310	\$ 441	\$ 3,869
260-270	Career & Technical Ed (CTE) - Federal	\$ 16,000	\$ 3,192	\$ 12,808	\$ 1,096	\$ 11,712
290-291	Medicare Reimbursement	\$ 25,000	\$ 21	\$ 24,979	\$ 579	\$ 24,400
326-346	ESSER / CARES / ESG	\$1,746,229	\$ 148,374	\$1,597,855	\$ 79,547	\$1,518,308
374	E-Rate	\$ 2,000	\$ -	\$ 2,000	\$ -	\$ 2,000
390-396	REAP (Federal Rural Assistance)	\$ 45,000	\$ -	\$ 45,000	\$ 4,653	\$ 40,347
400	Career & Technical Ed (CTE) - State	\$ 10,000	\$ 184	\$ 9,816	\$ 1,054	\$ 8,762
466	Healthy Drug-Free Community	\$ 170,000	\$ 2,973	\$ 167,027	\$ 35,546	\$ 131,481
506	School Plant (Sale)	\$ 5,000	\$ -	\$ 5,000	\$ -	\$ 5,000
510	Food Service	\$ 300,000	\$ 34,673	\$ 265,327	\$ 169,082	\$ 96,245
515	Civic Center	\$ 10,000	\$ 203	\$ 9,797	\$ -	\$ 9,797
520	Preschool Tuition	\$ 12,000	\$ 1,587	\$ 10,413	\$ 4,781	\$ 5,632
525	Auxiliary Operations	\$ 80,000	\$ 39,552	\$ 40,448	\$ 17,661	\$ 22,787
526	Extracurricular Activities Tax Credit	\$ 20,000	\$ 557	\$ 19,443	\$ 419	\$ 19,024
530	Gifts & Donations	\$ 50,000	\$ 573	\$ 49,427	\$ -	\$ 49,427
535-539	CTE & Vocational Education Projects	\$ 5,000	\$ 191	\$ 4,809	\$ 279	\$ 4,529
550	Insurance Proceeds	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ 60,000
565	Litigation Recovery	\$ 35,000	\$ -	\$ 35,000	\$ -	\$ 35,000
570	Indirect Costs	\$ 35,000	\$ 2,091	\$ 32,909	\$ 28,483	\$ 4,426
596	NAVIT	\$ 45,000	\$ 5,032	\$ 39,968	\$ 22,061	\$ 17,908
610	Capital Outlay	\$ 404,120	\$ 236,533	\$ 167,587	\$ 41,918	\$ 125,669
620	Adjacent Ways	\$ 75,000	\$ 1,971	\$ 73,029	\$ 4,550	\$ 68,480
665	Energy and Water Savings	\$ 49,000	\$ -	\$ 49,000	\$ -	\$ 49,000
686	SFB Emergency Deficiency Correction	\$ 140,000	\$ -	\$ 140,000	\$ -	\$ 140,000
691	SFB Building Renewal Grant	\$1,600,000	\$ 39,647	\$1,560,353	\$1,476,007	\$ 84,346
850	Student Activities	\$ 60,000	\$ 5,437	\$ 54,563	\$ 4,072	\$ 50,491

3. CALL TO THE PUBLIC

Individuals who wish to address the Board are requested to complete the appropriate form prior to the meeting and give the form to the Board Secretary. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter or scheduling the matter for a future agenda. The Board requests that all comments be limited to five minutes or less, that speakers refrain from the use of speech or language that is offensive or inappropriate, pursuant to Board policy KFA and that speakers refrain from voicing complaints against school personnel or any person connected with the District, as it may impact due process rights. Policies KE, KEB, and KED are provided by the Board for disposition of legitimate complaints, including those involving individuals. Forms required for use of these policies can be obtained from the Joseph City Schools website. The President will limit discussion whenever he deems such action appropriate to the proper conduct of the meeting.

4. POSSIBLE EXECUTIVE SESSION (*)

For any agenda item indicated with an asterisk (*), the Board may vote to convene in Executive Session pursuant to A.R.S. 38-431.03 (A) (1) for personnel matters when notified; (2) discussion or consideration of records exempt by law from public inspection; (3) for consultation with attorney; (4) for consultation with attorney when in pending or contemplated litigation. Discussion or consideration of personnel matters may include employment, assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee.

5. CONSENT AGENDA

Vote on Consent Agenda. All items listed will be considered as a group and will be approved with one motion unless a Board Member requests an item be removed from the consent agenda and considered as a separate item.

A. Approve Expense Vouchers

Action to ratify district vouchers for the period 9/8/21 through 10/5/21.

General and Special Funds: #7 \$142,704.92; #8 \$77,487.05; #9 \$146,442.83; #1013 #1,908.70; #1014 \$110,352.63; #1015 \$37,085.79; #1016 \$2,088.48; #1017 \$63,211.71; #1018 \$81,235.95

Auxiliary Operations Funds: #1016 \$168.05; #1020 \$524.83; #1022 \$2,179.57

Student Activities Fund: #1017 \$386.34; #1018 \$577.12; #1019 \$713.07; #1023 \$1,071.57

B. Student Activities Fund Report

Revenues, expenditures and charges in the Student Activities Fund Report; period of September 1, 2021 through September 30, 2021 and July 1, 2021 through September 30, 2021

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Joseph City USD External Funds

Student Activities Summary Report

Fiscal Year: 2021-2022

From: 9/1/2021

To: 9/30/2021

Print Detail

Page Break by Activity

Exclude Encumbrances

Reverse Signs

Subtotal By Journal

	Range Beg. Balance	Range Revenue	Range Expenditures	Balance	Encumbrances	Available Balance
000.000 Undesignated DO NOT USE	.00	.00	.00	.00	.00	.00
102.610 Joseph City Jr High School Student Council	1,058.12	.00	.00	1,058.12	.00	1,058.12
102.612 Joseph City Jr High School Softball	(11.39)	.00	.00	(11.39)	.00	(11.39)
102.619 Joseph City Jr High School Volleyball	198.27	.00	.00	198.27	.00	198.27
102.629 Joseph City Jr High School Track	260.11	.00	.00	260.11	.00	260.11
102.637 Joseph City Jr High School Class of 2024	242.76	.00	.00	242.76	.00	242.76
102.638 Joseph City Jr High School Class of 2025	231.32	.00	.00	231.32	.00	231.32
102.639 Joseph City Jr High School Class of 2026	103.93	.00	.00	103.93	.00	103.93
102.640 Joseph City Jr High School Class of 2027	1,093.99	.00	.00	1,093.99	.00	1,093.99
102.641 Joseph City Jr High School Class of 2028	.00	.00	.00	.00	.00	.00
102.642 Joseph City Jr High School Class of 2029	.00	.00	.00	.00	.00	.00
203.601 Joseph City High School Band	351.95	.00	.00	351.95	.00	351.95
203.602 Joseph City High School Baseball	326.74	.00	.00	326.74	.00	326.74
203.605 Joseph City High School Chess Club	.00	.00	.00	.00	.00	.00
203.606 Joseph City High School Card and Game Club	146.14	.00	.00	146.14	.00	146.14
203.607 Joseph City High School Drama	775.17	.00	.00	775.17	.00	775.17
203.608 Joseph City High School Future Business Leaders of America	12.59	.00	.00	12.59	.00	12.59
203.609 Joseph City High School Girls Basketball	714.79	.00	.00	714.79	.00	714.79
203.610 Joseph City High School Student Council	4,637.27	1,450.00	.00	6,087.27	(1,280.65)	4,806.62
203.611 Joseph City High School National Honor Society	695.96	.00	.00	695.96	.00	695.96
203.612 Joseph City High School Softball	1,234.31	.00	.00	1,234.31	.00	1,234.31
203.613 Joseph City High School Momentum Club/Audition Choir	409.15	.00	.00	409.15	.00	409.15

Joseph City USD External Funds

Student Activities Summary Report

Fiscal Year: 2021-2022

From: 9/1/2021

To: 9/30/2021

Print Detail

Page Break by Activity

Exclude Encumbrances

Reverse Signs

Subtotal By Journal

	Range Beg. Balance	Range Revenue	Range Expenditures	Balance	Encumbrances	Available Balance
203.614 Joseph City High School Wrestling	1,693.99	.00	.00	1,693.99	.00	1,693.99
203.615 Joseph City High School Cheerleaders	2,830.77	1,400.00	(985.53)	3,245.24	266.11	3,511.35
203.616 Joseph City High School Welding	106.33	.00	.00	106.33	.00	106.33
203.617 Joseph City High School Woods	104.72	.00	.00	104.72	.00	104.72
203.618 Joseph City High School Boys Basketball	1,737.39	.00	.00	1,737.39	.00	1,737.39
203.619 Joseph City High School Volleyball	6,556.03	4,028.80	(304.66)	10,280.17	.00	10,280.17
203.620 Joseph City High School FACS	35.74	.00	.00	35.74	.00	35.74
203.624 Joseph City High School Basketball Cheerleaders	.00	.00	.00	.00	.00	.00
203.625 Joseph City High School FFA	(292.52)	.00	.00	(292.52)	.00	(292.52)
203.626 Joseph City High School Happy Club	880.07	.00	.00	880.07	.00	880.07
203.627 Joseph City High School Robotics	359.85	.00	.00	359.85	.00	359.85
203.628 Joseph City High School Cross Country	1,334.60	.00	(386.34)	948.26	364.32	1,312.58
203.629 Joseph City High School Track	191.04	.00	.00	191.04	.00	191.04
203.630 Joseph City High School Football	1,008.26	.00	.00	1,008.26	.00	1,008.26
203.631 Joseph City High School Technology Club	109.95	.00	.00	109.95	.00	109.95
203.632 Joseph City High School Class of 2019	.00	.00	.00	.00	.00	.00
203.633 Joseph City High School Class of 2020	.00	.00	.00	.00	.00	.00
203.634 Joseph City High School Class of 2021	.00	.00	.00	.00	.00	.00
203.635 Joseph City High School Class of 2022	2,156.62	.00	.00	2,156.62	.00	2,156.62
203.636 Joseph City High School Class of 2023	3,665.72	.00	.00	3,665.72	.00	3,665.72
500.300 Districtwide UNDESIGNATED	(124.74)	.00	.00	(124.74)	.00	(124.74)
500.600 Districtwide UNDESIGNATED	(68.90)	.00	.00	(68.90)	.00	(68.90)

Joseph City USD External Funds

Student Activities Summary Report

Fiscal Year: 2021-2022

From: 9/1/2021

To: 9/30/2021

Print Detail

Page Break by Activity

Exclude Encumbrances

Reverse Signs

Subtotal By Journal

	Range Beg. Balance	Range Revenue	Range Expenditures	Balance	Encumbrances	Available Balance
GRAND TOTALS	34,766.10	6,878.80	(1,676.53)	39,968.37	(650.22)	39,318.15

End of Report

Joseph City USD External Funds

Student Activities Summary Report

Fiscal Year: 2021-2022

From: 7/1/2021

To: 9/30/2021

Print Detail

Page Break by Activity

Exclude Encumbrances

Reverse Signs

Subtotal By Journal

	Range Beg. Balance	Range Revenue	Range Expenditures	Balance	Encumbrances	Available Balance
000.000 Undesignated DO NOT USE	.00	.00	.00	.00	.00	.00
102.610 Joseph City Jr High School Student Council	1,058.12	.00	.00	1,058.12	.00	1,058.12
102.612 Joseph City Jr High School Softball	(11.39)	.00	.00	(11.39)	.00	(11.39)
102.619 Joseph City Jr High School Volleyball	198.27	.00	.00	198.27	.00	198.27
102.629 Joseph City Jr High School Track	260.11	.00	.00	260.11	.00	260.11
102.637 Joseph City Jr High School Class of 2024	220.65	22.11	.00	242.76	.00	242.76
102.638 Joseph City Jr High School Class of 2025	231.32	.00	.00	231.32	.00	231.32
102.639 Joseph City Jr High School Class of 2026	103.93	.00	.00	103.93	.00	103.93
102.640 Joseph City Jr High School Class of 2027	1,093.99	.00	.00	1,093.99	.00	1,093.99
102.641 Joseph City Jr High School Class of 2028	.00	.00	.00	.00	.00	.00
102.642 Joseph City Jr High School Class of 2029	.00	.00	.00	.00	.00	.00
203.601 Joseph City High School Band	351.95	.00	.00	351.95	.00	351.95
203.602 Joseph City High School Baseball	326.74	.00	.00	326.74	.00	326.74
203.605 Joseph City High School Chess Club	.00	.00	.00	.00	.00	.00
203.606 Joseph City High School Card and Game Club	146.14	.00	.00	146.14	.00	146.14
203.607 Joseph City High School Drama	775.17	.00	.00	775.17	.00	775.17
203.608 Joseph City High School Future Business Leaders of America	12.59	.00	.00	12.59	.00	12.59
203.609 Joseph City High School Girls Basketball	714.79	.00	.00	714.79	.00	714.79
203.610 Joseph City High School Student Council	4,637.27	1,450.00	.00	6,087.27	(1,280.65)	4,806.62
203.611 Joseph City High School National Honor Society	681.24	14.72	.00	695.96	.00	695.96
203.612 Joseph City High School Softball	1,217.80	16.51	.00	1,234.31	.00	1,234.31
203.613 Joseph City High School Momentum Club/Audition Choir	362.06	47.09	.00	409.15	.00	409.15

Joseph City USD External Funds

Student Activities Summary Report

Fiscal Year: 2021-2022

From: 7/1/2021

To: 9/30/2021

Print Detail

Page Break by Activity

Exclude Encumbrances

Reverse Signs

Subtotal By Journal

	Range Beg. Balance	Range Revenue	Range Expenditures	Balance	Encumbrances	Available Balance
203.614 Joseph City High School Wrestling	1,693.99	.00	.00	1,693.99	.00	1,693.99
203.615 Joseph City High School Cheerleaders	(97.92)	5,900.00	(2,556.84)	3,245.24	.00	3,245.24
203.616 Joseph City High School Welding	106.33	.00	.00	106.33	.00	106.33
203.617 Joseph City High School Woods	104.72	.00	.00	104.72	.00	104.72
203.618 Joseph City High School Boys Basketball	1,737.39	.00	.00	1,737.39	(500.00)	1,237.39
203.619 Joseph City High School Volleyball	6,515.54	4,270.99	(506.36)	10,280.17	.00	10,280.17
203.620 Joseph City High School FACS	35.74	.00	.00	35.74	.00	35.74
203.624 Joseph City High School Basketball Cheerleaders	.00	.00	.00	.00	.00	.00
203.625 Joseph City High School FFA	(292.52)	.00	.00	(292.52)	.00	(292.52)
203.626 Joseph City High School Happy Club	880.07	.00	.00	880.07	.00	880.07
203.627 Joseph City High School Robotics	359.85	.00	.00	359.85	.00	359.85
203.628 Joseph City High School Cross Country	1,334.60	.00	(386.34)	948.26	.00	948.26
203.629 Joseph City High School Track	191.04	.00	.00	191.04	.00	191.04
203.630 Joseph City High School Football	400.91	2,595.00	(1,987.65)	1,008.26	.00	1,008.26
203.631 Joseph City High School Technology Club	109.95	.00	.00	109.95	.00	109.95
203.632 Joseph City High School Class of 2019	.00	.00	.00	.00	.00	.00
203.633 Joseph City High School Class of 2020	.00	.00	.00	.00	.00	.00
203.634 Joseph City High School Class of 2021	.00	.00	.00	.00	.00	.00
203.635 Joseph City High School Class of 2022	2,156.62	.00	.00	2,156.62	.00	2,156.62
203.636 Joseph City High School Class of 2023	3,646.67	19.05	.00	3,665.72	.00	3,665.72
500.300 Districtwide UNDESIGNATED	(124.74)	.00	.00	(124.74)	.00	(124.74)
500.600 Districtwide UNDESIGNATED	(69.20)	.00	.30	(68.90)	.00	(68.90)

Joseph City USD External Funds

Student Activities Summary Report

Fiscal Year: 2021-2022

From: 7/1/2021

To: 9/30/2021

Print Detail

Page Break by Activity

Exclude Encumbrances

Reverse Signs

Subtotal By Journal

	Range Beg. Balance	Range Revenue	Range Expenditures	Balance	Encumbrances	Available Balance
GRAND TOTALS	31,069.79	14,335.47	(5,436.89)	39,968.37	(1,780.65)	38,187.72

End of Report

6. PERSONNEL REQUESTS (*)

Discussion and possible action to approve employee assignments, approve volunteers and accept employee resignations.

A. Employee Assignments, Employee Renewals, Volunteers, Employee Resignations

Discussion and possible action to approve employee assignments and renewals, approve volunteers and accept employee resignations.

RENEWALS:

Jody Balda - Off-Season Pool Maintenance

ASSIGNMENTS:

Brenda Bryant - Elementary Red Ribbon Coordinator (funded by Youth, Faith & Family Grant)

Peter Bushman - Science Fair Coordinator

Jeri Edwards - Substitute JV Volleyball Coach (duties and pay shared with Daniel Hutchens)

Daniel Hutchens - Substitute JV Volleyball Coach (duties and pay shared with Jeri Edwards)

Daniel Hutchens - Athletic Director / Assistant Administrator (transition from JCUSD employee to ESI contractor effective November 12, 2021)

Darrel Mosier - Elementary Principal (transition from ESI contractor to JCUSD employee, effective October 18, 2021)

Julie Randall - Jr/Sr High Red Ribbon Coordinator (funded by Youth, Faith & Family Grant)

B. Personnel Appointments

Discussion and possible action to approve the appointment of new personnel and changes to positions of current personnel.

Bennett Beatty - Student Concession Worker

Aidan Berge - Student Concession Worker

Bryce Bushman - Auditorium Tech

Jeri Edwards - Event Worker

Katie Frost - Event Worker

Cara Hutchens - Event Worker

Arami Miller - Event Worker

Peter Miller - Student Concession Worker

Samuel Neat - Student Concession Worker

Jennifer Oldham - Event Worker

Anthony Warner - Student Concession Worker

7. ACTION ITEMS

A. Discussion and Possible Approval of the Joseph City Unified School District Instructional Time Model for the 2021-2022 School Year

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This is a plan to allow the school district to modify the instructional days, if needed, and remain legally compliant with no reductions in funding provided we are within the limits set forth by the State Board of Education.



Instructional Time Model for 2021 – 2022

Arizona school districts are required to meet certain legal requirements if the need arises to adjust instructional methods and/or schedules due to a COVID outbreak. This model is proposed for Joseph City Schools for the 2021-22 school year.

Summary of the Law and Allowance for Calendar Modifications for 2021 -2022:

HB- 2862 authorizes school districts to adopt an Instructional Time Model (ITM) for the purpose of allowing flexibility in how student instructional hours are met. Local governing board approval and submittal by the district to the state board of education after two public hearings is required. If more than 50% of the total instructional hours are offered using this model, a financial penalty to the district will be assessed.

Method of Instruction:

Remote and Assignment Based

How will these methods replace instruction that would otherwise be provided in a teacher-led, in-person classroom?

Students will be provided resources and materials to complete assignments and projects to be completed at home. Student learning will occur through strategies which include, reading, researching, reviewing examples, and practicing learning outcomes.

- Instructional planning for student remote learning will include daily coursework that accounts for approximately 30 minutes per day/per course subject area, of reading, research, and review; and
- Approximately 30 minutes per day/per course subject area, of independent practice, writing, or analysis of daily learning objectives.
- Examples of tools, resources, and materials
 - Google Products
 - Worksheets, Textbooks and other “Hard” copies of materials
 - Chromebooks and iPads with Internet Access
 - Educational Software Programs such as BT and IXL

Procedure for how students will be reported as present and participating in remote instruction or absent on the corresponding calendar days:

COVID- A (absent) or COVID- P (present)

- Attendance for students will be determined upon completion of each daily corresponding assignment.
- Daily assignments will be submitted, or collected, for attendance accountability no later than 4 days from each calendar date for this approved ITM.

The public may comment on this Instructional Time Model:

Email comments to:

bryanf@jcusd.org

Mail written comments to:

Bryan Fields
Joseph City Schools
PO Box 8
Joseph City, AZ 86032

Submit written comments in person to:

Bryan Fields
Joseph City Schools
8176 Westover
Joseph City, AZ

Attend a public hearing:

Public hearings will be held in conjunction with Joseph City Schools Governing Board meetings. Board meeting schedules and agendas may be viewed at [jcusd.org/boardmeetings](https://www.jcusd.org/boardmeetings).

B. Adjust Pay Schedules to Comply with New Minimum Wage Effective January 1, 2022 23
The minimum wage will increase from \$12.15 per hour to \$12.80 per hour requiring adjustments to the Support Staff and Sustainute Pay Schedules.

Adjustment to Pay Schedules

Proposed 10/12/21 to become effective 1/1/22

Recommended Adjustments to Comply with new Minimum Wage of \$12.80 per hour effective January 1, 2022:

- Increase Support Staff Pay Schedule Level 1 from \$12.15 per hour to \$12.80 per hour (Event Worker, Student Worker, Auditorium Tech I)
- Increase Support Staff Pay Schedule Level 2 from \$12.15 per hour to \$12.80 per hour (Auditorium Tech II)
- Increase Support Staff Pay Schedule Level 3 from \$12.50 per hour to \$12.80 per hour (Bus Aide, Seasonal Worker)
- Increase Substitute Pay Schedule Level A Short-Term rate from \$94.00 per day to \$96.00 per day (Substitute Teachers with Emergency Certificates – Less than 30 college credit hours)

Pay Schedule | 2021-22



Support Staff

Base Hourly Rate			Position Placement			
Level	Entry		Position	Level	Position	Level
1	\$12.15	*	Accompanist	8	Secretary I	8
2	\$12.15	**	Administrative Asst-Sup/Board	10	Secretary II	9
3	\$12.50		Auditorium Manager	9	Seasonal Skilled Worker I	9
4	\$13.00		Auditorium Tech I	1	Seasonal Skilled Worker II	18
5	\$13.50		Auditorium Tech II	2	Seasonal Worker	3
6	\$14.00		Bus Aide	3	Student Worker	1
7	\$14.50		Bus Driver	11	Teacher Assistant I	10
8	\$15.00		CTE Coordinator	8	Teacher Assistant II	13
9	\$15.50		Concession Manager	9	Teacher Assistant III	15
10	\$16.00		Custodian	5	Technology Aide	6
11	\$16.50		Event Worker	1	Technology Specialist I	8
12	\$17.00		Finance Specialist I	9	Technology Specialist II	15
13	\$17.50		Finance Specialist II	11	Tutor (non-certified)	7
14	\$18.00		Health Aide	8	Van Driver	8
15	\$18.50		Instructional Aide I	6		
16	\$19.00		Instructional Aide II	8		
17	\$19.50		Instructional Aide III	15		
18	\$20.00		Library Aide I	6		
19	\$20.50		Library Aide II	8		
20	\$21.00		Lifeguard	4		
21	\$21.50		Maintenance Tech I	7		
22	\$22.00		Maintenance Tech II	11		
23	\$22.50		Office Aide	6		
24	\$23.00		Pool Assistant Manager	6		
25	\$23.50		Pool Manager	9		
26	\$24.00		Program Specialist I	6		
27	\$24.50		Program Specialist II	8		
28	\$25.00		Project Coordinator I	11		
29	\$25.50		Project Coordinator II	19		
30	\$26.00		Receiving Clerk	6		

Adjustments to Base Hourly Rate

Initial Placement	Experience	\$0.26 per hour	<ul style="list-style-type: none"> For each year of verified direct job-related experience up to 5 years Partial years may be granted for indirect job-related experience
	Other Pay	\$0.00 per hour	No experience granted for Level 1 positions
Education Credit & Professional Development	Other Pay	\$ -	Additional amount may be paid for positions designated as "hard to fill"
		\$0.05 per hour (maximum 10 credit hours or equivalent)	<ul style="list-style-type: none"> Per credit hour for job-related college coursework beyond minimum required for job Per 16 contact hours for job-related professional development Other courses and training require Superintendent approval
College Degree or Professional Certification		\$0.50 per hour	<ul style="list-style-type: none"> For bachelors, masters, doctorate degrees in job-related fields For professional certification equivalent to college degree in job-related fields (equivalency and amount determined by Superintendent)

Additional Opportunities for Increased Earnings

- Minimum \$1.50 per hour differential when assisting high-needs students in ongoing assignments
- Minimum \$0.50 per hour differential for all hours worked: Certified bus driver trainers

Notes

- *Base hourly rate for Level 1 is the Minimum Wage rate for Arizona; this amount is subject to change January 1 of each year; no experience increments are given
- **Base hourly rate for Level 2 is the Minimum Wage rate for Arizona; this amount is subject to change January 1 of each year; experience increments may be given
- Return-to-work retiree pay reduced by 9.1%
- Initial placement and ongoing advancement are based on Superintendent recommendation and Governing Board approval

Pay Schedule | 2021-22



Substitute							
Level	Assignment	Certification	Short-Term			Mid-Term	Long-Term
			Hourly Rate	Daily Rate	Minimum Daily Amount	Daily Rate	Daily Rate
A	Teacher	Emergency Sub - Less than 30 college credit hrs	12.53	94.00	47.00	113.00	129.00
B	Teacher	Emergency Sub - 30+ college credit hours	12.80	96.00	48.00	118.00	129.00
C	Teacher	Substitute - Bachelors degree	14.27	107.00	53.50	123.00	129.00
D	Teacher	Substitute - Teacher certification	15.07	113.00	56.50	129.00	134.00
Z	Other Support Staff	Substitues for other Support Staff positions will be paid the Entry Base Hourly Rate for that position					

Notes

Short-Term Teacher Substitute rates apply when a single assignment is less than 10 consecutive workdays; no paid leave; no health/life insurance

Mid-Term Teacher Substitute rates apply after the 10th consecutive workday of single assignment that is less than 60 total consecutive work days; no paid leave; no health/life insurance

Long-Term Teacher Substitute rates apply for assignments anticipated to be 60 consecutive workdays or more in length; paid leave granted at the same rate as for staff placed on the Teacher Pay Schedule; District paid health/life insurance available

Revised 6/8/21

C. Approval of Guidance Counselor Performance Pay Plan

D. Approve the Joseph City Schools Annual Financial Report for 2020-21

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ANNUAL FINANCIAL REPORT

We, the Governing Board of the District, hereby certify the Annual Financial Report and School Level Reporting Form per A.R.S. §15-904 for the Fiscal Year 2021

SIGNATURE/DATE

SIGNATURE/DATE

The Annual Financial Report file(s) for FY 2021 uploaded to the Arizona Department of Education's website on October 13, 2021 contain(s) the data for the AFR described above.
Date

Superintendent Signature
Bryan Fields
Superintendent (Typed Name)
Steven Mills
District Contact Employee

Business Manager Signature
Steven Mills
Business Manager (Typed Name)
928-288-3307
Telephone Number
StevenM@jcusd.org
Email

Table with 2 columns: Fund Name, Amount. Rows include Maintenance & Operation, Classroom Site Funds, and Unrestricted Capital Outlay.

FUNDS AVAILABLE

Beginning Fund Balance (1)

REVENUES

1000 Local

1110 Property Taxes
1140 Penalties and Interest on Taxes
1280 Revenue in Lieu of Taxes
1311 Tuition from Individuals Excluding Summer School
1312 Tuition from Individuals for Summer School
1320 Tuition from Other Arizona Districts
1330 Tuition from Out-of-State Districts
1340 Tuition from Other Private Sources (Other than Individuals)
1350 Tuition from Other Government Sources Within Arizona
1360 Tuition from Other Government Sources Outside Arizona
1410 Transportation Fees from Individuals
1420 Transportation Fees from Other Arizona Districts
1430 Transportation Fees from Out-of-State Districts
1440 Transportation Fees from Other Private Sources (Other than Individuals)
1450 Transportation Fees from Other Government Sources Within Arizona
1460 Transportation Fees from Other Government Sources Outside Arizona
1500 Investment Income
Other (Specify) (2) Refund or prior year expenses, other revenue

Subtotal (lines 2-19)

2000 County

2110 County School Fund
2120 County Equalization Assistance
2210 Special County School Reserve Fund
Other (Specify)

Subtotal (lines 21-24)

3000 State

3100 Unrestricted
3110 State Equalization Assistance
3120 Additional State Aid
Other (Specify)

Subtotal (lines 26-29)

4000 Federal

4100 Unrestricted Revenue Received Directly from the Federal Government
4200 Unrestricted Revenue Received from the Federal Government through the State
4700 Revenue Received from the Federal Government through Other Intermediate Agencies
4800 Revenue in Lieu of Taxes
4900 Revenue for/on Behalf of the District
Other (Specify)

Subtotal (lines 31-36)

Total Fund Revenue (lines 20, 25, 30, and 37)

5100 Issuance of Bonds
5200 Fund Transfers-In
Other (Specify)

TOTAL FUNDS AVAILABLE (lines 1 and 38 through 41)

Total Expenditures

6900 Other Financing Uses and Other Items Including Transfers-Out

TOTAL EXPENDITURES AND OTHER USES (lines 43 plus 44)

ENDING FUND BALANCE (line 42 minus line 45) (3)

Table with 5 columns: MAINTENANCE AND OPERATION FUND 001, UNRESTRICTED CAPITAL OUTLAY FUND 610, ADJACENT WAYS FUND 620, BOND BUILDING FUND 630, DEBT SERVICE FUND 700 (4). Rows 1-46 showing actual values for various fund categories.

(1) The Maintenance and Operation Fund beginning fund balance includes the revolving account cash balance of \$500 at 7/1/20.

(2) The Government Property Lease Excise Tax revenue included on line 19 is \$0

(3) The Maintenance and Operation Fund ending fund balance includes the revolving account cash balance of \$500 at 6/30/21.

(4) Debt Service Fund, interest expenditures amount: \$0

MAINTENANCE AND OPERATION FUND (001)—EXPENDITURES

Expenditures		Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500	Supplies 6600	Other 6800	Totals			% Increase/ Decrease in Actual
							Budget	Actual	Prior Year Actual	
100 Regular Education										
1000 Instruction	1.	823,413	314,659	45,050	28,413	12,718	1,390,921	1,224,253	1,413,739	-13.4%
2000 Support Services										
2100 Students	2.	177,352	40,528	0	4,755	19,764	238,951	242,399	177,735	36.4%
2200 Instructional Staff	3.	77,249	22,561	5,949	4,622	5,217	189,629	115,598	143,604	-19.5%
2300 General Administration	4.	89,758	45,764	25,300	1,116	8,689	220,307	170,627	159,449	7.0%
2400 School Administration	5.	99,388	26,646	400	7,564	3,336	134,926	137,334	124,887	10.0%
2500 Central Services	6.	182,798	46,716	58,152	8,174	38,301	346,758	334,140	292,311	14.3%
2600 Operation & Maintenance of Plant	7.	269,962	68,253	325,898	239,716	1,787	1,095,748	905,616	859,504	5.4%
2900 Other	8.	0	0	0	0	0	0	0	0	0.0%
3000 Operation of Noninstructional Services	9.	6,682	1,291	30,521	0	0	29,546	38,495	80,314	-52.1%
610 School-Sponsored Cocurricular Activities	10.	15,454	2,941	823	0	0	31,050	19,218	22,606	-15.0%
620 School-Sponsored Athletics	11.	85,547	14,308	14,512	8,617	21,658	167,598	144,642	125,456	15.3%
630 Other Instructional Programs	12.	0	0	0	0	0	0	0	0	0.0%
700, 800, 900 Other Programs	13.	32,993	1,087	0	2,039	0	0	36,119	3,907	824.6%
Regular Education Subtotal (lines 1-13)	14.	1,860,597	584,754	506,605	305,015	111,469	3,845,434	3,368,440	3,403,512	-1.0%
200 and 300 Special Education										
1000 Instruction	15.	189,687	60,328	0	2,595	30	334,676	252,640	265,444	-4.8%
2000 Support Services										
2100 Students	16.	49,942	14,146	114,937	1,699	983	247,209	181,708	169,210	7.4%
2200 Instructional Staff	17.	48,483	9,745	375	61	2,812	85,843	61,475	64,543	-4.8%
2300 General Administration	18.	0	0	0	0	0	0	0	0	0.0%
2400 School Administration	19.	0	0	0	0	0	0	0	0	0.0%
2500 Central Services	20.	0	0	1,796	0	0	0	1,796	0	--
2600 Operation & Maintenance of Plant	21.	0	0	0	0	0	0	0	0	0.0%
2900 Other	22.	0	0	0	0	0	0	0	0	0.0%
3000 Operation of Noninstructional Services	23.	0	0	0	0	0	0	0	0	0.0%
Subtotal (lines 15-23)	24.	288,112	84,219	117,109	4,355	3,824	667,728	497,619	499,198	-0.3%
400 Pupil Transportation	25.	112,212	18,930	52,649	50,157	3,706	375,342	237,654	244,071	-2.6%
510 Desegregation										
(from Districtwide Desegregation Expenditures, page 2, line 44)	26.	0	0	0	0	0	0	0	0	0.0%
530 Dropout Prevention Programs										
1000 Instruction	27.	0	0	0	0	0		0	0	0.0%
2000-3000 Support Serv. & Oper. of Noninstructional Serv.	28.	0	0	0	0	0		0	0	0.0%
Subtotal (lines 27 and 28)	29.	0	0	0	0	0	0	0	0	0.0%
540 Joint Career and Technical Education and Vocational Education Center	30.	0	0	0	0	0	0	0	0	0.0%
550 K-3 Reading Program	31.	14,100	2,780	0	0	0	26,872	16,879	22,174	-23.9%
Total Expenditures (lines 14, 24-26, 29-31)	32.	2,275,022	690,682	676,363	359,527	118,999	4,915,376	4,120,593	4,168,955	-1.2%

CLASSROOM SITE FUNDS (011, 012, AND 013)—REVENUES, EXPENDITURES, AND FUND BALANCES

	Beginning Fund Balance	Actual Revenues	Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500 6810, 6890	Supplies 6600	Interest on Short-Term Debt 6850 (1)	Total Expenditures			% Increase/Decrease in Actual	Ending Fund Balance
								Budget	Actual	Prior Year Actual		
Classroom Site Fund 011 - Base Salary												
Revenues												
CSF Allocation (20%)	1.	52,813										
Interest Income and Other Revenue:	2.	0										
Total Revenues (lines 1 and 2)	3.	52,813										
Expenditures												
100 Regular Education												
1000 Instruction	4.		31,676	5,928				92,756	37,604	34,405	9.3%	
2100 Support Services - Students	5.		0	0				0	0	0	0.0%	
2200 Support Services - Instructional Staff	6.		0	0				0	0	0	0.0%	
Program 100 Subtotal (lines 4-6)	7.		31,676	5,928				92,756	37,604	34,405	9.3%	
200 and 300 Special Education												
1000 Instruction	8.		3,908	755				0	4,662	3,654	27.6%	
2100 Support Services - Students	9.		0	0				0	0	0	0.0%	
2200 Support Services - Instructional Staff	10.		0	0				0	0	0	0.0%	
Program 200 and 300 Subtotal (lines 8-10)	11.		3,908	755				0	4,662	3,654	27.6%	
Other Programs (Specify)												
1000 Instruction	12.		0	(0)				0	0	0	376.9%	
2100 Support Services - Students	13.		0	0				0	0	0	0.0%	
2200 Support Services - Instructional Staff	14.		0	0				0	0	0	0.0%	
3300 Community Services Operations	15.		0	0				0	0	0	0.0%	
Other Programs Subtotal (lines 12-15)	16.		0	(0)				0	0	0	376.9%	
Total Classroom Site Fund 011 - Base Salary	17.	39,813	52,813	35,584	6,682		0	92,756	42,266	38,059	11.1%	50,359
Classroom Site Fund 012 - Performance Pay												
Revenues												
CSF Allocation (40%)	18.	105,626										
Interest Income and Other Revenue:	19.	0										
Total Revenues (lines 18 and 19)	20.	105,626										
Expenditures												
100 Regular Education												
1000 Instruction	21.		65,592	12,779				190,350	78,371	86,664	-9.6%	
2100 Support Services - Students	22.		0	0				0	0	0	0.0%	
2200 Support Services - Instructional Staff	23.		0	0				0	0	0	0.0%	
Program 100 Subtotal (lines 21-23)	24.		65,592	12,779				190,350	78,371	86,664	-9.6%	
200 and 300 Special Education												
1000 Instruction	25.		5,200	1,033				0	6,233	8,030	-22.4%	
2100 Support Services - Students	26.		0	0				0	0	0	0.0%	
2200 Support Services - Instructional Staff	27.		0	0				0	0	0	0.0%	
Program 200 and 300 Subtotal (lines 25-27)	28.		5,200	1,033				0	6,233	8,030	-22.4%	
Other Programs (Specify)												
1000 Instruction	29.		0	0				0	0	0	--	
2100 Support Services - Students	30.		0	0				0	0	0	0.0%	
2200 Support Services - Instructional Staff	31.		0	0				0	0	0	0.0%	
3300 Community Services Operations	32.		0	0				0	0	0	0.0%	
Other Programs Subtotal (lines 29-32)	33.		0	0				0	0	0	--	
Total Classroom Site Fund 012 - Performance Pay	34.	82,856	105,626	70,792	13,812		0	190,350	84,604	94,694	-10.7%	103,878
Classroom Site Fund 013 - Other												
Revenues												
CSF Allocation (40%)	35.	105,626										
Interest Income and Other Revenue:	36.	0										
Total Revenues (lines 35 and 36)	37.	105,626										
Expenditures												
100 Regular Education												
1000 Instruction	38.		39,699	7,308	0	0		175,475	47,007	60,251	-22.0%	
2100 Support Services - Students	39.		0	0	0	0		0	0	0	0.0%	
2200 Support Services - Instructional Staff	40.		0	0	0	0		0	0	0	0.0%	
2310 Support Services - Governing Board	41.		0	0	0	0		0	0	0	0.0%	
Program 100 Subtotal (lines 38-41)	42.		39,699	7,308	0	0		175,475	47,007	60,251	-22.0%	
200 and 300 Special Education												
1000 Instruction	43.		2,040	394	0	0		0	2,434	2,290	6.3%	
2100 Support Services - Students	44.		0	0	0	0		0	0	0	0.0%	
2200 Support Services - Instructional Staff	45.		0	0	0	0		0	0	0	0.0%	
2310 Support Services - Governing Board	46.		0	0	0	0		0	0	0	0.0%	
Program 200 and 300 Subtotal (lines 43-46)	47.		2,040	394	0	0		0	2,434	2,290	6.3%	
530 Dropout Prevention Programs												
1000 Instruction	48.		0	0	0	0		0	0	0	0.0%	
Other Programs (Specify)												
1000 Instruction	49.		(0)	0	0	0		0	(0)	0	-402.8%	
2100, 2200 Support Serv. Students & Instructional Staff	50.		0	0	0	0		0	0	0	0.0%	
2310 Support Services - Governing Board	51.		0	0	0	0		0	0	0	0.0%	
3300 Community Services Operations	52.		0	0	0	0		0	0	0	0.0%	
Other Programs Subtotal (lines 49 -52)	53.		(0)	0	0	0		0	(0)	0	-402.8%	
Total Classroom Site Fund 013 - Other	54.	69,763	105,626	41,738	7,702	0	30	175,475	49,441	62,541	-20.9%	125,948
Total Classroom Site Funds (lines 17, 34, and 54)	55.	192,431	264,064	148,114	28,197	0	0	458,581	176,311	195,294	-9.7%	280,185

(1) Include amounts expended for registered warrant expense in Funds 011, 012, and 013 on lines 17, 34, and 54, respectively

UNRESTRICTED CAPITAL OUTLAY (610) FUND—EXPENDITURES

Expenditures	Rentals 6440	Library Books, Textbooks, & Instructional Aids 6641-6643	Property 6700	Redemption of Principal 6831, 6832	Interest 6841, 6842, 6850	All Other Object Codes (excluding 6900)	Totals			% Increase/ Decrease in Actual
							Budget	Actual	Prior Year Actual	
Unrestricted Capital Outlay Override (1)	0	0	0	0	0	0	0	0	225,068	-100.0%
Unrestricted Capital Outlay Fund 610 (2)										
1000 Instruction	0	37,522	8,178			0	159,642	45,700	33,082	38.1%
2000 Support Services										
2100, 2200 Students and Instructional Staff	0	10,445	5,240			9,508	6,500	25,193	42,174	-40.3%
2300, 2400, 2500, 2900 Administration	0		11,596		0	117	12,000	11,713	36,739	-68.1%
2600 Operation & Maintenance of Plant	0		10,539			0	3,000	10,539	12,653	-16.7%
2700 Student Transportation	0		4,440			0	12,000	4,440	50,202	-91.2%
3000 Operation of Noninstructional Services	0		587			0	0	587	1,376	-57.3%
4000 Facilities Acquisition and Construction	0		0			0	0	0	156	-100.0%
5000 Debt Service				119,911	43,312		163,224	163,223	48,685	235.3%
Total Unrestricted Capital Outlay Fund (lines 2-9)	0	47,967	40,580	119,911	43,312	9,625	356,366	261,395	225,068	16.1%

(1) Amounts in the Unrestricted Capital Outlay Override, line 1 above, must also be included in the Unrestricted Capital Outlay Fund (610) individual line items.

(2) Expenditures, if any, in the Unrestricted Capital Outlay Fund on lines 2-9 for the K-3 Reading Program as described in A.R.S. §15-211:

Budget \$0 **Actual** \$0

OTHER FUNDS—REQUIRED CAPITAL EXPENDITURE DETAIL [A.R.S. §15-904(B)]

Selected Expenditures by Object Code	UNRESTRICTED CAPITAL OUTLAY Fund 610		BOND BUILDING Fund 630		NEW SCHOOL FACILITIES Fund 695		ADJACENT WAYS Fund 620	
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
Total Fund Expenditures	356,366	261,395	0	0	0	0	75,000	47,863
6150 Classified Salaries	0	0	0	0	0	0	20,000	11,040
6200 Employee Benefits	0	0	0	0	0	0	10,000	2,193
6450 Construction Services	0	0	0	0	0	0	0	0
6710 Land and Improvements	0	0	0	0	0	0	45,000	0
6720 Buildings and Improvements	0	0	0	0	0	0	0	0
673X Furniture and Equipment	4,089	22,224	0	0	0	0	0	0
673X Vehicles	12,000	4,440	0	0	0	0	0	0
673X Technology-Related Hardware and Software	97,118	13,916	0	0	0	0	0	0
6831, 6832 Redemption of Principal	121,139	119,911	0	0	0	0	0	0
6841, 6842, 6850, 6860 Interest	42,085	43,312	0	0	0	0	0	0
Total (lines 2-11)	276,431	203,803	0	0	0	0	75,000	13,233
Total amounts reported on lines 2 through 11 above for:								
Renovation	0	0	0	0			0	0
New Construction	0	0	0	0	0	0	0	0
Other	276,431	203,803	0	0	0	0	75,000	13,233
Total (lines 13-15)	276,431	203,803	0	0	0	0	75,000	13,233

Funds 610, 630, 695, and 620

1. New construction cost per square foot	\$ <u> </u> 0
2. Land acquisition costs	\$ <u> </u> 0

CAPITAL ASSETS AS OF JUNE 30, 2021	
Land and Improvements	\$1,887,496
Buildings and Improvements	\$20,478,420
Furniture, Equipment, Vehicles, and Technology	\$3,796,541
Construction in Progress	\$0
Total	\$26,162,457

FEDERAL AND STATE PROJECTS

FEDERAL PROJECTS

100-130 ESEA Title I - Helping Disadvantaged Children	1.
140-150 ESEA Title II - Prof. Development and Technology	2.
160 ESEA Title IV - 21st Century Schools	3.
170-180 ESEA Title V - Promote Informed Parent Choice	4.
190 ESEA Title III - Limited English & Immigrant Students	5.
200 ESEA Title VII - Indian Education	6.
210 ESEA Title VI - Flexibility and Accountability	7.
220 IDEA Part B	8.
230 Johnson-O'Malley	9.
240 Workforce Investment Act	10.
250 AEA-Adult Education	11.
260-270 Vocational Education - Basic Grants	12.
280 ESEA Title X - Homeless Education	13.
290 Medicaid Reimbursement	14.
374 E-Rate	15.
378 & 699 Impact Aid and Federal Impact Aid (Construction)	16.
300-399 Other Federal Projects (Besides E-Rate & Impact Aid)	17.
Total Federal Project Funds (lines 1-17)	18.

	1.	BEGINNING FUND BALANCE	REVENUES	NET OTHER FINANCING SOURCES AND USES INCLUDING TRANSFERS (1)	EXPENDITURES		ENDING FUND BALANCE
		ACTUAL		ACTUAL	ACTUAL	BUDGET	ACTUAL
	1.	(27,627)	178,110	0	260,000	173,722	(23,240)
	2.	(4,897)	12,845	(242)	50,000	9,280	(1,574)
	3.	0	0	0	15,000	0	0
	4.	0	0	0	0	0	0
	5.	0	0	0	0	0	0
	6.	4,323	8,000	0	15,000	8,000	4,323
	7.	0	0	0	0	0	0
	8.	(12,616)	90,718	(8,675)	175,000	79,495	(10,068)
	9.	(2,908)	0	0	4,500	2,207	(5,115)
	10.	0	0	0	0	0	0
	11.	0	0	0	0	0	0
	12.	(1,590)	12,454	0	12,000	12,662	(1,799)
	13.	0	0	0	0	0	0
	14.	37,384	20,969	0	30,000	12,159	46,194
	15.	(0)	0	0	1,500	1,500	(1,500)
	16.	1	0	0	0	0	1
	17.	0	294,506	(9,929)	347,995	466,563	(181,986)
	18.	(7,930)	617,602	(18,847)	910,995	765,589	(174,763)

Total COVID-19 Federal Relief Funds included in line 17 above

19.	0	284,430	(9,929)	260,352	432,161	(157,660)	19.
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STATE PROJECTS

400 Vocational Education	20.
410 Early Childhood Block Grant	21.
420 Ext. School Yr. - Pupils with Disabilities	22.
425 Adult Basic Education	23.
430 Chemical Abuse Prevention Programs	24.
435 Academic Contests	25.
450 Gifted Education	26.
456 College Credit Exam Incentives	27.
457 Results-based Funding	28.
460 Environmental Special Plate	29.
465-499 Other State Projects	30.
Total State Project Funds (lines 20-30)	31.

	20.	0	2,545	0	10,000	2,545	0	20.
	21.	0	0	0	0	0	0	21.
	22.	0	0	0	0	0	0	22.
	23.	0	0	0	0	0	0	23.
	24.	0	0	0	0	0	0	24.
	25.	0	0	0	0	0	0	25.
	26.	0	0	0	0	0	0	26.
	27.	300	0	0	0	0	300	27.
	28.	0	0	0	0	0	0	28.
	29.	0	0	0	0	0	0	29.
	30.	(53,889)	112,567	(10,900)	185,000	109,752	(61,974)	30.
	31.	(53,589)	115,112	(10,900)	195,000	112,297	(61,674)	31.

Total Federal and State Projects (lines 18 and 31)

32.	(61,519)	732,714	(29,747)	1,105,995	877,886	(236,437)	32.
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1.	OTHER FINANCING SOURCES INCLUDING TRANSFERS-IN 5000 (1)	OTHER FINANCING USES INCLUDING TRANSFERS-OUT 6900 (1)	1.
1.	0	0	1.
2.	0	242	2.
3.	0	0	3.
4.	0	0	4.
5.	0	0	5.
6.	0	0	6.
7.	0	0	7.
8.	0	8,675	8.
9.	0	0	9.
10.	0	0	10.
11.	0	0	11.
12.	0	0	12.
13.	0	0	13.
14.	0	0	14.
15.	0	0	15.
16.	0	0	16.
17.	0	9,929	17.

19.	0	9,929	19.
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20.	OTHER FINANCING SOURCES (2)	OTHER FINANCING USES (2)	20.
20.	0	0	20.
21.	0	0	21.
22.	0	0	22.
23.	0	0	23.
24.	0	0	24.
25.	0	0	25.
26.	0	0	26.
27.	0	0	27.
28.	0	0	28.
29.	0	0	29.
30.	0	10,900	30.

(1) In accordance with the USFR Chart of Accounts, the Impact Aid Fund may transfer monies (object code 6930) to the M&O and Teacherage Funds; the Impact Aid Fund may also receive transfers-in (object code 5200) from the Impact Aid Revenue Bond Building and Impact Aid Revenue Bond Debt Service Funds; all other Federal Projects Funds may not receive any transfers-in and may only make transfers-out to the Indirect Costs Fund based on an approved indirect cost rate (object code 6910) and for any interest on federal program monies the district is not required to revert and chooses to transfer to the Indirect Cost Fund (object code 6930).

(2) In accordance with the USFR Chart of Accounts, transfers of monies between funds should be made only when specifically authorized by statute or allowed by a federal grant. Currently, there are no allowable transfers to or from any state projects.

A. Bonds and Short-term Debt

1. Bonds Outstanding, July 1, 2020	\$0	1.
2. Bonds issued during FY 2021	0	2.
3. Bonds retired during FY 2021	0	3.
4. Bonds Outstanding, June 30, 2021	\$0	4.
5. Short-term Debt Outstanding, July 1, 2020	\$0	5.
6. Short-term Debt Outstanding, June 30, 2021	\$0	6.

B. District Assessed Valuation and Other District Information

1. FY 2021 Assessed Valuations and Tax Rates			
a. Primary	\$120,131,968	Tax Rate	3.6003
b. Secondary	\$120,131,968	Tax Rate	0.5224
2. Number of Schools			3
3. Actual Days in Session			180
4. Area of School District (Square Miles)			480

(Report this WHETHER OR NOT district changed boundaries in FY 2021)

C. County Approved Liabilities incurred in excess of district budget (A.R.S. §15-907)

	M & O	Unrestricted Capital Outlay	
1. Destruction or damage	0	0	1.
2. Excessive/unexpected legal expenses	0	0	2.
3. Mitigation or removal of health or safety hazard	0	0	3.

D. Current Expenditures by Category

1. Classroom Instruction excl. Supplies (Function 1000, except line 2 amount)	\$2,198,690
2. Classroom Supplies (Function 1000, Object Code 6600)	\$112,834
3. Administration (Functions 2300, 2400, 2500, & 2900)	\$732,152
4. Support Services—Students (Function 2100)	\$576,087
5. All Other Support Services & Operations (Functions 2200, 2600, 2700, 3100, & 3400)	\$1,891,364
6. Total Current Expenditures	\$5,511,126
7. Total Current Expenditures from Federal Funds, excluding those funds intended to replace local tax revenues (e.g., impact aid funds)	\$571,983
8. Total Current Expenditures from State and Local Funds, including those funds intended to replace local tax revenues (e.g., impact aid funds)	\$4,939,142

E. Total salaries and benefits expenditures related to an agreement with Department of Labor to settle a decision based on the Fair Labor Standards Act \$0

F. Rewards, Discounts, Incentives, and Other Financial Consideration Received from Credit Card Companies (A.R.S. §35-391) \$0

G. Cash and Investments held at June 30, 2021

1. Sinking funds	\$0
2. Bond funds	\$0
3. Other funds, except for any employee retirement funds	\$987,015

H. Average Teacher Salary (A.R.S. §15-903.E)

1. Average salary of all teachers employed in FY 2021	\$49,916
2. Average salary of all teachers employed in FY 2020	\$47,982
3. Increase in average teacher salary from prior year	\$1,934
4. Percentage increase	4.0%

Comments on Average Salary Calculation (Optional):

5. Average salary of all teachers employed in FY 2018 \$44,654

6. Total percentage increase in average teacher salary since FY 2018 11.8%

Check this box if your district has no teachers (transporting districts and some CTEDs).

A. ENROLLMENT OF GIFTED PUPILS BY GRADE (A.R.S. §15-779.02)

Areas of Identification [A.R.S. §15-203(A)(15)]

	GRADE												TOTAL		
	K	1	2	3	4	5	6	7	8	9	10	11		12	
1. Quantitative Reasoning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2. Verbal Reasoning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Nonverbal Reasoning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4. Total Duplicated Enrollment (lines 1-3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

B. M&O SPECIAL EDUCATION PROGRAMS BY TYPE

(A.R.S. § 15-761)

	PROGRAM 200 & 300 BUDGET	PROGRAM 200 & 300 ACTUAL
1. Total All Disability Classifications	582,728	435,250
2. Gifted Education	0	0
3. Remedial Education	0	0
4. ELL Incremental Costs	0	0
5. ELL Compensatory Instruction	0	0
6. Vocational and Technological Education (non-CTED)	0	7,159
7. Career Education	0	0
8. Career Technical Education (CTED programs in 300 range)	85,000	55,210
9. Total (lines 1-8)	667,728	497,619
10. IEP required pupil transportation costs coded within Program 400		0

C. MAINTENANCE AND OPERATION FUND EXPENDITURES FOR GIFTED PUPILS (ELEMENTARY, SECONDARY, AND TOTAL)

Actual Expenditures for all Gifted Programs:

K-8	\$ 0
9-12	\$ 0
Total	\$ 0

D. EXPENDITURES FOR AUDIT SERVICES

	BUDGET	ACTUAL
1. Nonfederal Audit Expenditures - M&O Fund	6350	25,500
2. Federal Audit Expenditures - All Funds	6330	0

E. MAINTENANCE AND OPERATION FUND EXPENDITURES FOR PERFORMANCE PAY (A.R.S. §15-920)

Actual Expenditures made in FY 2020 \$ 0

F. TUITION

Type 03 Districts Only

- Tuition to Other Arizona Districts for high school students only (objects 6561 & 6565)
- Tuition to Other Arizona Districts for all other students (objects 6561)
- Tuition to Out-of-State Districts for high school students only (objects 6562 & 6565)
- Tuition to Out-of-State Districts for all other students (objects 6562)

Non-Type 03 Districts

- Tuition to Other Arizona Districts (object 6561)
- Tuition to Out-of-State Districts (object 6562)

All Districts

- Tuition to Private Schools (object 6563)
- Tuition to Ed Services\Coops\IGAs (object 6564)
- Tuition Other (object 6569) (1)
- Total (lines 1-9)

Tuition Expenditures			
Operations	Capital	Debt	Total
0	0	0	0
0	0		0
0	0	0	0
0	0		0
0	0		0
0	0		0
0	0		0
0	0		0
0	0	0	0

(1) Tuition paid to the State and other governmental organizations, such as the Arizona School for the Deaf and Blind, as reimbursement for providing specialized instructional services to students residing within the boundaries of the paying district.

ADDITIONAL INFORMATION FOR NATIONAL PUBLIC EDUCATION FINANCIAL SURVEY (NPEFS) REPORTING

		Programs 100-630									Programs 700-900	Total		
		Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500	Supplies 6600	Property 6700	Dues and Fees 6810	Judgments Against a District 6820	Redemption of Principal 6831, 6832	Interest 6841, 6842, 6850	Miscellaneous 6890		All Object Codes (excluding 6900)	
1000 Instruction	1.	1,601,667	497,190	60,360	113,070	140,096	33,172				8,134	0	2,453,688	1.
2000 Support Services														
2100 Students	2.	272,816	63,749	158,745	28,319	7,645	51,664				794	0	583,732	2.
2200 Instructional Staff	3.	136,758	33,870	7,399	27,961	38,156	8,028				0	0	252,171	3.
2300 General Administration	4.	89,758	45,764	25,300	1,288	0	8,689	0			0	0	170,799	4.
2400 School Administration	5.	103,388	27,415	400	7,564	0	3,336				0	0	142,103	5.
2500, 2900 Central Services, Other	6.	192,178	47,977	129,864	8,364	29,252	31,738		9,129		0	0	448,501	6.
2600 Operation and Maintenance of Plant	7.	287,697	71,173	544,416	292,685	23,192	1,787				0	0	1,220,951	7.
2700 Student Transportation	8.	112,212	18,930	52,649	50,157	4,440	3,706				0		242,094	8.
3000 Operation of Noninstructional Services														
3100 Food Service Operations	9.	6,682	1,291	214,095	17,312	11,240	404				0	0	251,025	9.
3200 Enterprise Operations	10.	0	0	0	0	0	0				0	0	0	10.
3300 Community Services Operations	11.											37,520	37,520	11.
3400 Bookstore Operations	12.	1,877	274	0	0	0	0				0	0	2,151	12.
Total (lines 1-12)	13.	2,805,034	807,633	1,193,229	546,719	254,021	142,523	0	9,129	8,928		37,520	5,804,735	13.
From Federal Funds	14.	329,356	72,214	227,063	113,777	201,397	738	0	0	0		0	944,545	14.
From State and Local Sources	15.	2,475,678	735,420	966,165	432,942	52,623	141,785	0	9,129	8,928		37,520	4,860,190	15.
4000 Facilities Acquisition and Construction	16.	0	0	376,915	0	0	0				0	0	376,915	16.
5000 Debt Service	17.							119,911	43,312			0	163,223	17.

Teacher Salaries (Funds 001-799 excluding 575, Function 1000)

	Certified Teachers (in Object 6100)	Certified Substitutes (in Object 6100)	Contract Teachers (in Object 6300)	Contract Substitutes (in Object 6300)
1. Regular Education (Programs 100, 280, 520, and 550)	1,126,625	23,622	41,778	0
2. Special Education (Programs 200-230, 250, 512, 514, and 515)	85,940	0	0	0
3. Vocational Ed. and CTED (Programs 270, 300-399, and 540)	66,128	0	0	0
4. Other (Programs 240, 260, 265, 510, 511, 513, and 530)	0	0	0	0
5. Co-curricular Activities, Athletics, and Other (Program 600-630)	64,985	1,154	10,220	0

Other Items (Funds 001-799, excluding 575)

6. Textbooks used for Instruction (Function 1000, Object 6640)	11,757	6.
7. Number of FTE-Certified Teachers	27	7.
8. Number of FTE-Contract Teachers	1	8.

Utilities and Energy Detail (Funds 001-799 excluding 575, Only Function 2600)

1. 6410-6411 Utility Services	35,050	1.
2. 6620-6629 Energy	204,001	2.

CTED Districts Only (Funds 001-799 excluding 575, All Functions)

1. 6591 Services Purchased from Other Arizona Districts	0	1.
2. 6870 Pass-through Payments	0	2.
3. 6880 Sub-awards	0	3.

Revenue from selected federal sources

1. ESEA Title IV - Student Support and Academic Enrichment Grants	0	1.
2. ESEA Title IV - 21st Century Community Learning Centers	0	2.
3. ESEA Title V - Rural Education - Rural and Low-Income School Program	0	3.
4. ESEA Title V - Rural Education - Small, Rural School Achievement Program	10,076	4.

Detailed technology reporting on lines 1 through 3 is optional until fiscal year 2022.

Improvement of Instruction and Library/Media Services functions detail are optional until fiscal year 2022.

Programs 700-900 Expenditure Detail (Funds 001-799, excluding 575)

	Property 6700	All Other (excluding 6900)	Total
1. Program 700	0	0	0
2. Program 800	0	0	0
3. Program 900	351	37,169	37,520
4. Total (lines 1-3)	351	37,169	37,520

Property Detail for Function 4000 (Funds 001-799, excluding 575)

1. 6710 Land and Improvements	0	1.
2. 6720 Buildings and Improvements	0	2.
3. 6731-39 Equipment	0	3.
4. Total (lines 1-3)	0	4.
5. 6450 Construction	376,915	5.

Technology (Funds 001-799 excluding 575, All Functions)

1. 6340 Technical Services	62,448	1.
2. 6432 Technology-Related Repairs and Maintenance	15,703	2.
3. 6443 Rental of Computers and Related Equipment	0	3.
4. 6531 Telecommunications	33,722	4.
5. 6650 Supplies-Technology-Related	3,281	5.
6. 6737-38 Technology-Related Hardware & Software (less than \$5,000)	188,583	6.
7. Subtotal (Lines 1-6)	303,737	7.
8. 6739 Technology-Related Hardware & Software (\$5,000 or more)	0	8.

Support Services-Instruction Detail (Funds 001-799 excluding 575, All Objects)

1. 2210 Improvement of Instruction	1,554	1.
2. 2220 Library/Media Services	53,573	2.

SUMMARY OF SCHOOL DISTRICT ANNUAL FINANCIAL REPORT

CTDS NUMBER 090202000

I certify that the Annual Financial Report of Joseph City Unified School District, Navajo County, for fiscal year 2021 was approved by the Governing Board on October 12, 2021, and that the complete Annual Financial Report may be reviewed by contacting Steven Mills at the District Office, telephone 928-288-3307, during normal business hours.

Avg. Daily Membership	2020	2021
Attending	441.330	422.140
2021 Tax Rates:	Primary	Secondary
	3.6003	0.5224

Rev. 8/20 Arizona Department of Education and Auditor General

President of the Governing Board

Fund/Program	Beginning Fund Balance	Revenues	Net Other Financing Sources and Uses Including Transfers	Budgeted Expenditures	Actual Expenditures	Ending Fund Balance
Regular Education				3,845,434	3,368,440	
Special Education				667,728	497,619	
Pupil Transportation				375,342	237,654	
Desegregation				0	0	
Dropout Prevention Programs				0	0	
Joint Career & Tech. Ed. & Voc. Ed. Center				0	0	
K-3 Reading Program				26,872	16,879	
Maintenance and Operation Total	37,343	4,723,024	0	4,915,376	4,120,593	639,775
Classroom Site Funds	192,431	264,064		458,581	176,311	280,185
Instructional Improvement	33,849	19,061		25,000	0	52,910
Unrestricted Capital Outlay	46,698	269,091	0	356,366	261,395	54,394
Adjacent Ways	91,488	49,525	0	75,000	47,863	93,150
Bond Building	0	0	0	0	0	0
Other Capital Funds	(5,352)	48,110	0	48,110	0	42,757
New School Facilities	0	0		0	0	0
Federal Projects	(7,930)	617,602	(18,847)	910,995	765,589	(174,763)
State Projects	(53,589)	115,112	(10,900)	195,000	112,297	(61,674)
County, City, and Town Grants	0	0	0	0	0	0
English Language Learner	0	0	0	0	0	0
Compensatory Instruction	0	0	0	0	0	0
School Plant Fund	3	19,267	0	1,000	0	19,270
Food Service	0	179,545	0	300,000	197,465	(17,919)
Civic Center	8,315	16,785	0	10,000	1,402	23,698
Community School	214	2,069	0	12,000	2,069	214
Auxiliary Operations	49,589	49,616	0	80,000	19,836	79,370
Extracurricular Activities Fees	34,805	15,553	0	20,000	14,335	36,023
Gifts and Donations	22,775	13,080	0	50,000	9,428	26,427
Career & Tech. Ed. & Voc. Ed. Projects	58	0	0	5,000	0	58
Fingerprint	0	0	0	0	0	0
School Opening	0	0	0	0	0	0
Insurance Proceeds	14,312	0	30,386	60,000	0	44,698
Textbooks	439	0	0	500	0	439
Litigation Recovery	26,163	26	0	35,000	0	26,189
Indirect Costs	532	0	29,747	30,000	30,279	(0)
Unemployment Insurance	0	0	0	0	0	0
Teacherage	0	0	0	0	0	0
Insurance Refund	1,496	890	0	10,000	0	2,386
Grants and Gifts to Teachers	0	0	0	0	0	0
Advertisement	0	0	0	0	0	0
Career Technical Education	40,750	65,583	0	45,000	34,566	71,767
Arizona Industry Credentials Incentive	0	0	0	0	0	0
Impact Aid Revenue Bond Building	0	0	0	0	0	0
Debt Service	0	100	0	0	0	100
Emergency Deficiencies Correction	0	118,408	0	140,000	136,148	(17,740)
Building Renewal Grant	(73,863)	233,579	0	600,000	415,299	(255,583)
Impact Aid Rev. Bond Debt Service	0	0	0	0	0	0
Student Activities	41,939	25,111		60,000	35,980	31,070
Self-Insurance	0	0	0	0	0	0
Intergovernmental Agreements	0	0	37	0	0	0
OPEB	0	0	0	0	0	0
Other Funds	0	0	0	0	0	0

**SUPPLEMENT TO SCHOOL DISTRICT ANNUAL FINANCIAL REPORT FOR DISTRICTS THAT INCURRED EXPENDITURES FOR
ENGLISH LANGUAGE LEARNERS (A.R.S. §§15-756.04 and 15-756.11)**

Revenue Object Codes/Expenditure Function Codes	Actual Revenues	Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500	Supplies 6600	Property 6700	Other 6800	Total Expenditures	
								Budget	Actual
English Language Learner Fund 071									
Revenues									
3200 Restricted Revenue from State Sources	1. 0								1.
Investment Income and Other Revenues	2. 0								2.
Total Revenues (lines 1 and 2)	3. 0								3.
Expenditures									
1000 Instruction		4. 0	0	0	0	0	0	0	4.
2000 Support Services									
2100 Students		5. 0	0	0	0	0	0	0	5.
2200 Instructional Staff		6. 0	0	0	0	0	0	0	6.
2300 General Administration		7. 0	0	0	0	0	0	0	7.
2400 School Administration		8. 0	0	0	0	0	0	0	8.
2500 Central Services		9. 0	0	0	0	0	0	0	9.
2600 Operation & Maintenance of Plant		10. 0	0	0	0	0	0	0	10.
2700 Student Transportation		11. 0	0	0	0	0	0	0	11.
2900 Other		12. 0	0	0	0	0	0	0	12.
Total (must agree with the AFR page 6, line 3)	13. 0	0	0	0	0	0	0	0	13.
Compensatory Instruction Fund 072									
Revenues									
3200 Restricted Revenue from State Sources	14. 0								14.
Investment Income and Other Revenues	15. 0								15.
Total Revenues (lines 14 and 15)	16. 0								16.
Expenditures									
1000 Instruction		17. 0	0	0	0	0	0	0	17.
2000 Support Services									
2100 Students		18. 0	0	0	0	0	0	0	18.
2200 Instructional Staff		19. 0	0	0	0	0	0	0	19.
2300 General Administration		20. 0	0	0	0	0	0	0	20.
2400 School Administration		21. 0	0	0	0	0	0	0	21.
2500 Central Services		22. 0	0	0	0	0	0	0	22.
2600 Operation & Maintenance of Plant		23. 0	0	0	0	0	0	0	23.
2700 Student Transportation		24. 0	0	0	0	0	0	0	24.
2900 Other		25. 0	0	0	0	0	0	0	25.
Total (must agree with the AFR page 6, line 4)	26. 0	0	0	0	0	0	0	0	26.

FOOD SERVICE

FUND 510	
ACTUAL	
1.	0
2.	0
3.	589
4.	0
5.	162,851
6.	16,106
7.	179,545
8.	0
9.	179,545

BEGINNING FUND BALANCE (1) REVENUES

1500 Investment Income	2.	0	2.
1600 Food Service	3.	589	3.
Other Local _____	4.	0	4.
4500 Restricted Revenue Rec. from Fed. Gov.	5.	162,851	5.
4900 Revenue for/on Behalf of the District	6.	16,106	6.
TOTAL REVENUE (lines 2-6)	7.	179,545	7.
5000 Other Financing Sources and Fund Transfers-In	8.	0	8.
TOTAL AVAILABLE (lines 1, 7, and 8)	9.	179,545	9.

A. Number of operating months 12

B. Number of Meals Served

- 1. Served at District Locations
 - a. Reimbursable Meals Only
 - b. Program Adults/Adult Workers
 - c. Other
- 2. Served at Other Locations
 - a. Reimbursable Meals Only
 - b. Program Adults/Adult Workers
 - c. Other

	BREAKFASTS	LUNCHES/ SUPPERS	A LA CARTE*	SNACKS
a. Reimbursable Meals Only	37,215.00	30,676.00	0.00	0.00
b. Program Adults/Adult Workers	0.00	51.00	0.00	0.00
c. Other	0.00	0.00	0.00	0.00
a. Reimbursable Meals Only	0.00	0.00	0.00	0.00
b. Program Adults/Adult Workers	0.00	0.00	0.00	0.00
c. Other	0.00	0.00	0.00	0.00

* Divide all revenues from a la carte sales by the free lunch reimbursement rate received.

C. Meal Prices

	P-6	7-8	9-12	Adult
1. Reduced breakfast	0.00	0.00	0.00	
2. Reduced lunch	0.40	0.40	0.40	
3. Reduced snack	0.00	0.00	0.00	
4. Paid breakfast	0.00	0.00	0.00	1.75
5. Paid lunch	2.95	3.00	3.00	3.50
6. Paid snack	0.00	0.00	0.00	0.00

D. Special Milk Program

Charge to children per ½ pint milk unit	\$0.00
Number of ½ pint milk units served to children	0

EXPENDITURES

- 6150 Classified Salaries
- 6200 Employee Benefits
- 6400 Purchased Property Services
- 6570 Food Service Management
- 6591 Services Purchased from Other AZ Districts
- 6610 General Supplies (Nonfood Items)
- 6620 Energy
- 6631 USDA Commodities (Excluding Freight)
- 6632 USDA Commodities (Freight Only)
- 6633 Other Food
- 6634 Storage Costs for USDA Commodities
- 6700 Property (Excluding 6731-39)
- 6731-32, 6734-35, 6737-38 Furniture & Equipment, Vehicles, & Tech. costing under \$5,000
- 6733, 6736, 6739 Furniture & Equipment, Vehicles, & Tech. costing \$5,000 or more
- Other Expenditures _____
- TOTAL EXPENDITURES** (lines 10-24)
- 6910 Indirect Costs Transfers-Out
- 6900 Other Financing Uses and Fund Transfers-Out (excluding Indirect Costs Transfers-Out)
- TOTAL EXPENDITURES & OTHER USES** (lines 25-27)
- ENDING FUND BALANCE** (line 9 minus line 28) (1)

FOOD SERVICE FUND 510		M&O EXPENDITURES FUND 001	CAPITAL EXPENDITURES FUND 610
BUDGET	ACTUAL	ACTUAL	ACTUAL
10.	0	6,682	0
11.	0	1,291	0
12.	0	0	0
13.	179,749	30,521	
14.	0	0	
15.	0	0	0
16.	0	0	
17.	16,110		
18.	1,202		
19.	0		
20.	0		
21.			0
22.	0		587
23.	0		0
24.	404	0	0
25.	300,000	197,465	38,495
26.	0		
27.	0		
28.	197,465		
29.	(17,919)		

E. Detail of Food Service Management Company Expenditures

Classified Salaries	81,352
Employee Benefits	20,232
Supplies and Materials (Nonfood)	6,730
Food	64,095
Management Fee	31,116
Other	1,500
Total (must equal total of amounts on line 13 above)	205,025

(1) Includes Food Service Fund revolving account cash balance of \$0 at 7/1/20 or \$0 at 6/30/21, as applicable.

		School #	School Listing–Districtwide		School Listing–School 1		School Listing–School 2		School Listing–School 3	
		School Name	Districtwide		Joseph City Elementary School		Joseph City Junior High School		Joseph City High School	
		CTDS	080202500		090202001		090202003		090202002	
		Primary Unit Code	500		101		102		203	
		Unweighted Attending Student Count	0		171.268		112.025		136.847	
Funds 0-799 (excluding 575)										
			Total	Amount per Pupil	Total	Amount per Pupil	Total	Amount per Pupil	Total	Amount per Pupil
Payments to Other AZ Districts - Tuition (6561, 6565), Other Services (6591)			0	0	0	0	0	0	0	0
Programs 100-630	Function 1000—Instruction	Salaries (6100)	0	0	643,572	3,758	367,812	3,283	590,283	4,313
		Employee Benefits (6200)	9,818	0	207,315	1,210	97,135	867	182,922	1,337
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	44,139	258	785	7	15,436	113
		Supplies (6600)	2,923	0	41,403	242	21,567	193	47,177	345
		Property (6700) (excluding 6740 and 6750)	0	0	60,951	356	28,679	256	50,466	369
		Dues and Fees (6810)	0	0	1,494	9	3,488	31	28,190	206
		Miscellaneous (6890)	0	0	0	0	119	1	8,014	59
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	
Programs 100-630	Function 2100—Support Services-Students	Salaries (6100)	56,217	0	93,715	547	55,538	496	67,347	492
		Employee Benefits (6200)	13,514	0	22,652	132	12,216	109	15,367	112
		Purchased Services (6300, 6400, 6500) (excluding tuition)	121,742	0	30,446	178	3,173	28	3,383	25
		Supplies (6600)	12,225	0	6,865	40	615	5	8,613	63
		Property (6700) (excluding 6740 and 6750)	0	0	1,350	8	3,031	27	3,265	24
		Dues and Fees (6810)	32,460	0	10,006	58	4,140	37	5,058	37
		Miscellaneous (6890)	0	0	0	0	0	0	794	6
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	
Programs 100-630	Function 2200—Support Services-Instructional Staff	Salaries (6100)	75,834	0	25,776	150	16,118	144	19,031	139
		Employee Benefits (6200)	21,353	0	3,474	20	4,140	37	4,904	36
		Purchased Services (6300, 6400, 6500) (excluding tuition)	645	0	4,616	27	767	7	1,371	10
		Supplies (6600)	8,122	0	15,763	92	1,618	14	2,459	18
		Property (6700) (excluding 6740 and 6750)	20,221	0	482	3	1,096	10	16,356	120
		Dues and Fees (6810)	4,344	0	1,432	8	505	5	1,747	13
		Miscellaneous (6890)	0	0	0	0	0	0	0	0
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	
Programs 100-630	Function 2300—Support Services-General Administration	Salaries (6100)	89,758	0	0	0	0	0	0	0
		Employee Benefits (6200)	45,764	0	0	0	0	0	0	0
		Purchased Services (6300, 6400, 6500) (excluding tuition)	25,300	0	0	0	0	0	0	0
		Supplies (6600)	1,288	0	0	0	0	0	0	0
		Property (6700) (excluding 6740 and 6750)	0	0	0	0	0	0	0	0
		Dues and Fees (6810)	8,689	0	0	0	0	0	0	0
		Judgments Against a District (6820)	0	0	0	0	0	0	0	0
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	
Programs 100-630	Function 2400—Support Services-School Administration	Salaries (6100)	0	0	53,514	312	24,489	219	25,385	185
		Employee Benefits (6200)	1,033	0	12,364	72	6,888	61	7,130	52
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	400	3
		Supplies (6600)	0	0	2,255	13	2,202	20	3,107	23
		Property (6700) (excluding 6740 and 6750)	0	0	0	0	0	0	0	0
		Dues and Fees (6810)	0	0	808	5	599	5	1,929	14
		Miscellaneous (6890)	0	0	0	0	0	0	0	0
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	

Programs 100-630	Functions 2500, 2900—Support Services-Central Services, Other	Salaries (6100)	192,178	0	0	0	0	0	0	0
		Employee Benefits (6200)	47,977	0	0	0	0	0	0	0
		Purchased Services (6300, 6400, 6500) (excluding tuition)	113,573	0	12,399	72	1,622	14	2,269	17
		Supplies (6600)	8,317	0	36	0	0	0	11	0
		Property (6700) (excluding 6740 and 6750)	29,252	0	0	0	0	0	0	0
		Dues and Fees (6810)	29,107	0	1,450	8	456	4	725	5
		Interest (6850)	9,129	0	0	0	0	0	0	0
		Miscellaneous (6890)	0	0	0	0	0	0	0	0
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	
Programs 100-630	Function 2600—Support Services-Operation and Maintenance of Plant	Salaries (6100)	166,903	0	57,605	336	29,492	263	33,697	246
		Employee Benefits (6200)	38,093	0	14,460	84	8,315	74	10,305	75
		Purchased Services (6300, 6400, 6500) (excluding tuition)	172,176	0	194,625	1,136	68,969	616	108,646	794
		Supplies (6600)	81,508	0	87,842	513	49,408	441	73,927	540
		Property (6700) (excluding 6740 and 6750)	11,876	0	0	0	2,740	24	8,576	63
		Dues and Fees (6810)	1,687	0	0	0	40	0	60	0
		Miscellaneous (6890)	0	0	0	0	0	0	0	0
		Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0
Programs 100-630	Function 2700—Support Services-Student Transportation	Salaries (6100)	112,212	0	0	0	0	0	0	
		Employee Benefits (6200)	18,930	0	0	0	0	0	0	
		Purchased Services (6300, 6400, 6500) (excluding tuition)	52,649	0	0	0	0	0	0	
		Supplies (6600)	50,157	0	0	0	0	0	0	
		Property (6700) (excluding 6740 and 6750)	4,440	0	0	0	0	0	0	
		Dues and Fees (6810)	140	0	1,676	10	827	7	1,063	8
		Miscellaneous (6890)	0	0	0	0	0	0	0	
		Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0
Programs 100-630	Function 3100—Food Service Operations	Salaries (6100)	6,682	0	0	0	0	0	0	
		Employee Benefits (6200)	1,291	0	0	0	0	0	0	
		Purchased Services (6300, 6400, 6500) (excluding tuition)	214,095	0	0	0	0	0	0	
		Supplies (6600)	17,312	0	0	0	0	0	0	
		Property (6700) (excluding 6740 and 6750)	587	0	2,438	14	3,530	32	4,685	34
		Dues and Fees (6810)	404	0	0	0	0	0	0	
		Miscellaneous (6890)	0	0	0	0	0	0	0	
		Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0
Programs 100-630	Function 3200—Enterprise Operations	Salaries (6100)	0	0	0	0	0	0	0	
		Employee Benefits (6200)	0	0	0	0	0	0	0	
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	0	
		Supplies (6600)	0	0	0	0	0	0	0	
		Property (6700) (excluding 6740 and 6750)	0	0	0	0	0	0	0	
		Dues and Fees (6810)	0	0	0	0	0	0	0	
		Miscellaneous (6890)	0	0	0	0	0	0	0	
		Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0
Programs 700-900	Function 3300—Community Service Operations	All 6000 Object Codes (excluding 6740, 6750 and 6900)	37,520	0	0	0	0	0		
Programs 100-630	Function 3400—Bookstore Operations	Salaries (6100)	0	0	0	0	0	1,877	14	
		Employee Benefits (6200)	0	0	0	0	0	274	2	
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	0	
		Supplies (6600)	0	0	0	0	0	0	0	
		Property (6700) (excluding 6740 and 6750)	0	0	0	0	0	0	0	
		Dues and Fees (6810)	0	0	0	0	0	0	0	
		Miscellaneous (6890)	0	0	0	0	0	0	0	
		Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	

Programs 100-630	Function 4000—Facilities Acquisition and Construction	Salaries (6100)	0	0	0	0	0	0	0	0
		Employee Benefits (6200)	0	0	0	0	0	0	0	0
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	333,881	1,949	17,214	154	25,820	189
		Supplies (6600)	0	0	0	0	0	0	0	0
		Property (6700) (excluding 6740 and 6750)	0	0	0	0	0	0	0	0
		Dues and Fees (6810)	0	0	0	0	0	0	0	0
		Miscellaneous (6890)	0	0	0	0	0	0	0	0
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	0
Programs 100-630	Function 5000—Debt Service	Redemption of Principal (6831 districtwide and 6832)	119,911	0	0	0	0	0	0	0
Programs 700-900		Interest (6841 districtwide, 6842, 6860)	43,312	0	0	0	0	0	0	0
		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	0
Programs 100-630	Functions 1000-3000 From Federal Funds	Salaries (6100)	9,573	0	211,353	1,234	33,829	302	69,970	511
		Employee Benefits (6200)	1,479	0	46,213	270	6,636	59	16,991	124
		Purchased Services (6300, 6400, 6500) (excluding tuition)	77,673	0	193	1	60	1	723	5
		Supplies (6600)	223,603	0	30,307	177	5,009	45	16,872	123
		Property (6700) (excluding 6740 and 6750)	35,287	0	64,739	378	33,974	303	59,606	436
		Dues and Fees (6810)	458	0	0	0	0	0	0	0
		Judgments Against a District (6820)	0	0	0	0	0	0	0	0
		Interest (6850)	0	0	0	0	0	0	0	0
		Miscellaneous (6890)	0	0	0	0	0	0	0	0
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	0	0	0	0	0	0	0	
Programs 100-630	Functions 1000-3000 From State & Local Sources	Salaries (6100)	690,212	0	662,828	3,870	459,619	4,103	667,651	4,879
		Employee Benefits (6200)	196,294	0	214,051	1,250	122,057	1,090	203,912	1,490
		Purchased Services (6300, 6400, 6500) (excluding tuition)	622,508	0	286,033	1,670	75,257	672	130,782	956
		Supplies (6600)	(41,751)	0	123,857	723	70,401	628	118,422	865
		Property (6700) (excluding 6740 and 6750)	31,089	0	482	3	5,102	46	23,742	173
		Dues and Fees (6810)	76,372	0	16,866	98	10,056	90	38,771	283
		Judgments Against a District (6820)	0	0	0	0	0	0	0	0
		Interest (6850)	9,129	0	0	0	0	0	0	0
		Miscellaneous (6890)	0	0	0	0	119	1	8,808	64
Programs 700-900		All 6000 Object Codes (excluding 6740, 6750 and 6900)	37,520	0	0	0	0	0	0	
Teacher Salaries & Benefits (Funds 0-799 (excluding 575), Function 1000)	Regular Education (Programs 100, 280, 520, and 550)	Certified Teachers (in Object 6100)	0	0	468,501	2,735	297,385	2,655	360,740	2,636
		Certified Substitutes (in Object 6100)	0	0	5,283	31	11,767	105	6,572	48
		Contract Teachers (in Object 6300)	0	0	42,601	249	0	0	0	0
		Contract Substitutes (in Object 6300)	0	0	0	0	0	0	0	0
		Benefits (in Object 6200)	7,923	0	168,639	985	82,234	734	125,651	918
	Special Education (Programs 200-230, 250, and 300-399)	Certified Teachers (in Object 6100)	0	0	52,346	306	7,254	65	26,340	192
		Certified Substitutes (in Object 6100)	0	0	0	0	0	0	0	0
		Contract Teachers (in Object 6300)	0	0	0	0	0	0	0	0
		Contract Substitutes (in Object 6300)	0	0	0	0	0	0	0	0
		Benefits (in Object 6200)	1,895	0	18,679	109	5,899	53	14,470	106
	Vocational Education (Programs 270 and 540)	Certified Teachers (in Object 6100)	0	0	0	0	5,415	48	60,713	444
		Certified Substitutes (in Object 6100)	0	0	0	0	0	0	0	0
		Contract Teachers (in Object 6300)	0	0	0	0	0	0	0	0
		Contract Substitutes (in Object 6300)	0	0	0	0	0	0	0	0
		Benefits (in Object 6200)	0	0	0	0	2,071	18	19,654	144
	Other Programs (Programs 240, 260, 265, 510-515 and 530)	Certified Teachers (in Object 6100)	0	0	0	0	0	0	0	0
		Certified Substitutes (in Object 6100)	0	0	0	0	0	0	0	0
		Contract Teachers (in Object 6300)	0	0	0	0	0	0	0	0
		Contract Substitutes (in Object 6300)	0	0	0	0	0	0	0	0
		Benefits (in Object 6200)	0	0	0	0	2,545	23	10,308	75
	Cocurricular Activities, Athletics, and Other (Program 600-630)	Certified Teachers (in Object 6100)	0	0	0	0	12,846	115	52,139	381
		Certified Substitutes (in Object 6100)	0	0	0	0	241	2	912	7
		Contract Teachers (in Object 6300)	0	0	0	0	0	0	0	0
		Contract Substitutes (in Object 6300)	0	0	0	0	0	0	0	0
		Benefits (in Object 6200)	0	0	0	0	0	0	0	0
	Portion of Total Teacher Salaries from Federal Sources		0	0	385,054	2,248	301,978	2,696	446,170	3,260
	Instructional Aide Salaries from Federal Sources		0	0	63,447	370	0	0	7,229	53
Instructional Aide Salaries from State and Local Sources		0	0	53,995	315	32,905	294	75,639	553	
Classroom Site Fund Expenditures	Function 1000—Instruction	Salaries (6100)	0	0	70,534	412	28,563	255	49,017	358
		Employee Benefits (6200)	0	0	13,510	79	5,379	48	9,308	68
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	0	0
		Supplies (6600)	0	0	0	0	0	0	0	0
		Other	0	0	0	0	0	0	0	0
	Function 2100—Support Services-Students	Salaries (6100)	0	0	0	0	0	0	0	0
		Employee Benefits (6200)	0	0	0	0	0	0	0	0
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	0	0
		Supplies (6600)	0	0	0	0	0	0	0	0
		Other	0	0	0	0	0	0	0	0
	Function 2200—Support Services-Instruction	Salaries (6100)	0	0	0	0	0	0	0	0
		Employee Benefits (6200)	0	0	0	0	0	0	0	0
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	0	0
		Supplies (6600)	0	0	0	0	0	0	0	0
		Other	0	0	0	0	0	0	0	0

	Other	Salaries (6100)	0	0	0	0	0	0	0	0
		Employee Benefits (6200)	0	0	0	0	0	0	0	0
		Purchased Services (6300, 6400, 6500) (excluding tuition)	0	0	0	0	0	0	0	0
		Supplies (6600)	0	0	0	0	0	0	0	0
		Other	0	0	0	0	0	0	0	0
Technology Expenditures	Programs 100—630, All Functions	Technical Services (6340)	37,789	0	12,261	72	4,813	43	7,585	55
		Technology-Related Repairs and Maintenance (6432)	2,277	0	10,836	63	1,244	11	1,347	10
		Rental of Computers and Related Equipment (6443)	0	0	0	0	0	0	0	0
		Telecommunications (6531)	1,765	0	15,020	88	7,670	68	9,267	68
		Supplies—Technology-Related (6650)	3,138	0	144	1	0	0	0	0
Support Services —Instruction Expenditures	Programs 100—630, All Objects	Improvement of Instruction (2210)	320	0	343	2	169	2	723	5
		Library/Media Services (2220)	2,060	0	25,536	149	13,526	121	12,451	91
		Base Support (after any necessary adjustment)	27,165	0	1,116,401	6,518	674,077	6,017	961,545	7,026
Revenues from State & Local Sources	Generated by Student Count	District Additional Assistance (after any necessary adjustment)	0	0	99,366	580	57,592	514	93,007	680
		Classroom Site Fund (after any necessary adjustment)	4,738	0	108,740	635	62,881	561	87,705	641
		Other (includes IIF, Tuition, Grants)	155,336	0	3,292	19	3,445	31	8,090	59
		Allocated Revenues	From Student Count Generated Amount	187,238	0	1,327,799	7,753	797,995	7,123	1,150,347
Revenues from Federal Sources	Generated by Student Count	Federal Grants	144,597	0	231,673	1,353	44,777	400	84,849	620
	Allocated Revenues	From Student Count Generated Amount	144,597	0	231,673	1,353	44,777	400	84,849	620
Other Allocated, Non-Student Count Generated Revenues	State & Local Taxes	District Transportation Funding	1,327,946	0	0	0	0	0	0	0
		District Voter Approved Override	643,963	0	0	0	0	0	0	0
		District Small School Adjustment	0	0	0	0	0	0	0	0
		Grants	0	0	0	0	0	0	0	0
		Other	0	0	298,499	1,743	9,482	85	109,589	801
	From Other State & Local Sources	Private Donations & Tax Credit Eligible Fees	3,580	0	3,353	20	448	4	21,251	155
		Transportation Fees	0	0	0	0	0	0	0	0
		Other Fees (Not tax credit nor transportation fees)	0	0	0	0	0	0	0	0
		School Lunch Sales	589	0	0	0	0	0	0	0
		Other (school plant, auxiliary operations, etc.)	92,169	0	4,423	26	3,985	36	40,893	299
	From Federal Sources	Impact Aid	0	0	0	0	0	0	0	0
		Child Nutrition Programs	178,956	0	0	0	0	0	0	0
		Other Grants	0	0	44,355	259	38,143	340	29,189	213
Total Allocated Revenue			2,579,038	0	1,910,102	11,153	894,830	7,988	1,436,118	10,494
Total Group A Revenue and Programs 200, 512, 514, and 515 Spending	Formula Funding	WSC * BL * TEI	0	0	244,194	1,426	159,566	1,424	312,794	2,286
		CSF Allocation	0	0	0	0	0	0	0	0
		Group B (excluding K-3 and K-3 Reading)	0	0	82,561	482	26,131	233	52,159	381
		Base (Self-Contained Student Count * Base Level * TEI)	0	0	4,360	25	0	0	0	0
		Total Formula Funding	0	0	358,597	2,094	201,547	1,799	395,891	2,893
		IDEA	0	0	0	0	0	0	0	0
		Total Weighted, Base, IDEA Funding	0	0	358,597	2,094	201,547	1,799	395,891	2,893
		Other Revenues Designated or Received as Reimbursement for Special Education Costs	0	0	0	0	0	0	0	0
		Revenue	0	0	358,597	2,094	201,547	1,799	395,891	2,893
		Spending	Total Special Education Spending	142,860	0	246,238	1,438	60,324	538	100,887
	Comparison	Comparison of Revenue to Spending	(142,860)	0	112,359	656	141,223	1,261	295,004	2,156
			0	0	0	0	0	0	0	
Special Education Only Portion-Group A Revenue and Programs 200, 512, 514, and 515 Spending	Formula Funding	Group B (excluding K-3 and K-3 Reading)	0	0	82,561	482	26,131	233	52,159	381
		(Self-Contained Student Count * Base Level * TEI)	0	0	4,360	25	0	0	0	0
		Total Formula Funding	0	0	235,107	1,373	121,812	1,087	239,649	1,751
		IDEA	0	0	0	0	0	0	0	0
		Total Weighted, Base, IDEA Funding	0	0	235,107	1,373	121,812	1,087	239,649	1,751
		Other Revenues Designated or Received as Reimbursement for Special Education Costs	0	0	0	0	0	0	0	0
		Revenue	0	0	235,107	1,373	121,812	1,087	239,649	1,751
	Spending	Total Special Education Spending	142,860	0	246,238	1,438	60,324	538	100,887	737
	Comparison	Comparison of Revenue to Spending	(142,860)	0	(11,131)	(65)	61,488	549	138,762	1,014
	Other Spending	M&O, UCO, CSF, IDEA, and Funds with identified SPED Revenues	122,065	0	239,074	1,396	60,324	538	100,887	737
Comparison	Comparison of Spending from Formula Funding to Other Funds	85%	0	97%	0	100%	0	100%	0	
Expenditures Funds 900-949 All Programs, Functions, Objects			0	0	0	0	0	0	0	

Revenues Funds 900-949 All Programs, Functions, Objects			0	0	0	0	0	0	0	0
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8. DISCUSSION ITEMS

The Governing Board will not vote on Discussion Items and any action taken as a result of this discussion will be limited to directing staff to study the matter or scheduling the matter for a future agenda.

A. Report and Public Comment on the Use of Maintenance and Operations Override Monies for 2020-21 46

The school district is required by statute to report annually in a public meeting on the use of Maintenance and Operations override monies and to provide an opportunity for the public to comment.

Report on the use of Maintenance and Operations override monies during the 2020-21 school year

Joseph City Unified School District | Public Meeting | October 12, 2021

What is an override?

The Joseph City Unified School District has a Maintenance and Operations budget override in place at this time. The override authorizes an increase to Maintenance and Operations funding of 15 percent. These additional funds are generated by local property taxes and may only be used for maintenance and operations purposes. They may not be used to purchase capital equipment or fund major building improvements.

How much is it?

The override provided additional funds of approximately \$643,963 in 2020-21. It can cost the average homeowner between \$19 and \$78 per year, depending on the assessed value of their property. Since override funds are a percentage of the Maintenance and Operations budget, which is determined each year by Arizona and legislative funding formulas, the annual override amount can vary over its life cycle. Override amounts in past years have been:

- \$403,285 in 2009-10
- \$401,884 in 2010-11
- \$405,837 in 2011-12
- \$387,726 in 2012-13
- \$362,006 in 2013-14
- \$344,401 in 2014-15
- \$348,952 in 2015-16
- \$354,343 in 2016-17
- \$369,434 in 2017-18
- \$387,259 in 2018-19
- \$272,562 in 2019-20

The number of enrolled students drives funding for schools. The decreasing override amounts in past years reflect corresponding decreases in student enrollment.

What is the timeline?

The current override was approved by voters in November 2019 and became effective with the 2020-21 school year. The current 2020-21 school year is the first year of a 7-year override cycle. The override is authorized to be funded at the full amount for five years. In the sixth year (2025-26) funding will be reduced by one-third. In the seventh year (2026-27), funding will be reduced by two-thirds and eliminated completely in 2027-28, unless voters approve a renewal of the override in the November 2024 election.

How is the money used?

Purpose of the override	What the District has done
Keep abreast of educational trends	<ul style="list-style-type: none"> • Made sure technology is updated and current • Provided training for teachers and staff in the areas of effective educational practices and other skills and knowledge essential to success
Keep salaries competitive	<ul style="list-style-type: none"> • Used override monies to help fund salaries and benefits for staff • While salaries are sometimes lower than other schools in the region, the District has been able to maintain compensation levels sufficient to attract and retain qualified staff, thus far
Furnish classroom supplies	Used override funds to ensure students have the instructional supplies they need to achieve educational goals
Maintain educational programs	<ul style="list-style-type: none"> • Used override monies to continue offering effective educational programs as state and federal funding has been cut • Purchased and updated curriculum materials, including software applications, essential to meeting new state academic standards • Override monies help fund tools and software to measure and improve student achievement • Student test scores and school rankings are among the highest in the region
Maintain class sizes	<ul style="list-style-type: none"> • Although class sizes in some grades have increased, class sizes are at a reasonable number of students for effective instruction • Used override monies to add Instructional Aides to assist in larger classes

Questions? Comments?

The Joseph City School district values your feedback. We are committed to providing the best possible educational opportunities for your children. We thank you for your willingness to support effective schools and appreciate the sacrifices you make for kids. Please let us know if you have any questions or comments.

Superintendent
 Bryan Fields
bryanf@jcsd.org

Business Manager
 Steve Mills
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POLICY SERVICES ADVISORY

Volume 33, Number 4

October 2021

Policy Advisory No. 712..... GBGB-R — Staff Personal Security and Safety

Policy Advisory No. 713..... Policy GCH — Professional / Support Staff
Orientation and Training

Policy Advisory No. 714 Policy IMB – Teaching About Controversial /
Sensitive Issues

Policy Advisory No. 715..... Policy JLCB — Immunizations of Students
Regulation JLCB-R — Immunizations of Students

POLICY ADVISORY DISCUSSION

These Policy Advisories are released in response to a recent ruling by Maricopa County Superior Court Judge Katherine Cooper that parts of House Bill 2898 are unconstitutional and void. Although this ruling came from a Maricopa County judge, it is legally effective throughout the state.

Policy Services has determined that Districts and Charter Schools may rescind Policy Advisory 700 if adopted or, if not yet adopted, eliminate this PA from Governing Board or Governing Body consideration. Additionally, there is language in Policy Advisories 687, 690, and 708 that came from HB2898 that should be rescinded or eliminated from consideration as appropriate for the same reasons. Please note that while PA 700 should be rescinded or eliminated in its entirety, PAs 687, 690, and 708 are only changed in part, as described herein.

The Policy Alert included in Policy Advisories Volume 33, Number 3, July 2021 addressed a change made to A.R.S. 35-212 and included a reference to A.R.S. 15-717.02. This language is from sections of HB2898 that were ruled unconstitutional and can be disregarded.

Should there be additional court action in the future that reinstates these laws, Policy Services will re-issue these Policy Advisories under new numbers to avoid further confusion.

Note: This material is written for informational⁴⁹ purposes only, and not as legal advice. You may wish to consult an attorney for further explanation.

Policy Advisory No. 713

**Policy GCH — Professional / Support Staff
Orientation and Training**

This Policy Advisory updates Policy Advisory 690.

House Bill 2906 has added statute A.R.S. 41-1494 which states, in part, that a political subdivision, including school districts and charter schools, may not require an employee to engage in and shall not use public monies for training, orientation or therapy that presents any form of blame or judgment on the basis of race, ethnicity, or sex. This does not preclude any training on sexual harassment.

Blame or judgment on the basis of race, ethnicity or sex is defined in the statute by seven (7) concepts.

The statutory reference to A.R.S. 15-717.02 in the Policy is replaced by a reference to A.R.S. 41-1494. The last paragraph of the Policy is removed, as the statutory language upon which it is based has been ruled unconstitutional.

Policy Advisory No. 714

**Policy IMB – Teaching About Controversial /
Sensitive Issues**

This Policy Advisory updates Policy Advisory 700.

House Bill 2898 added A.R.S. 15-717.02, which states that a teacher, administrator or other employee of a school district, charter school or state agency who is involved with students and teachers in grades preschool through twelve may not use public monies for instruction that presents any form of blame or judgment on the basis of race, ethnicity or sex. This language is added to Policy IMB.

The Arizona Department of Education issued a release on “Understanding A.R.S. 15-717.02 regarding ‘prohibited instruction’ and its impact on teaching the History and Social Studies Standards” in July 2021. This may be accessed at the following site:

<https://www.azed.gov/sites/default/files/2021/07/Teacher%20Guidance%20for%20ARS%2015-717.02-%207.22.21%20.pdf>

All language that was added to Policy IMB from A.R.S. 15-717.02 is now removed, as HB2898 has been ruled unconstitutional.

Policy Advisory No. 715

**Policy JLCB— Immunization of Students
Regulation JLCB-R— Immunization of Students**

This Policy Advisory updates Policy Advisory 708.

House Bill 2898 enacted a new statute, A.R.S. 15-342.05, which prohibits school districts and charter schools from requiring face coverings for students and staff during school hours and on school property and provides that a school district or charter school may not require a student or teacher to receive a vaccine for Covid-19 or to wear a face covering to participate in in-person instruction. Appropriate changes have been made in Policy JLCB and Regulation JLCB-R. Exhibit JLCB-E has been updated to include the 2021-2022 requirements.

The language added to JLCB and JLCB-R that was based on A.R.S. 15-342.05 is now removed. The recommended changes to JLCB-E made in PA 708 are not affected by the court ruling, and they remain. JLCB-E was updated to include the 2021-2022 requirements as indicated in the Arizona Guide to Immunizations Required for Entry and as stated in Arizona Administrative Code, R9-6-702, Table 7.1 (B) and Table 7.2.

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If you have any questions, call Policy Services at (602) 254-1100. Ask for Chris Thomas, General Counsel/Associate Executive Director; Dr. Terry Rowles, Assistant Director; Steve Highlen, Senior Policy Consultant; or David DeCabooter, Policy Consultant/Staff Attorney. Our e-mail addresses are, respectively, [cthomas@azsba.org], [trowles@azsba.org], [shighlen@azsba.org] and [ddecabooter@azsba.org]. You may also fax information to (602) 254-1177.

Note: This material is written for informational purposes only, and not as legal advice. You may wish to review the policy references and consult an attorney for further explanation

GBGB-R ©

REGULATION

**STAFF PERSONAL SECURITY
AND SAFETY**

Threats

Any employee who is threatened with harm by an individual or a group while carrying out assigned duties shall immediately notify the school principal or supervisor. The principal or supervisor shall then immediately notify the Superintendent's office of the threat and together they shall take immediate steps in cooperation with the employee to provide every reasonable precaution for the employee's safety. Precautionary steps, including any advisable legal action, shall be reported to the Superintendent's office at the earliest possible time.

Eye Protective Devices

Every student, teacher, and visitor in public schools shall wear appropriate eye protective ware while participating in or when observing vocational, technical, industrial arts, art, or laboratory science activities involving exposure to:

- A. Molten metals or other molten materials.
- B. Cutting, shaping, and grinding of materials.
- C. Heat treatment, tempering, or kiln firing of any metal or other materials.
- D. Welding fabrication processes.
- E. Explosive materials.
- F. Caustic solutions.
- G. Radiation materials.

The Board shall equip the schools with eye protective ware.

Schools may receive and expend federal, state, and local monies to provide eye protective devices.

For purposes of this procedure, *eye protective ware* means devices meeting the standards of the U.S.A. Standard Safety Code for head, eye, and respiratory protection, Z21-1959, and subsequent revisions thereof, approved by the United States of America Standards Institute, Inc.

Cloth Face Coverings / Covid-19 Vaccine

~~As stipulated in A.R.S. 15-342.05, a school district or charter school may not require a student or teacher to receive a vaccine for Covid-19 or to wear a face covering to participate in in-person instruction.~~

**GCH ©
PROFESSIONAL / SUPPORT STAFF
ORIENTATION AND TRAINING**

The Superintendent will establish a program to provide orientation for all new District employees. At a minimum, this program will cover the following items:

- A. Goals, objectives, and programs of the District.
- B. Personnel policies.
- C. Sexual harassment.
- D. Terms of employment.
- E. General disciplinary rules and procedures.
- F. Salary and fringe-benefit plans.
- G. Self-improvement opportunities.
- H. The evaluation program and name(s) of evaluator(s).
- I. Handling of body fluids.
- J. Child abuse reporting responsibilities.

School districts and charter schools may not require an employee to engage in and shall not use public monies for training, orientation or therapy that presents any form of blame or judgment on the basis of race, ethnicity, or sex. This does not preclude any training on sexual harassment or lessons on recognizing and reporting abuse.

“Blame or judgment on the basis of race, ethnicity or sex” is defined in A.R.S. ~~15-717.02~~ [41-1494](#) by seven (7) concepts.

~~For each violation of A.R.S. 15-717.02, including subsequent or continued violations, a court may impose a civil penalty not to exceed five thousand dollars (\$5,000) per school district, charter school or state agency where the violation occurs.~~

Adopted: <-- z2AdoptionDate -->

LEGAL REF.:

A.R.S.
15-153
15-341
41-1494

CROSS REF.:

IHAMD - Instruction and Training in Suicide Prevention

<p><i>Note:</i> This material is written for informational purposes only, and not as legal advice. You may wish to consult an attorney for further explanation.</p>

**IMB ©
TEACHING ABOUT
CONTROVERSIAL / SENSITIVE ISSUES**

Democratic tradition often involves dealing with controversial issues. Knowledge and understanding of such issues are an indispensable part of education.

The teacher holds a position of authority and respect in the classroom and community, and by virtue of that position has great influence in the formation of the values of all students. It must be clear that personal views are not a part of the instructional program and must be tempered by the responsibility to maintain professionalism.

To ensure that controversial issues are dealt with fairly and objectively, and with instruction as their goal, such issues may be a part of the curriculum as long as the following policies are observed:

- A. Teachers should instruct students in the principles and techniques of the scientific method and provide opportunities for practice in applying established facts to specific problems.
- B. Teachers should seek to develop in students the ideals of truth and honesty.
- C. All personnel should seek to create an atmosphere in which difference of opinion can be voiced without fear and hostility and with mutual respect for all viewpoints.
- D. Constitutional guarantees of due process and freedom of speech will continue to be observed as to students and teachers alike when they are involved in a controversial issue.
- E. Teachers should encourage the suspension of judgment and conclusions until all relevant and significant facts have been assembled, critically examined, and checked for accuracy.
- F. Teachers should seek to develop in students a sense of responsibility for their beliefs, opinions, attitudes, and actions.
- G. Teachers should place major emphasis upon "why" and "how" to think rather than "what" to think.

~~A teacher, administrator or other employee of a school district or charter school who is involved with students and teachers in grades preschool through the twelfth grade (PK-12) may not use public monies for instruction that presents any form of blame or judgment on the basis of race, ethnicity, or sex.~~

~~A teacher, administrator or other employee of a school district or charter school who is involved with students and teachers in grades preschool through the twelfth grade (PK-12) may not allow instruction or make part of a course the following concepts:~~

~~A. One race, ethnic group or sex is inherently morally or intellectually superior to another race, ethnic group or sex.~~

~~B. An individual, by virtue of the individual's race, ethnicity or sex, is inherently racist, sexist or oppressive, whether consciously or unconsciously.~~

~~C. An individual should be invidiously discriminated against or receive adverse treatment solely or partly because of the individual's race, ethnicity or sex.~~

~~D. An individual's moral character is determined by the individual's race, ethnicity or sex.~~

~~E. An individual, by virtue of the individual's race, ethnicity or sex, bears responsibility for actions committed by other members of the same race, ethnic group or sex.~~

~~F. An individual should feel discomfort, guilt, anguish or any other form of psychological distress because of the individual's race, ethnicity or sex.~~

~~G. Meritocracy or traits such as a hard work ethic are racist or sexist or were created by members of a particular race, ethnic group or sex to oppress members of another race, ethnic group or sex.~~

Adopted: <-- z2AdoptionDate -->

**JLCB ©
IMMUNIZATIONS OF STUDENTS**

Subject to the exemptions as provided by law, immunization against diphtheria, tetanus, pertussis, poliomyelitis, rubeola (measles), mumps, rubella (German measles), hepatitis B, haemophilus influenzae b (Hib), and varicella is required for attendance of a student in a District school. A student's immunization record must be submitted prior to attendance, although a student may be conditionally enrolled provided that necessary immunizations have been initiated and a schedule has been established for completion of the required immunizations. The school administrator shall review the school immunization record at least twice each school year until the pupil receives all of the required immunizations. A student shall not be allowed to attend school without submitting documentary proof of compliance to the school administrator unless the student is exempted from immunization. On enrollment, the school administrator shall suspend that student if the administrator does not have documentary proof of compliance and the student is not exempted from immunization. A student who fails to comply with the immunization schedule shall be suspended from school attendance until documentary proof of compliance is provided to the school administrator, except that a homeless student shall not be suspended from attendance until the fifth (5th) calendar day after enrollment.

Any student with serologic confirmation of the presence of specific antibodies against a vaccine-preventable disease shall not be subject to immunization against that disease as a condition for attending school.

~~As stipulated in A.R.S. 15-342.05, a school district or charter school may not require a student or teacher to receive a vaccine for Covid-19 or to wear a face covering to participate in in-person instruction.~~

The District will cooperate with county and state health departments in programs of immunization. Parents' permission must be secured before a student may participate in such immunization projects.

Adopted: <-- z2AdoptionDate -->

LEGAL REF.:

A.R.S.
15-342.05
15-871
15-872
15-873
15-874
A.A.C.
R9-6-203

Note: This material is written for informational purposes only, and not as legal advice. You may wish to consult an attorney for further explanation.

R9-6-313
R9-6-350
R9-6-353
R9-6-356
R9-6-365
R9-6-368
R9-6-372
R9-6-388
R9-6-701 through 707

JLCB-R ©

REGULATION

IMMUNIZATIONS OF STUDENTS

Subject to the exemptions in A.R.S. 15-873, immunization against each of the following diseases is required for attendance of a child in any school:

- A. Diphtheria;
- B. Tetanus;
- C. Hepatitis B;
- D. Pertussis;
- E. Poliomyelitis;
- F. Measles (rubeola);
- G. Mumps;
- H. Rubella (German measles);
- I. *Haemophilus influenzae* type b (Hib);
- J. Varicella; and
- K. Meningococcal.

- L. Hepatitis A, for a child one (1) through five (5) years of age in a day care program in Maricopa County.

Unless exempt in accord with R9-6-706, the schedule for compliance with the requirement for immunization against varicella is:

Grade student entering	as of September 1,
Kindergarten (K) through grade four (4) and grades seven (7) through ten (10)	2008
Kindergarten (K) through grade five (5) and grades seven (7) through eleven (11)	2009
Kindergarten (K) through grade twelve (12)	2010

Unless exempt in accord with R9-6-706, the schedule for compliance for a student eleven (11) years or older who has not previously received the meningococcal vaccine is:

Grade student entering	as of September 1,
Grade six (6)	2008
Grades six (6) and seven (7)	2009
Grades six (6) through eight (8)	2010
Grades six (6) through nine (9)	2011
Grades six (6) through ten (10)	2012
Grades six (6) through eleven (11)	2013
Grades six (6) through twelve (12)	2014

The preceding schedules will remain in effect unless the school is notified by the Arizona Department of Health Services of a modification to one (1) or both of the schedules.

A child is in compliance with the requirements if the child has met the criteria of the appropriate immunization schedule as recommended by the Department of Health Services or is actively in the process of meeting such criteria as evidenced by having received one (1) dose of each of the required immunizations and has established a schedule for completion of the required immunizations.

A child shall not be allowed to attend school without submitting documentary proof to the school administrator unless the child is exempted from immunization pursuant to section 15-873. Upon enrollment, schools shall forbid attendance or (suspend) a student not meeting the requirements for immunization or exemption from immunization. Homeless students shall be referred to the liaison for homeless students and shall not be required to comply with the immunization requirements until the fifth (5th) calendar day after enrollment.

The admitting official shall deem the student to be in compliance with the requirements of this regulation if:

- A. The student's immunization record complies with the documentary proof required pursuant to A.A.C. R9-6-704, and the student has received or is in the process of receiving all required age-specific vaccine doses according to Exhibit JLCB-E; or
- B. An exemption from immunization is submitted in accordance with the procedures set forth in R9-6-706.

When the student's immunization record is not available at the time of enrollment, the school shall provide the responsible person with the following:

- A. Notification of the lack of compliance with the immunization requirements;
- B. A written notice that specifies when the required doses shall be completed, notes the availability of exemptions to immunization, and refers the student to a physician or local health department for review of the student's immunization history and provision of immunizations as needed; and
- C. Notification that the student is suspended in accordance with 15-872 until an acceptable immunization record that meets the standards of documentary proof is presented to the school.

When immunization records are presented that do not comply with the standards for documentary proof, the school shall:

- A. Notify the responsible person of the lack of compliance with the immunization requirements; and
- B. Obtain a review and verification of the student's immunization record by or in consultation with a certificated school nurse, a public health nurse, a licensed physician, or an authorized representative of a local health department.

If the admitting official is unable to verify the accuracy of the student's immunization record pursuant to the preceding paragraph, the school shall provide to the responsible person:

- A. A written referral to a physician or local health department for further review of the student's immunization history and provision of immunizations as needed; and
- B. Notification that the student is suspended until an immunization record that meets the standards of documentary proof is presented to the school.

Each school shall maintain a current list of students without evidence of immunization or immunity to the diseases listed in R9-6-702, which shall include the names of all students with incomplete immunization histories or exemptions for personal or medical reasons where evidence of immunity has not been provided.

Schools shall forbid attendance by a student lacking proof of immunization or immunity against any of the immunization-preventable diseases as determined by the State Department of Health Services or local health department during periods of outbreaks of the diseases for which immunity is lacking. The announcement of an outbreak of disease and the length of the period of communicability shall be as declared by the state or local health department.

Standards for Documentary Proof

Proof of immunity to the diseases listed in R9-6-702 shall be documented in accordance with R9-6-704.

Immunization records or statements of immunity shall be signed by a physician or authorized representative of a health agency.

Exemptions to Immunizations

~~As stipulated in A.R.S. 15-342.05, a school district or charter school may not require a student or teacher to receive a vaccine for Covid-19 or to wear a face covering to participate in in-person instruction.~~

Students who have reached their fifth (5th) birthday shall be exempt from the Hib immunization requirement.

Students who have reached their seventh (7th) birthday shall be exempt from the pertussis immunization requirement.

Any student with laboratory evidence of immunity shall not be subject to immunization against that disease as a condition for attending school, provided that such evidence is submitted to the school.

In accordance with A.R.S. 15-873, documentary proof is not required for a student to be admitted to school if one (1) of the following occurs:

A. The parent or guardian of the student submits a signed statement to the school administrator stating that the parent or guardian has received information about immunizations provided by the Department of Health Services, understands the risks and benefits of immunizations and the potential risks of nonimmunization, and that, due to personal beliefs, the parent or guardian does not consent to the immunization of the student.

B. The school administrator receives written certification, signed by the parent or guardian and by a physician, that states that one (1) or more of the required immunizations may be detrimental to the student's health and indicates the specific nature and probable duration of the medical condition or circumstance that precludes immunization.

An exemption pursuant to the preceding subparagraph is valid only during the duration of the circumstance or condition that precludes immunization.

If a medical exemption is granted in accordance with A.R.S. 15-873, it shall be defined by the grantor as either permanent or temporary.

- A. A permanent medical exemption may be provided for one (1) or more vaccines.
- B. A temporary medical exemption shall specify the date of its termination. A student with a temporary medical exemption shall be allowed to attend school on the condition that the required immunizations are obtained at the termination of the exemption. The responsible person shall be notified of the date by which the student shall complete all required immunizations.

Any exemption granted in accordance with A.R.S. 15-873 shall be recorded on the school immunization record in the student's permanent file.

Students who lack documentary proof of immunization shall not attend school during outbreak periods of communicable immunization-preventable diseases as determined by the Department of Health Services or local health department. The Department of Health Services or local health department shall transmit notice of this determination to the school administrator responsible for the exclusion of the students.

Reporting Communicable Diseases

The administrator of a school shall submit by telephone a report to the local health department any case, suspected case, or outbreak of a communicable disease as follows:

- A. Within twenty-four (24) hours after detecting a case or suspected case of:

- 1. Cryptosporidiosis
- 2. Enterohemorrhagic Escherichia coli
- 3. Haemophilus influenzae: invasive disease
- 4. Hepatitis A
- 5. Measles
- 6. Meningococcal invasive disease
- 7. Mumps
- 8. Pertussis (whooping cough)
- 9. Rubella (German measles)
- 10. Salmonellosis
- 11. Shigellosis

- B. Within twenty-four (24) hours after detecting an outbreak of:

- 1. Conjunctivitis: acute
- 2. Diarrhea, nausea, or vomiting

3. Scabies
4. Streptococcal Group A infection

C. Within five (5) working days after detecting a case or a suspected case of:

1. Campylobacteriosis
2. Varicella (chicken pox)

The report shall include:

- A. The name and address of the school
- B. The number of individuals having the disease, infestation, or symptoms
- C. The date and time the disease or infestation was detected, or the symptoms began
- D. The number of rooms, grades, or classes affected and the name of each
- E. Information about each affected individual to include:
 1. Name,
 2. Date of birth or age,
 3. Residential address and telephone number,
 4. Whether the individual is a staff member, student, child in care, or a resident,
- F. The number of individuals attending or residing in the school, and
- G. The name, address, and telephone number of the person making the report.

Other Required Reports

By November 15 of each year, the Superintendent shall submit a report on the immunization status of students to the state or local health department on a form provided by the Department.

Each Superintendent of a school whose nurses are authorized to administer vaccines or immunizing agents shall submit monthly reports to the county health department in accordance with the procedures set forth in R9-6-707. Reports are due by the fifth (5th) day of the following month.

An immunization record shall be maintained for each student in the school. Each immunization record shall include the following information:

- A. Name of the student;
- B. Date of birth;
- C. The date of the student's admission to the school;
- D. The month and year in which each vaccine was received, except for measles, mumps, and rubella, for which the day, month, and year are required;
- E. The type of immunizing agents administered to the student;
- F. The date each dose of immunizing agent is administered to the student; and
- G. The established schedule for completion of immunizations if the student is admitted to or allowed to continue to attend a school pursuant to section 15-872, subsection E.

By November 15 of each year, each administrator of a public-school-based day care program or preschool shall submit a report to the state or local health department on a form provided by the Department.

A school shall transfer an immunization record and signed requests for provision of immunizations, including any revocations thereof, with the mandatory permanent student record and provide at no charge, on request, a copy of the immunization record to the parent or guardian of the pupil.

9. INFORMATION ITEMS

A. Joseph City Schools Audit and Compliance Reports for 2019-20

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**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
JOSEPH CITY, ARIZONA**

**ANNUAL FINANCIAL REPORT
AND
REPORT ON INTERNAL CONTROL AND COMPLIANCE**

FISCAL YEAR ENDED JUNE 30, 2020

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**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
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JUNE 30, 2020**

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Independent Auditors' Report

Governing Board of
Joseph City Unified School District No. 2
Joseph City, Arizona

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Joseph City Unified School District No. 2, (the 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 entity'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 entity'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 the District, as of year ended 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.

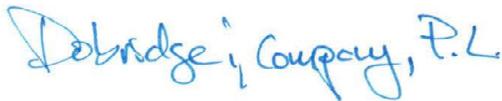
Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 5, the budgetary comparison information beginning on page 57, the pension information beginning on page 60, and the related note to required supplementary information on page 64 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated September 28, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Certified Public Accountants
Mesa, Arizona

September 28, 2021

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

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**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

As management of the Joseph City Unified School District No. 2 (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the audited financial statements included in this report.

FINANCIAL HIGHLIGHTS

Key financial highlights for fiscal year June 30, 2020, were as follows:

- As of June 30, 2020, the District's total net position was \$4.6 million. This is an increase of \$352,521, or 8.3 percent, from fiscal year 2018-19.
- General revenues of \$4.7 million accounted for 73.6 percent of all fiscal year 2019-20 revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions of \$1.7 million accounted for 26.4 percent of total fiscal year 2019-20 revenues.
- The District had \$6.0 million in expenses related to governmental activities; of which \$1.7 million of these expenses were offset by program specific charges for services, operating grants and contributions, and capital grants and contributions. General revenues of \$4.7 million provided resources for most of the remaining \$4.3 million of District costs. The excess between the general revenues and remaining District costs resulted in net position increasing \$352,521.
- The General Fund reported \$4.5 million in revenues and \$4.3 million in expenditures. The revenues consisted primarily of \$4.3 million in property taxes and \$68,727 in state aid and grants. As a result of annual activity, the General Fund's fund balance increased \$152,726.
- The District's net capital assets increased \$175 as a result of activity throughout the year. For additional information regarding the capital assets, see financial statement note 5.
- The District made \$29,212 of principal payments on an outstanding capital lease, reducing the principal balance to \$95,540 as of June 30, 2020. For further information regarding leases, see financial statement note 10.
- The District made a \$83,900 principal payment on an outstanding guaranteed energy savings contract, reducing the principal balance to \$1.1 million as of June 30, 2020. For further information regarding guaranteed energy savings contracts, see financial statement note 11.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

FINANCIAL HIGHLIGHTS

- In response to the events surrounding the global pandemic of COVID-19, on March 30, 2020, the Governor of the State of Arizona, along with the Superintendent of Public Instruction, announced the closing of all Arizona school districts for the remainder of the fiscal year ending June 30, 2020. The District's essential operations continued to ensure staff payroll and other obligations were paid as required.
- On March 27, 2020, the U.S. Government passed the Coronavirus Aid Relief, and Economic Security (CARES) Act in response of the COVID-19 pandemic. In part, the Education Stabilization Fund (ESF) provides \$30.74 billion in dedicated funds to support education relief and recovery efforts. Arizona was projected to receive \$626 million in ESF, and \$227 million went to the Elementary and Secondary Schools Emergency Relief (ESSER) Fund. Administered by the Arizona Department of Education, the ESSER was designated to support K-12 schools to respond to the COVID-19 pandemic and the declaration of statewide school closures. The District was awarded \$142,995 from the ESSER Fund based on the projected final eligible LEA cohort and spent none of the allocated amount for the fiscal year ending June 30, 2020.

OVERVIEW OF FINANCIAL STATEMENTS

The District's basic financial statements are comprised of the government-wide financial statements, the fund financial statements and the notes to the financial statements. These sections provide a comprehensive overview of the District's finances.

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 between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements of the District include the Governmental activities. Most of the District's basic services are included here, such as instruction, extra-curricular activities, curriculum and staff development, and general administration. Property taxes, intergovernmental revenues and grants finance most of these activities.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

OVERVIEW OF FINANCIAL STATEMENTS

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be presented in the following 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 of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. 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.

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 all major funds. Data from the other non-major governmental funds are combined into a single, aggregated presentation.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the District. 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.

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

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process. The District adopts an annual expenditure budget for all governmental funds. A budgetary comparison schedule is provided for the General Fund and any major special revenue funds. Additionally, pension schedules detailing the District's proportionate share of net pension liability and pension contributions are presented as required supplementary information.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a comparison of the District's net position for the fiscal years ended June 30, 2020 and 2019.

	<u>As of June 30, 2020</u>	<u>As of June 30, 2019</u>	<u>Change</u>	<u>Percent Change</u>
ASSETS				
Current assets	\$ 729,249	\$ 481,937	\$ 247,312	51.3 %
Capital assets	<u>8,933,001</u>	<u>8,932,826</u>	<u>175</u>	<u>- %</u>
Total assets	<u>9,662,250</u>	<u>9,414,763</u>	<u>247,487</u>	<u>2.6 %</u>
DEFERRED OUTFLOWS OF RESOURCES				
	<u>387,134</u>	<u>508,921</u>	<u>(121,787)</u>	<u>(23.9)%</u>
LIABILITIES				
Current liabilities	84,763	144,494	(59,731)	(41.3)%
Noncurrent liabilities	<u>5,075,868</u>	<u>5,056,900</u>	<u>18,968</u>	<u>0.4 %</u>
Total liabilities	<u>5,160,631</u>	<u>5,201,394</u>	<u>(40,763)</u>	<u>(0.8)%</u>
DEFERRED INFLOWS OF RESOURCES				
	<u>268,601</u>	<u>454,659</u>	<u>(186,058)</u>	<u>(40.9)%</u>
NET POSITION				
Net investment in capital assets	7,725,747	7,612,460	113,287	1.5 %
Restricted	493,586	257,688	235,898	91.5 %
Unrestricted	<u>(3,599,181)</u>	<u>(3,602,517)</u>	<u>3,336</u>	<u>0.1 %</u>
Total net position	<u>\$ 4,620,152</u>	<u>\$ 4,267,631</u>	<u>\$ 352,521</u>	<u>8.3 %</u>

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$4.6 million as of June 30, 2020. The following represents significant information regarding changes and balances:

- The District's current assets increased \$247,312 primarily due to an increase in cash and investments.
- The District had \$683,821 in additions and \$96,300 of deletions to capital assets that were offset by depreciation expense of \$683,646, resulting in an overall net increase in capital assets of \$175.
- Current liabilities decreased \$59,731 primarily due to a decrease in expenditures during the 60-day encumbrance period after year end as compared to the prior year.
- Noncurrent liabilities increased \$18,968, deferred outflows of resources decreased \$121,787, and deferred inflows of resources decreased \$186,058 primarily due to the results of investment activity and participant activity when compared to Arizona State Retirement System's estimates.
- By far, the largest portion of the District's net position, \$7.7 million, reflects its net investment in capital assets. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Additionally, \$493,586 of the District's net position represents resources that are subject to external restrictions. The remaining deficit balance of net position, \$3.6 million, is considered unrestricted. For additional information regarding net position, see financial statement note 1.Q.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a comparison of the changes in net position for the fiscal years ended June 30, 2020 and 2019.

	Fiscal Year Ended <u>June 30, 2020</u>	Fiscal Year Ended <u>June 30, 2019</u>	<u>Change</u>	<u>Percent Change</u>
Revenues:				
Program revenues:				
Charges for services	\$ 178,397	\$ 337,597	\$ (159,200)	(47.2)%
Operating grants and contributions	849,696	855,191	(5,495)	(0.6)%
Capital grants and contributions	653,161	108,010	545,151	504.7 %
General revenues:				
Taxes	4,580,212	4,541,637	38,575	0.8 %
State aid	89,485	82,270	7,215	8.8 %
Payments in lieu of taxes	6,548	6,747	(199)	(2.9)%
Investment income	11,860	7,416	4,444	59.9 %
Miscellaneous	1,007	-	1,007	100.0 %
Total revenues	<u>6,370,366</u>	<u>5,938,868</u>	<u>431,498</u>	<u>7.3 %</u>
Expenses:				
Instruction	2,623,254	2,706,023	(82,769)	(3.1)%
Support services - students and staff	717,541	677,010	40,531	6.0 %
Support services - administration	664,525	741,023	(76,498)	(10.3)%
Operation and maintenance of plant	1,323,358	1,352,848	(29,490)	(2.2)%
Student transportation services	298,003	414,999	(116,996)	(28.2)%
Operation of non-instructional services	343,396	331,875	11,521	3.5 %
Interest on long-term debt	47,768	46,367	1,401	3.0 %
Total expenses	<u>6,017,845</u>	<u>6,270,145</u>	<u>(252,300)</u>	<u>(4.0)%</u>
Change in net position	352,521	(331,277)	683,798	206.4 %
Beginning net position	<u>4,267,631</u>	<u>4,598,908</u>	<u>(331,277)</u>	<u>(7.2)%</u>
Ending net position	<u>\$ 4,620,152</u>	<u>\$ 4,267,631</u>	<u>\$ 352,521</u>	<u>8.3 %</u>

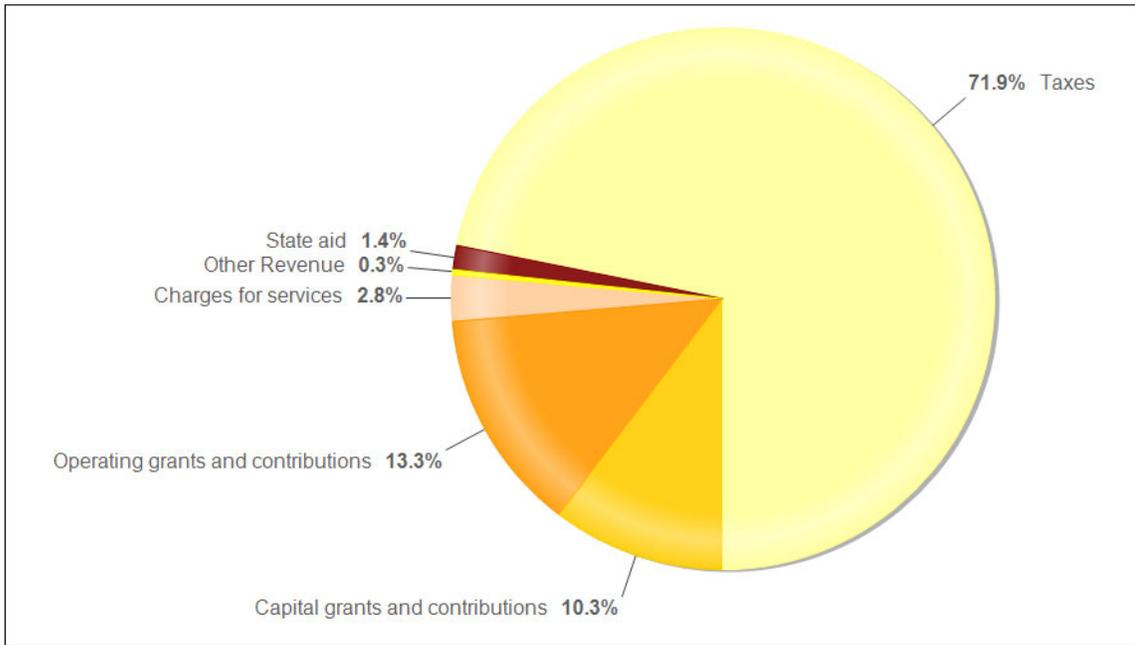
Net position increased \$352,521; the following represents significant information regarding changes:

- Revenues increased \$431,498 primarily due to an increase in capital grants and contributions.
- Expenses decreased \$252,300 primarily due to a decrease in instruction and operation and maintenance of plant and instruction expenses.

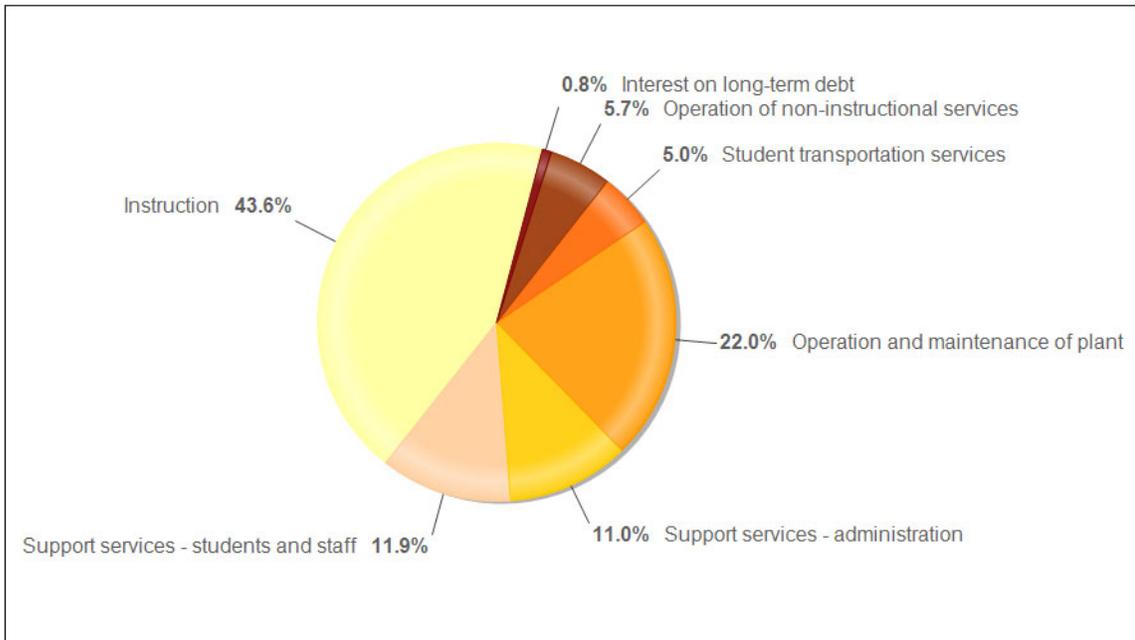
**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

District-Wide Revenues
FY 2019-20



District-Wide Expenses
FY 2019-20

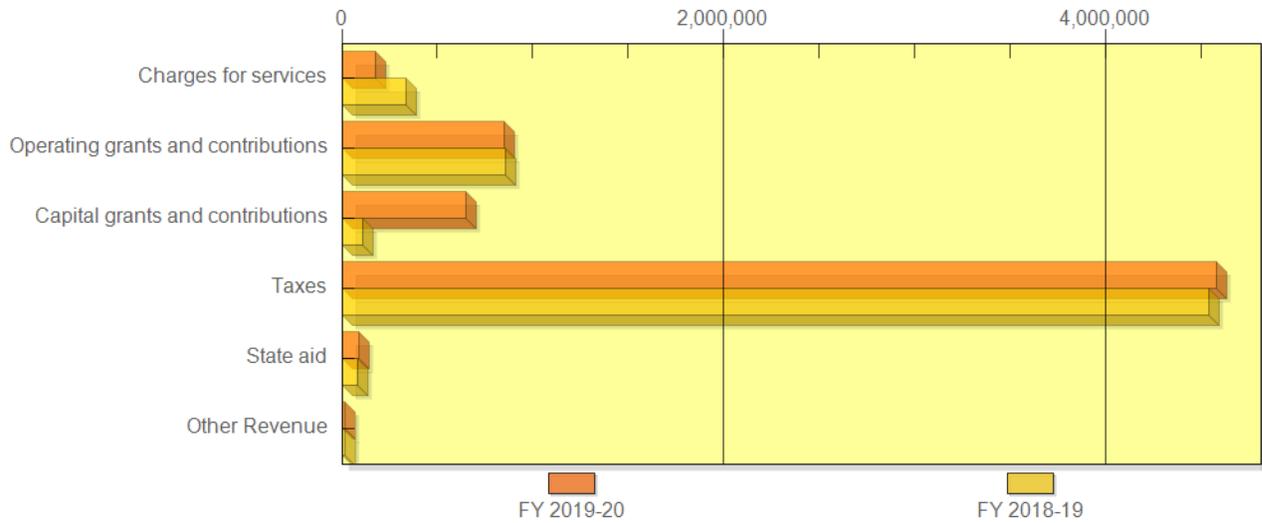


**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

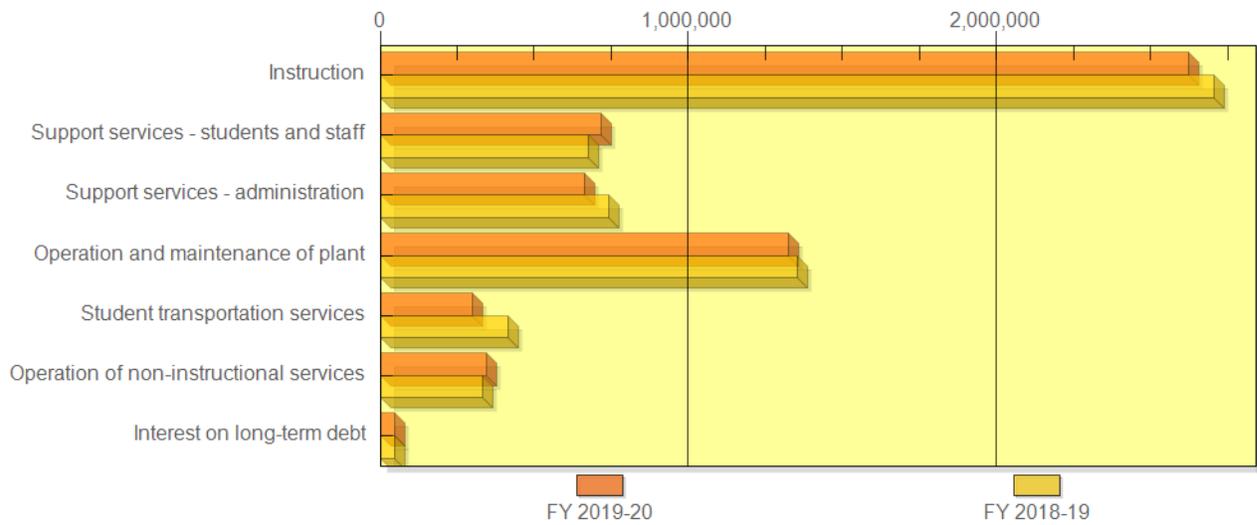
District-Wide Revenues

2 Year Comparison



District-Wide Expenses

2 Year Comparison



**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table displays information from the *Statement of Activities* governmental activities and compares the net cost of services for the two years ended June 30, 2020 and 2019.

<u>Expense Function</u>	Net (Expense)	Net (Expense)	<u>Change</u>	Percent
	Revenue	Revenue		Change
	<u>June 30, 2020</u>	<u>June 30, 2019</u>		<u>Change</u>
Instruction	\$ (2,086,139)	\$ (2,080,981)	\$ (5,158)	(0.2)%
Support services - students and staff	(609,353)	(577,453)	(31,900)	(5.5)%
Support services - administration	(607,770)	(680,867)	73,097	10.7 %
Operation and maintenance of plant	(780,197)	(1,295,265)	515,068	39.8 %
Student transportation services	(188,003)	(410,351)	222,348	54.2 %
Operation of non-instructional services	(17,361)	121,937	(139,298)	(114.2)%
Interest on long-term debt	(47,768)	(46,367)	(1,401)	(3.0)%
Total	<u>\$ (4,336,591)</u>	<u>\$ (4,969,347)</u>	<u>\$ 632,756</u>	<u>12.7 %</u>

The net cost of services decreased \$632,756, or 12.7 percent, due to overall expenses decreasing \$252,300 while program revenues increased \$380,456. The following represents significant information regarding changes and balances:

- Program revenues of \$1.7 million subsidized the government-wide expenses.
- The remaining net costs of governmental activities of \$4.3 million were financed through general revenues.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

The following table provides analysis of the District's major and other governmental funds' fund balances and the total change in fund balances for the two years ended June 30, 2020 and 2019.

Fund	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>	<u>Percent Change</u>
General Fund	\$ 256,511	\$ 103,785	\$ 152,726	147.2 %
Classroom Site Fund	192,432	128,177	64,255	50.1 %
Adjacent Ways Fund	91,535	58,221	33,314	57.2 %
Building Renewal Fund	(73,863)	(57,716)	(16,147)	(28.0)%
Other Governmental Funds	143,844	73,538	70,306	95.6 %
Total	<u>\$ 610,459</u>	<u>\$ 306,005</u>	<u>\$ 304,454</u>	<u>99.5 %</u>

The total governmental fund balances were \$610,459 at June 30, 2020. It is not expected that the nature of the restrictions, commitments or other limitations on fund balances will significantly affect future operations. Overall governmental fund balance increased \$304,454. The following represents significant information regarding changes:

- The General Fund's fund balance increased \$152,726, or 147.2 percent, primarily due to a decrease in instructional expenditures in the current year. All of the General Fund's fund balance is unassigned which may serve as a useful measure of net resources available for spending at June 30, 2020.
- The Classroom Site Fund's fund balance increased \$64,255, or 50.1 percent, due to revenues exceeding expenditures in the current year.
- The Adjacent Ways Fund's fund balance increased \$33,314, or 57.2 percent, primarily due to a decrease in operation and maintenance of plant services in the current year.
- The Building Renewal Fund's fund balance decreased \$16,147, or 28.0 percent, due to expenditures exceeding revenues in the current year.
- The Other Governmental Funds' fund balance increased \$70,306, or 95.6 percent, due to revenues exceeding expenditures in the current year.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared annually according to Arizona law. The General Fund Budgetary Comparison Schedule presents the budgeted amounts, as well as the variances between the final budget and the actual expenditures incurred.

The State of Arizona does not require school districts to prepare a revenue budget. The District updated revenue amounts reported based on actual revenues; therefore, there were no variances from the amount budgeted for the final amended budget and actual revenues.

The General Fund's adopted budget for the fiscal year ending June 30, 2020, was \$4.5 million. Over the course of the year, the District revised the General Fund annual expenditure budget to \$4.4 million to reflect a decrease in projected instruction expenditures.

The actual amounts expended in the General Fund were \$4.2 million, which was \$206,485, or 4.7 percent, less than the final budget. This difference was primarily due to student transportation expenditures being less than initially projected.

CAPITAL ASSETS

As of June 30, 2020, the District had invested \$8.9 million in capital assets (net of accumulated depreciation) including school buildings, athletic facilities, buses, computers, and other equipment.

The following schedule presents a comparison of the capital asset balances for the years ended June 30, 2020 and 2019.

<u>Governmental activities:</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>	<u>Percent Change</u>
Land	\$ 22,800	\$ 22,800	\$ -	- %
Construction in progress	482,333	35,068	447,265	1,275.4 %
Land improvements	1,864,697	1,864,697	-	- %
Buildings and improvements	20,478,419	20,407,829	70,590	0.3 %
Vehicles, furniture, and equipment	<u>3,796,542</u>	<u>3,726,876</u>	<u>69,666</u>	<u>1.9 %</u>
Total	<u>26,644,791</u>	<u>26,057,270</u>	<u>587,521</u>	<u>2.3 %</u>
Less: accumulated depreciation	<u>(17,711,790)</u>	<u>(17,124,444)</u>	<u>(587,346)</u>	<u>(3.4)%</u>
Capital assets, net	<u>\$ 8,933,001</u>	<u>\$ 8,932,826</u>	<u>\$ 175</u>	<u>- %</u>

A more in-depth analysis of material activity within capital assets is presented within the analysis of the *Statement of Net Position* earlier in the Management's Discussion and Analysis. Detailed information on the District's capital assets can be found in financial statement note 5.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

LONG-TERM LIABILITIES

The following schedule presents a comparison of long-term liabilities for the years ended June 30, 2020 and 2019.

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>	<u>Percent Change</u>
Net pension liability	\$ 3,784,758	\$ 3,658,162	\$ 126,596	3.5 %
Capital lease	95,540	124,752	(29,212)	(23.4)%
Guaranteed energy savings contract	1,111,714	1,195,614	(83,900)	(7.0)%
Compensated absences	<u>83,856</u>	<u>78,372</u>	<u>5,484</u>	<u>7.0 %</u>
Total	<u>\$ 5,075,868</u>	<u>\$ 5,056,900</u>	<u>\$ 18,968</u>	<u>0.4 %</u>

Overall long-term liability balance increased \$18,968. The following represents significant information regarding changes:

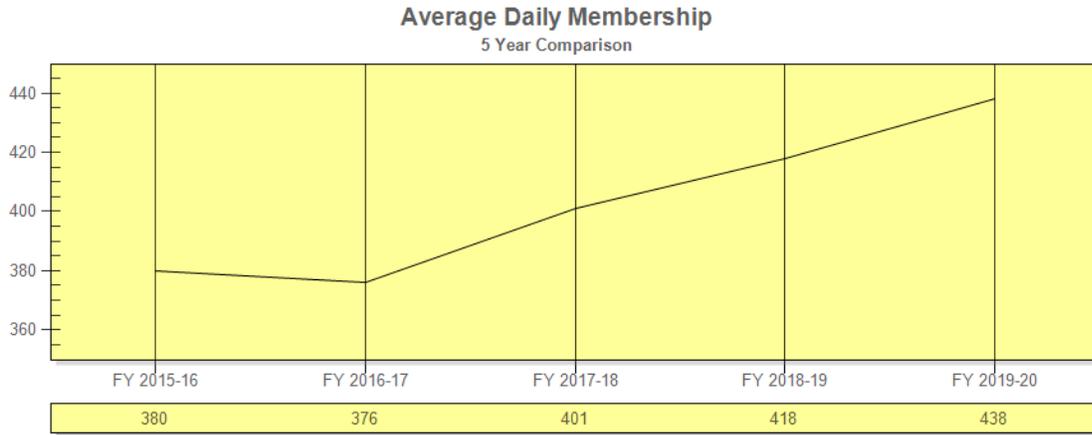
- Net pension liability increased \$126,596, or 3.5 percent, due to the results of investment activity and participant activity when compared to anticipated results as determined by the Arizona State Retirement System's actuaries.
- The capital lease decreased \$29,212, or 23.4 percent, due to the payment of principal as required by the capital lease agreements.
- The guaranteed energy savings contract decreased \$83,900, or 7.0 percent, due to the payment of principal as required by the guaranteed energy savings lease agreements.
- Compensated absences increased \$5,484, or 7.0 percent, due to the accrual and use of available leave balances by employees.

For additional information regarding long-term liabilities, see financial statement note 8.

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2020**

ECONOMIC FACTORS AND NEXT YEAR'S GENERAL FUND BUDGET AND RATES

Many factors were considered by the District's administration during the process of developing the General Fund's budget for the next fiscal year (fiscal year 2020-21). The primary factors considered in developing fiscal year 2020-21's budget were the District's student population and related employee salaries. This chart provides the District's average daily membership over the past five years.



100 Day Count

Also considered in the development of the budget is the local economy and inflation of the surrounding area. Amounts available in the General Fund's fiscal year 2020-21 budget are \$5.0 million, an increase of 13.4 percent, which reflects the following:

- Available budget balance carryforward is \$206,485.
- Current year average daily membership is 438 and is expected to increase in the fiscal year 2020-21 school year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Joseph City Unified School District No. 2, 8176 North Westover, Joseph City, Arizona 86032.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
ASSETS	
Cash and investments	\$ 426,080
Property taxes receivable	38,546
Due from other governments	174,286
Inventories	90,337
Capital assets:	
Capital assets not being depreciated	505,133
Capital assets being depreciated, net	8,427,868
Total assets	9,662,250
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows - pensions	387,134
LIABILITIES	
Accounts payable	42,801
Due to other governments	7,824
Accrued payroll and benefits	29,515
Advances from grantors	4,623
Noncurrent liabilities:	
Due within one year	127,803
Due in more than one year	4,948,065
Total liabilities	5,160,631
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows - pensions	268,601
NET POSITION	
Net investment in capital assets	7,725,747
Restricted for:	
Debt service	364
Capital outlay	147,699
Food service	2,248
Extracurricular activities tax credit	33,454
Career technical instruction	40,750
Voter approved initiatives	226,282
Other purposes	42,789
Unrestricted	(3,599,181)
Total net position	\$ 4,620,152

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net</u>
		<u>Charges For Services</u>	<u>Operating Grants And Contributions</u>	<u>Capital Grants And Contributions</u>	<u>(Expense) Revenue and Change in Net Position</u>
Governmental activities:					
Instruction	\$ 2,623,254	\$ 43,810	\$ 493,305	\$ -	\$ (2,086,139)
Support services - students and staff	717,541	-	108,188	-	(609,353)
Support services - administration	664,525	-	56,755	-	(607,770)
Operation and maintenance of plant	1,323,358	-	-	543,161	(780,197)
Student transportation services	298,003	-	-	110,000	(188,003)
Operation of non-instructional services	343,396	134,587	191,448	-	(17,361)
Interest on long-term debt	47,768	-	-	-	(47,768)
Total governmental activities	<u>\$ 6,017,845</u>	<u>\$ 178,397</u>	<u>\$ 849,696</u>	<u>\$ 653,161</u>	<u>(4,336,591)</u>

General revenues:

Taxes:

Property taxes, general purposes 4,277,296

Property taxes, capital outlay 302,916

State aid:

General purposes 68,727

Capital outlay 1,386

Instructional improvement 19,372

Payments in lieu of taxes 6,548

Investment income 11,860

Miscellaneous 1,007

Total general revenues 4,689,112

Change in net position 352,521

Net position, July 1, 2019 4,267,631

Net position, June 30, 2020 \$ 4,620,152

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FUND FINANCIAL STATEMENTS

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2020

	General Fund	Classroom Site Fund	Adjacent Ways Fund
ASSETS			
Cash and investments	\$ 163,333	\$ 171,041	\$ 91,488
Property taxes receivable	30,474	-	352
Due from other governments	-	21,391	-
Due from other funds	45,000	-	-
Inventories	87,436	-	-
Total assets	\$ 326,243	\$ 192,432	\$ 91,840
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)			
Liabilities:			
Accounts payable	\$ 14,331	\$ -	\$ -
Due to other governments	-	-	-
Accrued payroll and benefits	29,004	-	-
Advances from grantors	-	-	-
Due to other funds	-	-	-
Total liabilities	43,335	-	-
Deferred inflows of resources:			
Unavailable revenue - property tax	26,397	-	305
Total liabilities and deferred inflows of resources	69,732	-	305
Fund balances (deficits):			
Nonspendable:			
Inventories	87,436	-	-
Restricted:			
Debt service	-	-	-
Capital outlay	-	-	91,535
Food service	-	-	-
Extracurricular activities tax credit	-	-	-
Career technical education	-	-	-
Voter approved initiatives	-	192,432	-
Other purposes	-	-	-
Unassigned	169,075	-	-
Total fund balances (deficits)	256,511	192,432	91,535
Total liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 326,243	\$ 192,432	\$ 91,840

Building Renewal Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 218	\$ 426,080
-	7,720	38,546
-	152,895	174,286
-	56,133	101,133
-	2,901	90,337
<u>\$ -</u>	<u>\$ 219,867</u>	<u>\$ 830,382</u>

\$ 5,920	\$ 22,550	\$ 42,801
-	7,824	7,824
-	511	29,515
-	4,623	4,623
<u>67,943</u>	<u>33,190</u>	<u>101,133</u>
<u>73,863</u>	<u>68,698</u>	<u>185,896</u>

-	7,325	34,027
<u>73,863</u>	<u>76,023</u>	<u>219,923</u>

-	2,901	90,337
-	364	364
-	56,164	147,699
-	2,248	2,248
-	33,454	33,454
-	40,750	40,750
-	33,850	226,282
-	42,789	42,789
<u>(73,863)</u>	<u>(68,676)</u>	<u>26,536</u>
<u>(73,863)</u>	<u>143,844</u>	<u>610,459</u>
<u>\$ -</u>	<u>\$ 219,867</u>	<u>\$ 830,382</u>

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**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2020**

Fund balances - total governmental funds	\$ 610,459
<p>Amounts reported for governmental activities in the <i>Statement of Net Position</i> are different because:</p>	
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund statements.</p>	8,933,001
<p>Revenues reported in the <i>Statement of Activities</i> that will be collected beyond the 60 day recognition period do not provide current financial resources and are deferred in the governmental fund statements.</p>	
Property taxes	34,027
<p>Deferred outflows and inflows of resources are applicable to future reporting periods and, therefore, are not reported in the governmental fund statements.</p>	
Deferred outflows of resources related to pensions	387,134
Deferred inflows of resources related to pensions	(268,601)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund statements.</p>	
Net pension liability	(3,784,758)
Capital lease	(95,540)
Guaranteed energy savings contract	(1,111,714)
Compensated absences	(83,856)
Net position of governmental activities	<u>\$ 4,620,152</u>

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2020**

	<u>General Fund</u>	<u>Classroom Site Fund</u>	<u>Adjacent Ways Fund</u>
Revenues:			
Property taxes	\$ 4,276,499	\$ -	\$ 49,504
State aid and grants	68,727	256,723	-
Federal aid and grants	50,634	-	-
Other local revenue	<u>137,153</u>	<u>2,827</u>	<u>1,425</u>
Total revenues	<u>4,533,013</u>	<u>259,550</u>	<u>50,929</u>
Expenditures:			
Current:			
Instruction	1,938,373	195,295	-
Support services - students and staff	597,957	-	-
Support services - administration	596,880	-	-
Operation and maintenance of plant	865,151	-	17,615
Student transportation services	244,071	-	-
Operation of non-instructional services	97,053	-	-
Capital outlay	5,045	-	-
Debt service:			
Principal	-	-	-
Interest	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>4,344,530</u>	<u>195,295</u>	<u>17,615</u>
Excess (deficiency) of revenues over expenditures	188,483	64,255	33,314
Other financing sources (uses):			
Transfers in	22,456	-	-
Transfers out	<u>(50,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(27,544)</u>	<u>-</u>	<u>-</u>
Net change in fund balances (deficits)	160,939	64,255	33,314
Fund balances (deficits), July 1, 2019	103,785	128,177	58,221
Change in inventories	<u>(8,213)</u>	<u>-</u>	<u>-</u>
Fund balances (deficits), June 30, 2020	<u>\$ 256,511</u>	<u>\$ 192,432</u>	<u>\$ 91,535</u>

<u>Building Renewal Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ 251,620	\$ 4,577,623
486,318	152,187	963,955
-	451,151	501,785
-	183,009	324,414
<u>486,318</u>	<u>1,037,967</u>	<u>6,367,777</u>
-	215,086	2,348,754
-	111,907	709,864
-	45,570	642,450
62,492	9,502	954,760
-	-	244,071
-	214,110	311,163
439,973	238,803	683,821
-	113,112	113,112
-	47,768	47,768
<u>502,465</u>	<u>995,858</u>	<u>6,055,763</u>
(16,147)	42,109	312,014
-	50,000	72,456
-	(22,456)	(72,456)
-	27,544	-
(16,147)	69,653	312,014
(57,716)	73,538	306,005
-	653	(7,560)
<u>\$ (73,863)</u>	<u>\$ 143,844</u>	<u>\$ 610,459</u>

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020**

Net change in fund balances - total governmental funds	\$	312,014
<p>Amounts reported for the governmental activities in the <i>Statement of Activities</i> are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the <i>Statement of Activities</i>, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay		683,821
Depreciation		(683,646)
<p>Property taxes and other receipts in the <i>Statement of Activities</i> that do not provide current financial resources are not reported as revenues in the governmental funds.</p>		
Prior year unavailable property tax		(31,438)
Current year unavailable property tax		34,027
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the <i>Statement of Net Position</i> because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the <i>Statement of Activities</i>.</p>		
Pension contribution		302,763
Pension expense		(365,088)
<p>Debt and any related premium proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the <i>Statement of Net Position</i>. Repayments of long-term debt principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the <i>Statement of Net Position</i>.</p>		
Capital lease payment		29,212
Guaranteed energy savings contract payment		83,900
<p>Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the <i>Statement of Activities</i>, however, which is presented on the accrual basis of accounting, expenses are reported regardless of when the financial resources are available.</p>		
Compensated absences		(5,484)
<p>Some cash outlays are reported as expenditures in the governmental funds when purchased. In the <i>Statement of Activities</i>, however, they are reported as expenses when consumed.</p>		
Change in inventories using purchases method		(7,560)
Change in net position of governmental activities	\$	<u>352,521</u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2020

	Agency Funds		
	Student Activities	Employee Withholding	Total
ASSETS			
Cash in bank	\$ 41,939	\$ 756	\$ 42,695
Total assets	<u>\$ 41,939</u>	<u>\$ 756</u>	<u>\$ 42,695</u>
LIABILITIES			
Due to student groups	\$ 41,939	\$ -	\$ 41,939
Deposits held for others	<u>-</u>	<u>756</u>	<u>756</u>
Total liabilities	<u>\$ 41,939</u>	<u>\$ 756</u>	<u>\$ 42,695</u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Joseph City Unified School District No. 2 (District) has prepared the financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

For the year ended June 30, 2020, the District implemented the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The primary objective of the Statement is to provide temporary relief to governments in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective date of GASB Statement No. 84, *Fiduciary Activities* that was scheduled to become effective for periods beginning after December 15, 2018, and later.

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

A. Reporting Entity

The District is a special-purpose government that a separately elected governing body governs. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the activities of those organizational entities for which its elected governing board is financially accountable.

The Governing Board is organized under §15-321 of the Arizona Revised Statutes (A.R.S.). Management of the District is independent of other state or local governments. Under existing statutes, the Governing Board's duties and powers include, but are not limited to, the acquisition, maintenance and disposition of school property; the development and adoption of a school program; and the establishment, organization and operation of schools. The Board also has broad financial responsibilities, including the approval of the annual budget, and the establishment of a system of accounting and budgetary controls. The District's major operations include education, student transportation, food service, and maintenance of District facilities.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, §'s 2100 and 2600. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's basic financial statements to be misleading or incomplete. Accordingly, for the year ending June 30, 2020, the District does not have any component units and is not a component unit of any other reporting entity.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Basis of Presentation

The basic financial statements include both government-wide financial statements and fund financial statements. The government-wide financial statements focus on the District as a whole, while the fund financial statements focus on fund reporting. Each presentation provides valuable information that can be analyzed and compared between years and between governments to enhance the usefulness of the information.

Government-Wide Financial Statements - Provide information about the primary government (the District). The statements include a *Statement of Net Position* and a *Statement of Activities*. These statements report the overall government's financial activities, except for fiduciary activities. They also distinguish between the District's governmental and any business-type activities. Governmental activities generally are financed through taxes and intergovernmental revenues. Business-type activities are financed in whole or in part by fees charged to external parties. The District does not have any business type activities.

A *Statement of Activities* presents a comparison between direct expenses and program revenues for each function of the District's governmental activities and segments of any business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses to programs or functions. Program revenues include:

- charges to customers for goods, services, or privileges provided
- operating grants and contributions
- capital grants and contributions

Revenues that are not classified as program revenues, including internally dedicated resources and all taxes, are reported as general revenues.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements to minimize the double-counting of internal activities. However, charges for interfund services provided and used are not eliminated if the prices approximate their external exchange values.

Fiduciary funds report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the District's own programs. As such, these funds are omitted from the government-wide statements.

Fund Financial Statements - Provide information about the District's funds, including fiduciary funds. Separate statements are presented for the governmental and fiduciary fund categories. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds. Any fiduciary funds are aggregated and reported by fund type. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The District's accounts are organized into major governmental funds, other governmental funds, and fiduciary funds as follows:

Major Governmental Funds:

General Fund - to account for all resources used to finance District operations except those required to be accounted for in other funds. The General Fund as presented includes the District's Maintenance and Operation Fund and other special revenue funds that do not have a substantial restriction on expenditures.

Classroom Site Fund - to account for the portion of state sales tax collections and permanent state school fund earnings districts receive as approved by the voters in 2000 as part of Proposition 301.

Adjacent Ways Fund - to account for monies received to finance improvements of property adjacent to the school, such as public streets or alleys, or improvements of school property that provide safe access for buses and fire equipment.

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

Other Governmental Funds:

Special Revenue Funds - to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Project Funds - to account for the acquisition and construction of all major governmental general capital assets.

Fiduciary Funds:

Agency Funds - to account for assets of others for which the District acts as an agent. The District maintains two agency funds to account for student club activities and employee withholdings. The Student Activities Fund accounts for monies raised by students to finance student clubs and the Employee Insurance Program Withholdings Fund accounts for unremitted payroll deductions temporarily held by the District.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Accounting

Government-wide Financial Statements - The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are custodial in nature and do not have a measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are levied. Grants and donations are recognized as revenue as soon as all eligibility requirements the provider imposed have been met.

Under the terms of grant agreements, the District funds certain programs by a combination of grants and general revenues. Therefore, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. The District applies grant resources to such programs before using general revenues.

Governmental Fund Financial Statements - Governmental funds in the fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Major revenue sources that are susceptible to accrual are property taxes, tuition, intergovernmental grants and aids, and investment earnings. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, and compensated absences, which are recognized as expenditures to the extent they are due and payable. As permitted by generally accepted accounting principles it is the District's policy to apply the "early recognition" option for debt service payments. Therefore, the expenditures and related liabilities have been recognized in the current period. General capital asset acquisitions are reported as expenditures in governmental funds. Issuances of general long-term debt and acquisitions under capital lease agreements are reported as other financing sources.

D. Expenses and Expenditures

Using the accrual basis of accounting, expenses are recognized at the time a liability is incurred. In the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, expenditures are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental fund statements. 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.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Investments

The District considers cash on hand, demand deposits, cash and investments held by the County Treasurer, investments in the State Treasurer's local government investment pool, and only those highly liquid investments with a maturity of 3 months or less when purchased to be cash and cash equivalents.

Arizona Revised Statutes require the District to deposit all cash with the County Treasurer, except as discussed below. Cash with the County Treasurer is pooled for investment purposes, except for cash in the bond building and debt service funds, which may be invested separately.

Statute authorizes the District to separately invest monies of the bond building and debt service funds in the State Treasurer's investment pool, obligations issued or guaranteed by the United States or any of its agencies or instrumentalities, specified state and local government bonds and notes, and interest-bearing savings accounts or certificates of deposit.

Statute authorizes the District to deposit monies of the auxiliary operations and student activities funds in bank accounts. The District may also invest these monies. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer, revolving accounts to pay minor disbursements, and withholdings accounts for taxes and employee insurance programs. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk.

F. Property Taxes

The Navajo 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.

A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy.

The District does not report a reserve for uncollectible property taxes as they are considered 100 percent collectible due to the County attaching a lien against all amounts past due as noted above.

G. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Inventories

Inventories in the government-wide and financial statements are recorded as assets when purchased and expensed when consumed. These inventories are stated at cost using the first-in/first-out (FIFO) method. The costs of inventories are accounted for using the consumption method (expensed when consumed).

I. Capital Assets

Capital assets are reported in the government-wide financial statements. Such assets are recorded at historical cost, or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at acquisition value. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The capitalization thresholds (the dollar value above which asset acquisitions are added to the capital asset accounts) are \$5,000 for all assets.

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

Land improvements	5 - 50 years
Buildings and improvements	2 - 50 years
Vehicles, furniture, and equipment	5 - 20 years

J. Deferred Outflows and Inflows of Resources

The *Statement of Net Position and Balance Sheet* include separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as a revenue in future periods. Delinquent property taxes that will not be collected within the 60 day availability period are reported as deferred inflows of resources in the governmental fund financial statements.

The *Statement of Net Position* includes separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future periods that will be recognized as an expense or expenditure in future periods. Deferred inflows of resources represent an acquisition of net position or fund balance that applies to future periods and will be recognized as a revenue in future periods. Delinquent property taxes that will not be collected within the 60 day availability period are reported as deferred inflows of resources in the governmental fund financial statements.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Postemployment Benefits

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 plan's fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Advances from Grantors

Advances from grantors arise when assets are received before revenue recognition criteria have been satisfied. Advances from grantors generally comprise of federal and state entitlement revenues received before eligibility requirements are met.

M. Compensated Absences

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

N. Federal Revenue Sources

The District receives federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

O. Investment Income

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments. Investment income is included in other local revenue in the fund financial statements. Interest earned from investments purchased with pooled monies is allocated to each of the District's funds based on their average balances.

P. Interfund Activity

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

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Net Position

In the government-wide financial statements, net position is reported in three components:

Net investment in capital assets - Net investment in capital assets consists of capital assets, net of accumulated depreciation reduced by any outstanding debt used to acquire, construct, or improve these assets.

Restricted - Restricted net position is reported when constraints placed on the net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or by state legislation.

Unrestricted - Unrestricted net position is used to account for the net position balance that does not meet the definition of either of the first two categories of net position.

R. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable fund balance - Amounts which cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. This would include items not expected to be converted to cash including inventories and prepaid items.

Restricted fund balance - Amounts with constraints placed on the use of resources that are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provisions or state legislation.

Committed fund balance - Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the Governing Board. These amounts cannot be used for any other purposes unless the Governing Board removes or changes the specific purpose by taking the same kind of formal action previously used to commit these amounts. Adoption of the annual budget does not constitute a commitment as appropriations lapse at year end without Governing Board action. This also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - Amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The intent should be expressed by the Governing Board or body or official to which the Governing Board has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balance in governmental funds, other than the General Fund, includes all spendable amounts that are not restricted or committed, if that amount is positive. In the General Fund, assigned amounts represent intended uses established by the Governing Board or a management official delegated that authority by the formal Governing Board action. The District does not have a formal policy or procedures for the utilization of assigned fund balance, accordingly, no assigned fund balance amounts are reported.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

R. Fund Balance Classifications

Unassigned fund balance - Spendable amounts in the General Fund that are not restricted, committed or assigned. The General Fund is the only fund that may report a positive unassigned fund balance amount. For governmental funds other than the General Fund, negative fund balances are reported here if restricted, committed, or assigned amounts exceed total spendable fund balance.

Hierarchy for use of fund balances - When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, the District uses restricted fund balance first. For the disbursement of unrestricted fund balances, the District uses committed amounts first, followed by assigned amounts, and, lastly, unassigned amounts.

Minimum fund balance policy - The District has not adopted a policy regarding maintenance of minimum fund balances.

S. Estimates

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

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 - CASH AND INVESTMENTS

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's cash deposits may not be returned. The District does not have an adopted policy for custodial credit risk. As of June 30, 2020, the carrying amount (reported) cash balance was \$140,184 (\$97,489 reported within the governmental funds and \$42,695 reported in the fiduciary funds), while the total bank balance was \$174,290 which was fully insured by the Federal Deposit Insurance Corporation (FDIC) and the collateral described below. The FDIC protects deposits in each bank the District uses against loss for the first \$250,000 of demand deposits and \$250,000 of time deposits. Any deposits of cash deposits in excess of \$250,000 are covered by collateral held by the pledging financial institution's trust department in the District's name.

Arizona statute requires eligible depositories that accept public monies to participate in the pooled collateral program for public deposits. The Statewide Collateral Pool Administrator (Administrator) is responsible for ensuring that eligible depositories have posted 102% collateral for each public depositor in excess of any federally insured deposits. The purpose of the pooled collateral program is to ensure that governmental entities' public deposits placed in participating depositories are secured against loss. An eligible depository may not retain or accept any public deposit unless it has deposited the required collateral with a qualified escrow agent or the Administrator. The Administrator manages the pooled collateral program, including reporting on each depository's compliance with the program.

External Investment Pool. A.R.S. §15-996, authorizes the Navajo County Treasurer to receive and hold all District monies and pool the monies with other school districts for investment purposes. As of June 30, 2020, the District reported \$328,591 on deposit with the Navajo County Treasurer's Investment Pool (NCTIP). The NCTIP is an external investment pool with no regulatory oversight. The NCTIP is not required to register (and is not registered) with the Securities and Exchange Commission. As of June 30, 2020, the NCTIP did not receive a credit quality rating from a national rating agency. The Navajo County Treasurer invests the cash in a pool under policy guidelines established by the County. The Navajo County Treasurer accounts for the investment pool in their Fiduciary Investment Trust Fund. Interest rate risk, credit risk, custodial credit risk and concentration of credit risk regarding the NCTIP are included in the Comprehensive Annual Financial Report of Navajo County. The fair value of each participant's position in the NCTIP approximates the value of the participant's shares in the pool and the District's shares are not identified with specific investments. Participants in the pool are not required to categorize the value of shares in accordance with the fair value hierarchy.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The District does not have an adopted investment policy that limits investment maturities to one year or less as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. Credit risk is the risk that an insurer or other counterparty to an investment in a debt security will not fulfill its obligations. The District has no investment policy that would further limit its investment choices than what is allowable per A.R.S.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 - DUE FROM OTHER GOVERNMENTS

Receivable balances have been disaggregated by type and presented separately in the financial statements with the exception of the amounts due from other governments. The District's due from other governments as of June 30, 2020, are as follows:

	Classroom Site Fund	Other Governmental Funds	Totals
Due from state government:			
State equalization	\$ -	\$ 56,843	\$ 56,843
Classroom site	21,391	-	21,391
Instructional improvement	-	10,576	10,576
Due from federal government:			
Federal grants	-	85,476	85,476
Total due from other governments	<u>\$ 21,391</u>	<u>\$ 152,895</u>	<u>\$ 174,286</u>

NOTE 4 - ADVANCES FROM GRANTORS

Governmental funds report advances from grantors for assets that are transferred to the District prior to the District fulfilling all program requirements that would entitle them to recognize the revenue. As of June 30, 2020, the advances from grantors reported in the governmental funds were as follows:

Building Renewal Fund:

Other Governmental Funds:

Advances from state grants	\$ 300
Advances from federal grants	<u>4,323</u>
Total Other Governmental Funds:	<u>4,623</u>
Total advances from grantors	<u><u>\$ 4,623</u></u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 - CAPITAL ASSETS

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

<u>Governmental activities:</u>	<u>Balance June 30, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>
Non-depreciable capital assets:				
Land	\$ 22,800	\$ -	\$ -	\$ 22,800
Construction in progress	35,068	447,265	-	482,333
Total non-depreciable capital assets	<u>57,868</u>	<u>447,265</u>	<u>-</u>	<u>505,133</u>
Depreciable capital assets:				
Land improvements	1,864,697	-	-	1,864,697
Buildings and improvements	20,407,829	70,590	-	20,478,419
Vehicles, furniture, and equipment	3,726,876	165,966	(96,300)	3,796,542
Total depreciable capital assets	<u>25,999,402</u>	<u>236,556</u>	<u>(96,300)</u>	<u>26,139,658</u>
Less accumulated depreciation for:				
Land improvements	(1,722,168)	(26,057)	-	(1,748,225)
Buildings and improvements	(13,109,396)	(481,647)	-	(13,591,043)
Vehicles, furniture, and equipment	(2,292,880)	(175,942)	96,300	(2,372,522)
Total accumulated depreciation	<u>(17,124,444)</u>	<u>(683,646)</u>	<u>96,300</u>	<u>(17,711,790)</u>
Total depreciable capital assets, net	<u>8,874,958</u>	<u>(447,090)</u>	<u>-</u>	<u>8,427,868</u>
Total capital assets, net	<u>\$ 8,932,826</u>	<u>\$ 175</u>	<u>\$ -</u>	<u>\$ 8,933,001</u>

Depreciation was charged to governmental functions as follows:

Instruction	\$ 239,781
Support services - students and staff	1,802
Support services - administration	9,635
Operation and maintenance of plant	348,930
Student transportation services	50,843
Operations of non-instructional services	32,655
Total depreciation expense	<u>\$ 683,646</u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 - CONSTRUCTION CONTRACT COMMITMENTS

The District had the following construction contract commitments as of June 30, 2020:

Project	Contract Amount	Amount Paid as of June 30, 2020	Contract Balance
Roofing upgrades	\$ 901,256	\$ 482,332	\$ 418,924
Totals	<u>\$ 901,256</u>	<u>\$ 482,332</u>	<u>\$ 418,924</u>

These projects are being financed with School Facility Board monies.

NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES

The following is a summary of interfund receivables and payables reported as of June 30, 2020:

Funds	Interfund	
	Due From	Due To
General Fund	\$ 45,000	\$ -
Building Renewal Fund	-	67,943
Other Governmental Funds	56,133	33,190
Total	<u>\$ 101,133</u>	<u>\$ 101,133</u>

These interfund amounts primarily represent loans to cover temporary cash deficits in pooled accounts due to delayed revenues and grant expenditures that were incurred prior to reimbursements from outside parties. These amounts are expected to be repaid within one year.

NOTE 8 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities of the District for the year ended June 30, 2020:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Net pension liability	\$ 3,658,162	\$ 903,482	\$ (776,886)	\$ 3,784,758	\$ -
Capital lease	124,752	-	(29,212)	95,540	30,491
Guaranteed energy savings contract	1,195,614	-	(83,900)	1,111,714	89,312
Compensated absences	78,372	54,487	(49,003)	83,856	8,000
Total	<u>\$ 5,056,900</u>	<u>\$ 957,969</u>	<u>\$ (939,001)</u>	<u>\$ 5,075,868</u>	<u>\$ 127,803</u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 - PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS

Plan description - District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing multiple-employer defined benefit pension plan, a cost-sharing multiple-employer defined benefit health insurance premium benefit (OPEB) plan, and a cost-sharing multiple-employer defined benefit long-term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2 and 2.1. The ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on 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 and age required to receive benefit	Sum of years and ages equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years after age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

*With actuarially reduced benefits.

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. 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 retirement benefit option chosen determines the survivor benefit. 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.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 - PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (continued)

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

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, statute required active ASRS members to contribute at the actuarially determined rate of 12.11 percent (11.94 percent for retirement and 0.17 percent for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.11 percent (11.45 percent for retirement, 0.49 percent for health insurance premium benefit, and 0.17 percent for long-term disability) of the active members' annual covered payroll. In addition, the District is required by statute to contribute at the actuarially determined rate of 10.41 percent (10.29 percent for retirement, 0.05 for health insurance premium benefit, and 0.07 percent for long-term disability) of annual covered payroll of retired members who may have worked for the District in positions an employee who contributes to the ASRS would typically fill. The District's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2020, and for the two preceding years, all of which were equal to the required contributions, were as follows:

<u>Year ended June 30</u>	<u>Retirement Fund</u>	<u>Health Insurance Premium Benefit</u>	<u>Long-Term Disability Fund</u>	<u>Total Contributions</u>
2020	\$ 302,763	\$ 12,562	\$ 4,414	\$ 319,739
2019	307,356	11,761	4,391	323,508
2018	283,915	10,958	4,146	299,019

During fiscal year ending June 30, 2020, the District paid for pension and OPEB contributions as follows:

<u>Fund:</u>	<u>Pension and OPEB Contribution</u>	<u>Percentage by Fund</u>
General Fund	\$ 279,051	87.27 %
Classroom Site Fund	19,903	6.22 %
Adjacent Ways Fund	1,322	0.41 %
Other Governmental Funds	19,463	6.10 %
Total	<u>\$ 319,739</u>	<u>100.00 %</u>

The District's OPEB balance and related activity for the fiscal year ending June 30, 2020, was immaterial, therefore, related disclosures have been omitted.

Liability - At June 30, 2020, the District reported a pension liability of \$3,784,758 for its proportionate share of the ASRS' net pension liability.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 - PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (continued)

The net liability was measured as of June 30, 2019. The total liability used to calculate the net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2018, to the measurement date of June 30, 2019.

The District's proportion of the 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, were:

	<u>Proportion</u> <u>June 30, 2019</u>	<u>Increase</u> <u>(Decrease)</u> <u>From</u> <u>June 30, 2018</u>
Pension	0.0260 %	(0.0002)%

Expense - For the year ended June 30, 2020, the District recognized \$365,088 of pension expense.

Deferred outflows/inflows of resources - At June 30, 2020, the District reported deferred outflows and deferred inflows of resources related to the pension from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 68,373	\$ 712
Changes in assumptions or other inputs	15,998	150,716
Net difference between projected and actual earnings on pension plan investments	-	85,068
Changes in proportion and differences between District contributions and proportionate share of contributions	-	32,105
District contributions subsequent to the measurement date	<u>302,763</u>	<u>-</u>
Total	<u>\$ 387,134</u>	<u>\$ 268,601</u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 - PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (continued)

The amounts 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 liability in the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to ASRS pensions will be recognized in expenses as follows:

Year ending June 30	Deferred Outflows (Inflows)
2021	\$ (79,582)
2022	(111,095)
2023	(16,337)
2024	22,784
2025	-
Thereafter	-
Total	\$ (184,230)

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
Investment rate of return	7.5%
Projected salary increase	2.7 - 7.2%
Inflation	2.3%
Permanent benefit increase	Included
Mortality rates	2017 SRA Scale U-MP
Healthcare cost trend rate	Not applicable

Actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study for the 5-year period ended June 30, 2016.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 - PENSIONS AND OTHER POSTEMPLOYMENT BENEFITS (concluded)

The long-term expected rate of return on ASRS plan investments was determined to be 7.5 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Equity	50.00 %	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 7.5 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans' 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 District's proportionate share 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 7.5 percent, 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 1 percentage point lower (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
District's proportionate share of the: Net pension liability	\$ 5,386,587	\$ 3,784,758	\$ 2,446,041

Plan fiduciary net position - Detailed information about the 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 \$2,619 of outstanding pension amounts payable to ASRS for the year ended June 30, 2020.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 10 - CAPITAL LEASE

The District acquired a school bus under the provisions of a long-term lease agreement classified as a capital lease. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at present value of the future minimum lease payments as of the inception date. Revenues from the Unrestricted Capital Outlay Fund, a non-major capital project fund, are used for payment of the capital lease obligation.

The asset capitalized and acquired through a capital lease is as follows:

Asset	Governmental Activities
Bus	\$ 139,750
Less accumulated depreciation	(26,785)
Total assets, net	\$ 112,965

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30:	Governmental Activities
2021	\$ 34,676
2022	34,676
2023	34,676
Total minimum lease payments	104,028
Less: amount representing interest	(8,488)
Present value of minimum lease payments	\$ 95,540

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11 - GUARANTEED ENERGY SAVINGS CONTRACT

The District entered into a \$1,513,615 guaranteed energy savings contract lease-purchase agreement on April 30, 2014, for energy system improvements. As part of the agreement, the total principal and interest payments of \$2,015,734 are to be offset by energy cost savings over a 15 year period. In the event that the energy savings for a year is less than the guaranteed amount, Ameresco Southwest Inc., the energy equipment providers, will reimburse the District for the shortfall.

The lease will be paid with the savings transferred from the Maintenance and Operations Fund, grouped within the General Fund, to the Energy and Water Savings Fund, a non-major capital projects fund, as well as with energy rebates received from APS throughout the year.

The asset capitalized and acquired through the energy savings contract is as follows:

Asset	Governmental Activities
Energy savings equipment	\$ 1,513,615
Less accumulated depreciation	(492,312)
Total assets, net	\$ 1,021,303

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2020, were as follows:

Year Ending June 30:	Governmental Activities
2021	\$ 128,547
2022	130,985
2023	133,521
2024	136,158
2025	138,900
2026-2030	661,561
Total minimum lease payments	1,329,672
Less: amount representing interest	(217,958)
Present value of minimum lease payments	\$ 1,111,714

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 12 - DEFICIT FUND BALANCES

The District reported a deficit fund balance in the following funds:

	Deficit
Building Renewal Fund	\$ 73,863
Other Governmental Funds:	
Health Drug-Free Community Grant	53,889
Energy and Water Savings	14,787

The deficits are due to the differences of the District being allowed to expend up to approved award amounts and the timing of related revenue to be received by the District. Future receipts are expected to eliminate the deficit fund balances.

NOTE 13 - INTERFUND TRANSFERS

The following is a summary of interfund transfers reported as of June 30, 2020:

Funds	Interfund	
	Transfers In	Transfers Out
General Fund	\$ 22,456	\$ 50,000
Other Governmental Funds	50,000	22,456
Total	\$ 72,456	\$ 72,456

The transfer was made to (1) move indirect costs from federal grant funds to the Indirect Costs Fund, which is grouped within the General Fund, and (2) move electricity savings from the Maintenance and Operations Fund, which is grouped within the General Fund, to the Energy and Water Savings Fund, which is grouped within Other Governmental Funds.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 14 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Arizona School Risk Retention Trust, Inc (ASRRT), together with other school districts in the state. ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for member school districts. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

For employee health insurance, the District is a member of the Arizona School Boards Association Insurance Trust (ASBAIT), together with other school districts. ASBAIT was established in 1981 by the Arizona School Board Association. Its formation was in response to Arizona school administrators desire to obtain comprehensive health benefits at reasonable costs. ASBAIT operates by an "Agreement and Declaration of Trust" in accordance with the laws of the State of Arizona, including, without limitation, §15-382 A.R.S. The agreement provides that ASBAIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

The District is a member of the Arizona School Alliance for Workers' Compensation, Inc. (the Alliance). The Alliance was established in 1996 and is structured as a self-insurance pool that is owned and governed by its members. The agreement provides that the Alliance will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior fiscal years.

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 15 - COMMITMENTS AND CONTINGENCIES

Budget Override - During the fiscal year ending June 30, 2020, the voters of the District approved a 15% Maintenance and Operation Budget Override beginning with the fiscal year ending June 30, 2021 and for the six subsequent years. The override allows the District to exceed the revenue control limit by fifteen percent of the revenue control limit. In fiscal years ending June 30, 2021 through June 30, 2025, the amount of the proposed increase will be fifteen percent of the District's revenue control limit in each of such years, as provided in Section 15-481(P) of the Arizona Revised Statutes. In fiscal year ending June 30, 2026 the amount of the proposed increase will be two-thirds of the initial increase and In fiscal year ending June 30, 2027 one-third of the initial increase, as provided in Section 15-481(P)(2) of the Arizona Revised Statutes. The amount of the budgetary override for fiscal year 2021 is estimated to be \$643,693.

Federal grants - In the normal course of operations, the District receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed by District officials to be material.

Litigation - Each year the District receives notices of claims for damages occurring generally from negligence, bodily injury, breach of contract, and other legal matters. The filing of such claims commences a statutory period for initiating a lawsuit against the District arising therefrom. The District has comprehensive general liability insurance with the ASRRT. The District is not aware of any litigation that might result in a materially adverse outcome.

Contingencies - On March 11, 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Management believes the District is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated since it is still developing.

NOTE 16 - SUBSEQUENT EVENTS

Grants - The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) was signed into law on December 27, 2020. It provides additional money for the Elementary and Secondary School Emergency Relief Fund (ESSER II and ESSER III) and the Governor's Emergency Education Relief Fund (GEER), programs created by the Coronavirus Aid, Relief, and Economic Security Act (CARES) in March 2020. The Arizona Department of Education allocated \$1,877,786 to the District, which can be used for expenditures going back to March 2020.

REQUIRED SUPPLEMENTARY INFORMATION

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JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		(Non-GAAP)	<u>Variance</u>
	<u>Adopted</u>	<u>Final</u>	Actual Amounts	
Revenues:				
Property taxes	\$ 4,455,518	\$ 4,292,666	\$ 4,276,499	\$ (16,167)
State aid and grants	71,604	68,987	68,727	(260)
Other local revenue	10,784	10,390	10,351	(39)
Total revenues	<u>4,537,906</u>	<u>4,372,043</u>	<u>4,355,577</u>	<u>(16,466)</u>
Expenditures:				
Regular education:				
Instruction	1,546,488	1,380,625	1,413,739	(33,114)
Support services - students and staff	369,135	369,135	321,340	47,795
Support services - administration	610,253	610,253	573,245	37,008
Operation and maintenance of plant	905,533	905,533	859,509	46,024
Operation of non-instructional services	15,731	15,731	80,314	(64,583)
School-sponsored cocurricular activities	169,179	169,179	22,607	146,572
School-sponsored athletics	-	-	125,455	(125,455)
Other programs	-	-	3,907	(3,907)
Total regular education	<u>3,616,319</u>	<u>3,450,456</u>	<u>3,400,116</u>	<u>50,340</u>
Special education:				
Instruction	252,402	252,402	265,448	(13,046)
Support services - students and staff	258,164	258,164	233,749	24,415
Support services - administration	649	649	-	649
Total special education	<u>511,215</u>	<u>511,215</u>	<u>499,197</u>	<u>12,018</u>
Student transportation services:				
Student transportation services	391,072	391,072	244,071	147,001
K-3 reading program:				
Instruction	19,300	19,300	22,174	(2,874)
Total expenditures	<u>4,537,906</u>	<u>4,372,043</u>	<u>4,165,558</u>	<u>206,485</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>190,019</u>	<u>190,019</u>
Other financing uses:				
Transfers out	-	-	(50,000)	(50,000)
Net changes in fund balances	-	-	140,019	140,019
Fund balance, July 1, 2019	<u>16,288</u>	<u>16,288</u>	<u>16,288</u>	<u>-</u>
Fund balance (non-GAAP), June 30, 2020	<u>\$ 16,288</u>	<u>\$ 16,288</u>	<u>\$ 156,307</u>	<u>\$ 140,019</u>

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**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
BUDGETARY COMPARISON SCHEDULE - CLASSROOM SITE FUND
YEAR ENDED JUNE 30, 2020**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Adopted</u>	<u>Final</u>		
Revenues:				
State aid and grants	\$ 489,382	\$ 495,947	\$ 256,723	\$ (239,224)
Other local revenue	5,389	5,461	2,827	(2,634)
Total revenues	<u>494,771</u>	<u>501,408</u>	<u>259,550</u>	<u>(241,858)</u>
Expenditures:				
Instruction	494,771	501,408	195,295	306,113
Total expenditures	<u>494,771</u>	<u>501,408</u>	<u>195,295</u>	<u>306,113</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>64,255</u>	<u>64,255</u>
Fund balance, July 1, 2019	<u>128,177</u>	<u>128,177</u>	<u>128,177</u>	<u>-</u>
Fund balance, June 30, 2020	<u>\$ 128,177</u>	<u>\$ 128,177</u>	<u>\$ 192,432</u>	<u>\$ 64,255</u>

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2020

ASRS - Pension	Reporting Fiscal Year (Measurement Date)			
	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)
District's proportion of the net pension liability	0.03 %	0.03 %	0.03 %	0.03 %
District's proportionate share of the net pension liability	\$ 3,784,758	\$ 3,658,162	\$ 4,115,721	\$ 4,269,296
District's covered payroll	\$ 2,837,486	\$ 2,777,201	\$ 2,760,379	\$ 2,683,100
District's proportionate share of the net pension liability as a percentage of its covered payroll	133.38 %	131.72 %	149.10 %	159.12 %
Plan fiduciary net position as a percentage of the total pension liability	73.24 %	73.40 %	69.92 %	67.06 %

Reporting Fiscal Year
(Measurement Date)

2016 (2015)	2015 (2014)	2014 through 2011
0.03 %	0.03 %	Information is not available. Additional information will be presented as it becomes available.
\$ 4,059,595	\$ 4,146,115	
\$ 2,608,341	\$ 2,820,520	
155.64 %	147.00 %	
68.35 %	69.49 %	

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS
JUNE 30, 2020**

ASRS - Pension	Reporting Fiscal Year			
	2020	2019	2018	2017
Statutorily required contribution	\$ 302,763	\$ 307,356	\$ 283,915	\$ 278,564
District's contributions in relation to the statutorily required contribution	302,763	307,356	283,915	278,564
District's contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 2,779,630	\$ 2,837,486	\$ 2,777,201	\$ 2,760,379
District's contributions as a percentage of covered payroll	10.89 %	10.83 %	10.22 %	10.09 %

Reporting Fiscal Year			2013 through 2011
2016	2015	2014	
\$ 269,015	\$ 263,770	\$ 272,898	Information is not available. Additional information will be presented as it becomes available.
<u>269,015</u>	<u>263,770</u>	<u>272,898</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 2,683,100	\$ 2,608,341	\$ 2,820,520	
10.03 %	10.11 %	9.68 %	

JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

NOTE 1 - BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

- A. The General Fund, as reported in the budgetary comparison schedule, includes the District's Maintenance and Operation Fund (M&O) in addition to several other District funds consistent with accounting principles generally accepted in the United States of America. In accordance with Arizona Revised Statutes, the District is required to budget expenditures at the individual fund level.
- B. Expenditures that are allowable for budget reporting but not allowable as expenditures within the scope of generally accepted accounting standards are detailed and reconciled at the bottom of the following table.

The following schedule presents financial statement details of the District's M&O Fund, the main budgetary fund for the District per Arizona Revised Statutes, separately for analysis.

	General Fund					
	Revenues	Expenditures	Other Financing Sources (uses)	Beginning Fund Balance	Change In Inventories	Ending Fund Balance
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds - General Fund - GAAP	\$ 4,533,013	\$ 4,344,530	\$ (27,544)	\$ 103,785	\$ (8,213)	\$ 256,511
Less: budgeted special revenue funds reported within the General Fund	177,436	169,845	22,456	87,497	-	117,544
Maintenance and Operation - GAAP	<u>\$ 4,355,577</u>	<u>\$ 4,174,685</u>	<u>\$ (50,000)</u>	<u>\$ 16,288</u>	<u>\$ (8,213)</u>	<u>\$ 138,967</u>
Less: prior year encumbrance prepaid items		(9,127)				9,127
Maintenance and Operation - Non-GAAP	<u>\$ 4,355,577</u>	<u>\$ 4,165,558</u>	<u>\$ (50,000)</u>	<u>\$ 16,288</u>	<u>\$ (8,213)</u>	<u>\$ 148,094</u>

**REPORT ON INTERNAL CONTROL
AND ON COMPLIANCE**

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Governing Board of
Joseph City Unified School District No. 2

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Joseph City Unified School District No. 2 (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, and have issued our report thereon dated September 28, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

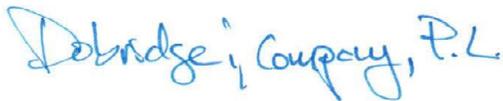
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain other matters that we reported to management of the District in a separate document entitled Uniform System of Financial Records (USFR) Compliance Questionnaire dated September 28, 2021.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Mesa, Arizona

September 28, 2021

**JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2020**

PRIOR YEAR FINDING:

2019-001:

Transfers from Maintenance and Operation Fund

SUMMARY:

The District eliminated negative cash funds by transferring money from the M&O Fund, which is not allowed.

STATUS:

Corrected

2019-002:

Cash Reconciliations

SUMMARY:

The District did not reconcile its cash balances with the County School Superintendent on a monthly basis.

STATUS:

Corrected

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B. Requests for Future Agenda Items

This agenda item is for the Governing Board to have a running record of potential items to be placed on future agendas. There will be no discussion on the substance, merits, or issues relating to the proposed agenda item.

C. Upcoming Meetings and Events Calendar

- Board Study Session - November 3, 2021; 6:00 p.m.
- Next Regular Board Meeting - November 9, 2021; 6:00 p.m.

10. ADJOURNMENT

Call to adjourn the meeting