
Littleton Elementary School District No. 65

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025



Littleton Elementary School District No. 65

Avondale, Arizona

**Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2025**

Issued by:
Business and Finance Department

Littleton Elementary School District No. 65

Table of Contents

	<u>Page</u>
<u>Introductory Section</u>	
Letter of Transmittal	1
ASBO Certificate of Excellence	5
GFOA Certificate of Achievement	6
Organization Chart	7
List of Principal Officials	8
<u>Financial Section</u>	
Independent Auditor's Report	11
Management's Discussion and Analysis (MD&A)	17
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	30
Statement of Activities	31
Fund Financial Statements:	
Balance Sheet – Governmental Funds	34
Reconciliation of the Balance Sheet –	
Governmental Funds to the Statement of Net Position	37
Statement of Revenues, Expenditures and Changes in Fund Balances –	
Governmental Funds	38
Reconciliation of the Statement of Revenues, Expenditures and	
Changes in Fund Balances – Governmental Funds to the Statement of Activities	40
Notes to Financial Statements	41
Required Supplementary Information	
Schedule of Revenues Expenditures and Changes in Fund Balances – Budget and Actual:	
General Fund	63
Classroom Site Fund	64
Federal and State Grants Fund	65
Schedule of Proportionate Share of the Net Pension Liability	66
Schedule of Pension Contributions	66
Notes to Required Supplementary Information	68
Combining and Individual Fund Financial Statements and Schedules	
Governmental Funds:	
Combining Balance Sheet – All Non-Major Governmental Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances –	
All Non-Major Governmental Funds	76
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual:	
Instructional Improvement	78
Food Service	79
Other Special Revenue Funds	80
Debt Service	81
Adjacent Ways	82
Bond Building	83
Other Capital Projects	84

Littleton Elementary School District No. 65

Table of Contents

<u>Statistical Section</u>	<u>Page</u>
Financial Trends:	
Net Position by Component	86
Expenses, Program Revenues, and Net (Expense)/Revenue	87
General Revenues and Total Changes in Net Position	89
Fund Balances – Governmental Funds	91
Governmental Funds Revenues	93
Governmental Funds Expenditures and Debt Service Ratio	95
Other Financing Sources and Uses and Net Changes in Fund Balances – Governmental Funds	97
Revenue Capacity:	
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class	98
Net Full Cash Assessed Value of Taxable Property by Class	99
Property Tax Assessment Ratios	100
Direct and Overlapping Property Tax Rates	101
Principal Property Taxpayers	102
Property Tax Levies and Collections	103
Debt Capacity:	
Outstanding Debt by Type	104
Direct and Overlapping Governmental Activities Debt	105
Direct and Overlapping General Bonded Debt Ratios	105
Legal Debt Margin Information	106
Demographic and Economic Information:	
County-Wide Demographic and Economic Statistics	107
Principal Employers	108
Operating Information:	
Full-Time Equivalent District Employees by Type	109
Operating Statistics	111
Capital Assets Information	112

(This page intentionally left blank)

Introductory Section

(This page intentionally left blank)



December 23, 2025

Citizens and Governing Board
Littleton Elementary School District No. 65
1600 S. 107th Avenue
Avondale, Arizona 85323

State law requires school districts that undergo an annual single audit to publish a complete set of financial statements that conform to accounting principles generally accepted in the United States of America (GAAP) and are audited in accordance with auditing standards also generally accepted in the U.S. These audits must be conducted by a certified public accounting firm licensed in Arizona. In compliance with this mandate, we present the Comprehensive Annual Financial Report of the Littleton Elementary School District No. 65 (the District) for the fiscal year ending June 30, 2025.

This report reflects management's representations regarding the District's financial affairs. Therefore, management is fully responsible for ensuring the completeness and reliability of all the information contained within. To support this responsibility, the District's management has established a comprehensive internal control system aimed at both safeguarding District assets from loss, theft, or misuse, and ensuring that accurate and reliable information is used to prepare the financial statements in accordance with GAAP. Recognizing that the cost of internal controls should not exceed their benefits, this framework is designed to provide reasonable—though not absolute—assurance that the financial statements are free from material misstatement. We, as management, affirm that this financial report is, to the best of our knowledge, complete and accurate in all significant aspects.

The District's financial statements have been audited by Heinfeld, Meech & Co., P.C., a certified public accounting firm. The purpose of the independent audit was to obtain reasonable assurance that the District's financial statements for the fiscal year ending June 30, 2025, are free from material misstatements. The audit process involved testing evidence supporting amounts and disclosures in the financial statements, evaluating the accounting principles applied, reviewing significant estimates made by management, and assessing the overall presentation of the financial statements. Based on this audit, the auditors provided an unmodified opinion, indicating that the District's financial statements are fairly presented in accordance with GAAP. The independent auditors' report is included as the first part of the financial section of this document.

Littleton Elementary School District #65 PO Box 280 Cashion, Arizona 85329 (623) 478-5600 Reception (623) 478-5625 Facsimile
Underdown Learning Center and Administrative Offices 1600 South 107th Avenue, Avondale, Arizona 85323

www.littletonaz.org

The audit of the District's financial statements also formed part of a broader federally mandated Single Audit, in compliance with the Single Audit Act Amendments of 1996 and Title 2 of the U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Single Audit standards require the independent auditor to report not only on the accuracy of the financial statements but also on the District's internal controls and compliance with applicable laws, especially those related to federal awards. These findings are included in a separate Single Audit Reporting Package.

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

Profile of the District

The Littleton Elementary School District is one of 58 public school districts located in Maricopa County, Arizona. It serves students from kindergarten through eighth grade and currently has an average daily membership of 5,800 students for the 2024-25 fiscal year.

The District's Governing Board operates under Section 15-321 of the Arizona Revised Statutes (A.R.S.). Although the County Treasurer collects taxes on the District's behalf, District management operates independently of other state and local governments. The County Treasurer does not have control over the District's expenditures.

The Governing Board is composed of five publicly elected members. The Board's responsibilities include, but are not limited to, acquiring, maintaining, and managing school properties; developing and adopting educational programs; and establishing and operating schools. Additionally, the Board oversees the District's financial matters, including approving the annual budget and implementing accounting and budgetary controls.

The financial reporting entity consists of the primary government (the District) without any component units, as there are no legally separate entities combined with the District for financial reporting purposes. Therefore, the District's financial statements only include the entities that the Governing Board is financially accountable for. The District's key operations include education, student transportation, facility maintenance and construction, and food services.

The District, established in 1912, is located about 15 miles west of downtown Phoenix. It spans approximately 30 square miles, including parts of the cities of Phoenix, Avondale, Tolleson, and the unincorporated city of Cashion. The District is part of the Tolleson Union High School District No. 214 service area.

Avondale, located in the southwestern part of the Phoenix metropolitan area, borders Litchfield Park, Phoenix, Tolleson, and Goodyear. According to the 2020 Census, Avondale had a population of 89,334. As of 2024, the estimated population is 96,609, representing an increase of approximately 7.86% over the four-year period, an average annual growth rate of about 1.9%. The city is currently one of the fastest-growing residential areas in Maricopa County. Population growth has been driven by new residential development, commercial expansion, and its location along the I-10 corridor, providing easy access to downtown Phoenix.

Avondale's economy has evolved from an agricultural base to a diversified mix of commerce, light industry, retail, services, and healthcare. Key economic drivers include employment corridors along the I-10 and Avondale Boulevard, which provide access to over one million workers within a 30-minute commute, medical facilities including two hospitals and a Phoenix Children's Hospital, and the Avondale Auto Mall, one of the state's largest, which contributes significantly to retail and sales tax revenues. While new housing construction slowed after the 2008–09 economic downturn, the city has experienced steady growth in residential development and expects further expansion over the next several years, including planned large-scale developments.

The Phoenix metropolitan area, including Maricopa County, is among the fastest-growing regions in the United States, with an estimated population of approximately 7.5 million in 2024. The region's economy is diverse, with major employment sectors in manufacturing, including high-tech industries, services, retail, and tourism. Strong infrastructure, a favorable business climate, and ongoing residential and commercial development continue to support population and economic growth in the District's service area.

The District's annual expenditure budget is the cornerstone of its financial planning and control efforts. The objective of these budgetary controls is to ensure compliance with legal requirements as outlined in the annual expenditure budget approved by the Governing Board.

The expenditure budget is prepared by fund for all Governmental Funds, with function and object code details for the General, Special Revenue, Debt Service, and Capital Projects Funds. The legal level of budgetary control (where spending cannot exceed the appropriated amount) is established at the individual fund level for all funds. Funds that are not required to legally adopt a budget may have overexpenditures of budgeted funds, as the budgets for these funds are simply an estimate and does not prevent the District from exceeding the budget as long as the necessary revenue is earned. The District does not prepare an annual revenue budget, so deficit budgeted fund balances may appear, but this does not impact its ability to spend money.

Factors Affecting Financial Condition

The financial statements are best understood when viewed within the broader context of the environment in which the District operates.

Local Economy: Avondale has evolved from an agriculturally focused community into a hub for commerce and light industry. Its economy now includes services, retail, and manufacturing, with two employment corridors along the I-10 Corridor and Avondale Boulevard Corridor, providing access to over one million workers within a 30-minute commute. Avondale is also home to medical offices and health-related centers, including two hospitals and a Phoenix Children's Hospital. The Avondale Auto Mall, one of the state's largest, also contributes to the local economy.

While new housing starts slowed after 2009 due to economic conditions, Avondale has since experienced steady growth. The city anticipates further expansion over the next few years, including a major planned development. Avondale is governed by a mayor and seven council members.

The Phoenix metropolitan area, including Maricopa County, is one of the fastest-growing regions in the U.S., with a population approaching 7.5 million in 2024. The area benefits from a diverse economy, strong infrastructure, and a favorable business climate. Manufacturing, particularly in high-tech industries, is a major employer in the region, alongside services, retail, and tourism.

Long-term Financial Planning

The District operates nine schools serving kindergarten through eighth grade. Underdown Middle School suspended enrollment as part of its vision to convert all schools to serve students from kindergarten through eighth grade. The Underdown campus now houses limited student services and the District's administration and transportation facility.

The District's school buildings have an average age of approximately 30 years. Voters approved a \$22.7 million bond initiative in November 2017 to fund the acquisition of land, construction of new and existing facilities, and the purchase of pupil transportation vehicles. Bonds were sold in May 2018 and March 2019, and in 2021, voters approved a \$15.0 million bond to enhance student safety, improve energy efficiency, update technology, and complete a new K-8 campus. The new campus opened in July 2023 in the Alamar community. The Maintenance & Operations override continuation passed in 2023, and with continued community support, the District plans to take to the voters a continuation of the District Additional Assistance (DAA), commonly referred to as the Capital Budget, in 2024.

Awards and Acknowledgments

Awards. The Association of School Business Officials International (ASBO) awarded the District a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2024. This marks the 17th consecutive year the District has earned this prestigious award. Additionally, the Government Finance Officers Association (GFOA) awarded the District a Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended June 30, 2024. These certificates recognize the District's ability to produce a well-organized, comprehensive financial report that meets GAAP standards and legal requirements.

These certificates are valid for one year, and we are submitting our current report to ASBO and GFOA for consideration for the fiscal year ending June 30, 2025.

Acknowledgements. The timely preparation of this annual comprehensive financial report was made possible through the dedication of the business and finance department staff. We extend our sincere gratitude to each member of the department for their contributions to this report.

In closing, the District would like to thank the Governing Board for their leadership and support, without which this report would not have been possible.

Respectfully submitted,



Dr. Louis Laffitte, Jr.
Superintendent



Courtney Pina
Chief Operations Officer



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Littleton Elementary School District #65
for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.

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



A handwritten signature in black ink that appears to read 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink that appears to read 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

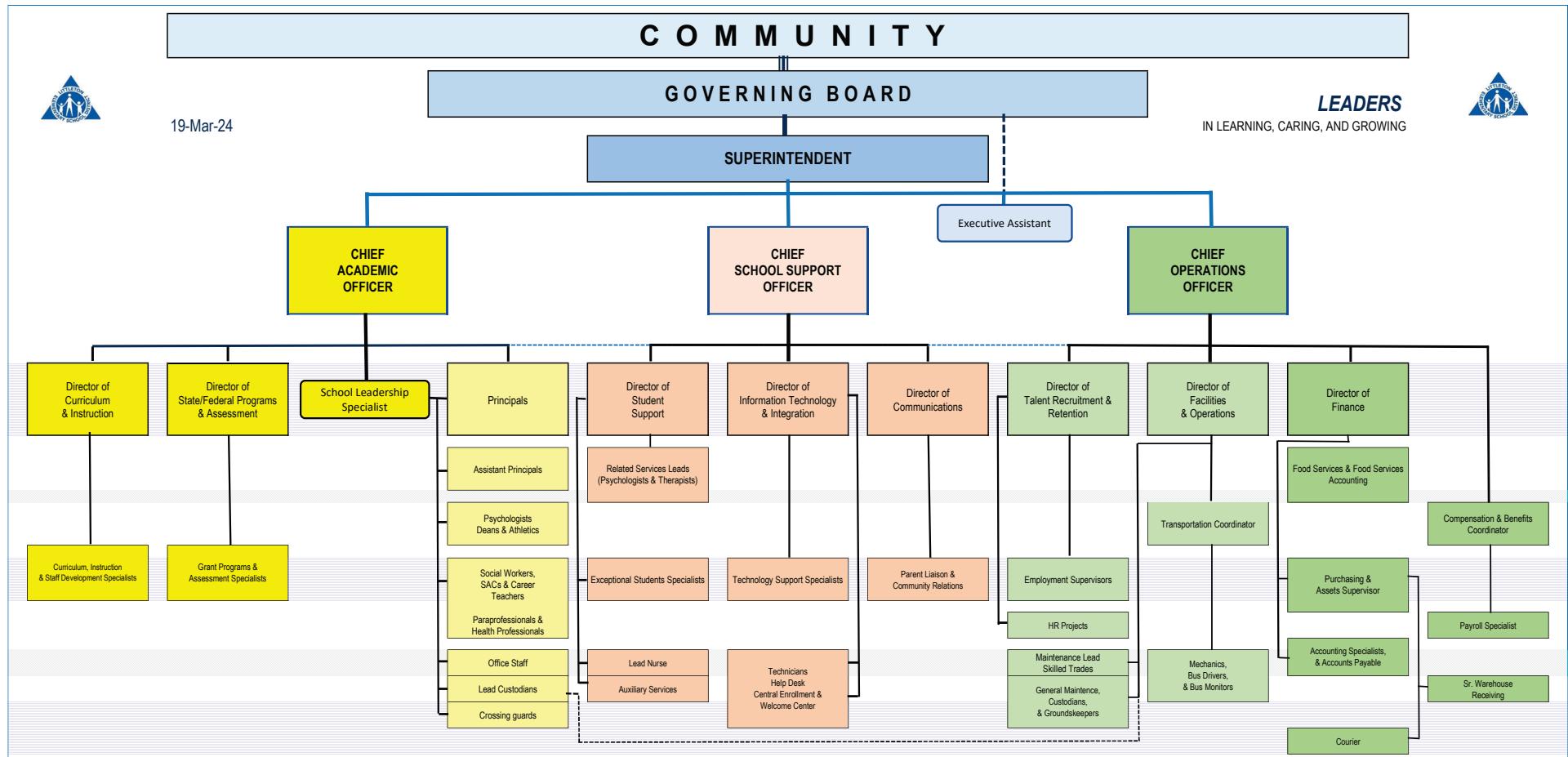
**Littleton Elementary School District No. 65
Arizona**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Monell

Executive Director/CEO



Guiding Principles: Every Student a Learner; Safe and Orderly Environment; Families as Partners; Competent, Dedicated and Caring Staff; A Meaningfully Involved Community; and A Highly Effective Organization

Littleton Elementary School District No. 65

List of Principal Officials

Governing Board

Amy Soucinek, President

Markus Ceniceros, Vice President

Rachel Barnett, Member

Linda Stallard, Member

Curtis Nelson, Member

Administrative Staff

Louis Laffitte Jr., Ed.D., Superintendent

Courtney Pina, Chief Operations Officer

Dr. Lisa Haid, Chief Academic Officer

Sue Garrison, Chief School Support Officer

Financial Section

(This page intentionally left blank)

Independent Auditor's Report

Governing Board
Littleton Elementary School District No. 65

Report on Audit of Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Littleton Elementary School District No. 65 (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Littleton Elementary School District No. 65, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Littleton Elementary School District No. 65 and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*, for the year ended June 30, 2025. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2025, on our consideration of Littleton Elementary School District No. 65'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 Littleton Elementary School District No. 65'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 Littleton Elementary School District No. 65's internal control over financial reporting and compliance.

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Scottsdale, Arizona
December 23, 2025

(This page intentionally left blank)

Management's Discussion and Analysis (MD&A)
(Required Supplementary Information)

(This page intentionally left blank)

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

As management of the Littleton Elementary School District No. 65 (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, 2025. The management's discussion and analysis is presented as required supplementary information to supplement the basic financial statements. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The District's total net position of governmental activities increased \$5.3 million which represents an seven percent increase from the prior fiscal year primarily due to an increase in State Equalization Assistance as a result of increased average daily membership and base support level.
- General revenues accounted for \$66.8 million in revenue, or 84 percent of all current fiscal year revenues. Program specific revenue in the form of charges for services and grants and contributions accounted for \$13.0 million or 16 percent of total current fiscal year revenues.
- The District had approximately \$74.5 million in expenses related to governmental activities, an increase of two percent from the prior fiscal year.
- Among major funds, the General Fund had \$57.4 million current fiscal year revenues, which primarily consisted of state aid and property taxes, and \$55.9 million in expenditures. The General Fund's fund balance increased from \$22.3 million at the prior fiscal year end to \$30.8 million at the end of the current fiscal year primarily due to entering into a new financed purchased agreement of \$6.4 million for upgrading the District's solar energy systems.

Overview of Financial Statements

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

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

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Overview of Financial Statements

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

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

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

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

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

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

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Overview of Financial Statements

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

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

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

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$76.6 million at the current fiscal year end.

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

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Government-Wide Financial Analysis

The following table presents a summary of the District's net position for the fiscal years ended June 30, 2025 and June 30, 2024.

	As of June 30, 2025	As of June 30, 2024, as restated
Current and other assets	\$ 53,859,275	\$ 47,422,728
Capital assets, net	<u>117,788,703</u>	<u>118,463,648</u>
Total assets	<u>171,647,978</u>	<u>165,886,376</u>
Deferred outflows	<u>6,646,870</u>	<u>5,089,523</u>
Current and other liabilities	3,841,155	5,482,981
Long-term liabilities	<u>93,764,294</u>	<u>90,089,869</u>
Total liabilities	<u>97,605,449</u>	<u>95,572,850</u>
Deferred inflows	<u>4,081,060</u>	<u>4,085,328</u>
Net position:		
Net investment in capital assets	66,205,482	70,139,878
Restricted	16,436,120	16,665,746
Unrestricted	<u>(6,033,263)</u>	<u>(15,487,903)</u>
Total net position	<u>\$ 76,608,339</u>	<u>\$ 71,317,721</u>

At the end of the current fiscal year, the District reported a negative unrestricted net position of \$6.0 million due primarily to the District's proportionate share of the state pension plan's unfunded liability. Positive net position was reported in the other two categories. The same situation held true for the prior fiscal year.

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

- The acquisition of a new financed purchase agreement of \$6.4 million.
- The principal retirement of \$2.6 million of bonds.
- The addition of \$3.6 million in capital assets.
- The liability for compensated absences increased \$1.1 million.
- The net pension liability decreased \$832,996.

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

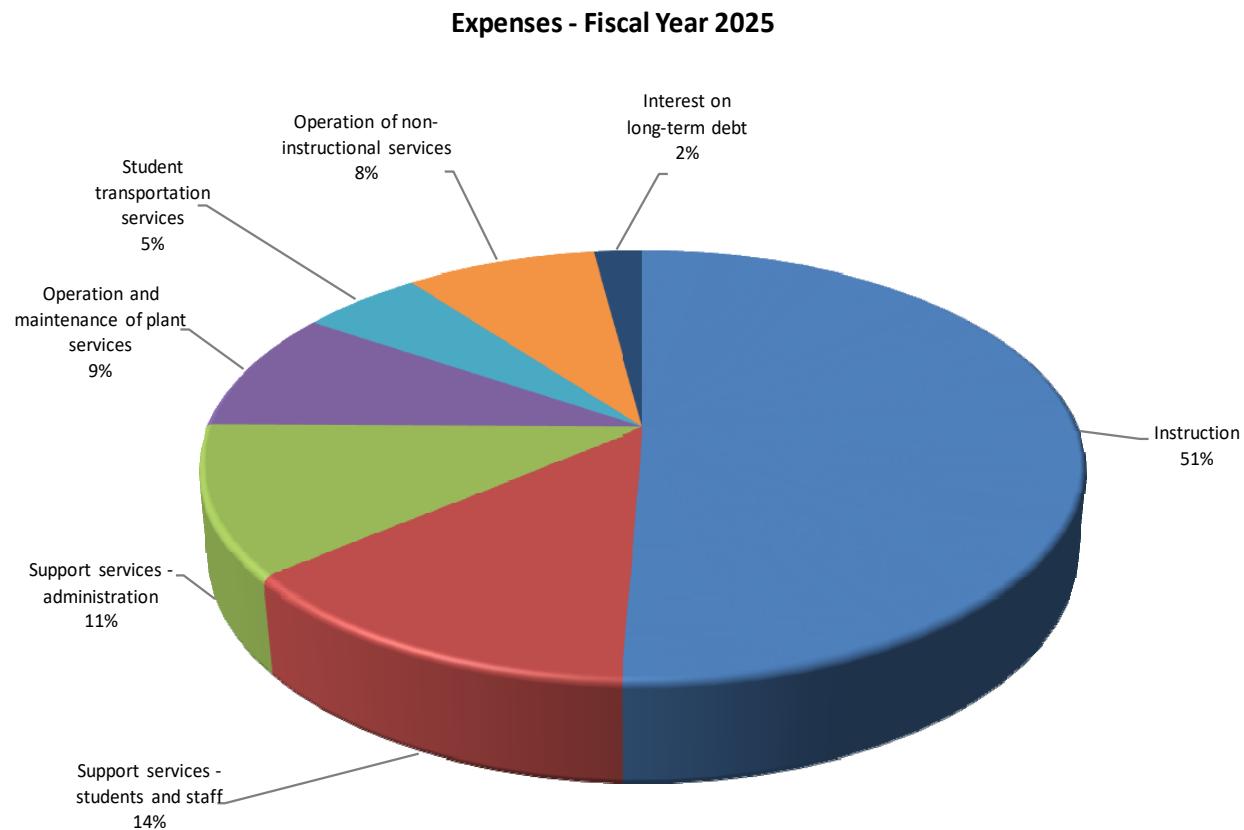
Government-Wide Financial Analysis

Changes in net position. The total revenues for the current fiscal year were \$79.8 million. The total cost of all programs and services was \$74.5 million. The following table presents a summary of the changes in net position for the fiscal years ended June 30, 2025 and June 30, 2024.

	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024
Revenues:		
Program revenues:		
Charges for services	\$ 1,696,322	\$ 2,157,500
Operating grants and contributions	10,923,185	14,180,495
Capital grants and contributions	352,735	457,596
General revenues:		
Property taxes	18,160,213	17,457,820
Investment income	1,228,078	781,979
Unrestricted county aid		
Unrestricted state aid	46,420,593	45,119,409
Unrestricted federal aid	1,018,628	773,277
Total revenues	79,799,754	80,928,076
Expenses:		
Instruction	37,703,972	37,597,406
Support services - students and staff	9,979,482	10,380,312
Support services - administration	8,326,073	7,203,814
Operation and maintenance of plant services	6,831,884	6,454,980
Student transportation services	3,950,995	3,643,061
Operation of non-instructional services	6,178,251	6,009,091
Interest on long-term debt	1,538,479	1,619,753
Total expenses	74,509,136	72,908,417
Changes in net position	5,290,618	8,019,659
Net position, beginning	71,317,721	63,298,062
Net position, ending	\$ 76,608,339	\$ 71,317,721

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Government-Wide Financial Analysis



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

- Increase in unrestricted state aid of \$1.3 million due to an increase in State Equalization Assistance.
- Operating grants and contributions decreased \$3.3 million due to primarily the closing out of federal relief funding in response to the COVID-19 pandemic.
- Property tax revenues increased \$702,393 due to an increase in assessed valuations.
- Support services – administration expenses increased \$1.1 million primarily due to superintendent turnover, with three individuals serving in the superintendent role during the fiscal year. The increase reflects tenure-related and contractual payout obligations, full contract compensation for both the interim and replacement superintendent, approved annual compensation increase, the addition of one full-time equivalent position, and the reclassification of two existing positions to higher compensation levels.

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

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Government-Wide Financial Analysis

	Year Ended June 30, 2025		Year Ended June 30, 2024	
	Total	Net (Expense)/ Revenue	Total	Net (Expense)/ Revenue
	Expenses	Revenue	Expenses	Revenue
Instruction	\$ 37,703,972	\$ (34,845,867)	\$ 37,597,406	\$ (31,575,108)
Support services - students and staff	9,979,482	(7,907,019)	10,380,312	(7,622,052)
Support services - administration	8,326,073	(7,907,760)	7,203,814	(6,827,658)
Operation and maintenance of plant services	6,831,884	(6,285,787)	6,454,980	(5,738,383)
Student transportation services	3,950,995	(3,677,131)	3,643,061	(3,175,404)
Operation of non-instructional services	6,178,251	557,779	6,009,091	348,324
Interest on long-term debt	1,538,479	(1,471,109)	1,619,753	(1,522,545)
Total	<u>\$ 74,509,136</u>	<u>\$ (61,536,894)</u>	<u>\$ 72,908,417</u>	<u>\$ (56,112,826)</u>

- The cost of all governmental activities this year was \$74.5 million.
- Federal and State governments and charges for services subsidized certain programs with grants and contributions and other local revenues of \$13.0 million.
- Net cost of governmental activities of \$61.5 million was financed by general revenues, which are made up of primarily property taxes of \$18.2 million and state and federal aid of \$47.4 million. Investment earnings accounted for \$1.2 million of funding.

Financial Analysis of the District's Funds

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

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$46.2 million, an increase of \$8.3 million due primarily to increases in State Equalization Assistance, property taxes, and the acquisition of a financed purchase agreement.

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Financial Analysis of the District's Funds

The General Fund comprises 67 percent of the total fund balance. Approximately \$30.6 million, or 99 percent of the General Fund's fund balance is unassigned.

The General Fund is the principal operating fund of the District. The fund balance increased \$8.5 million to \$30.8 million. The General Fund revenues increased \$2.6 million primarily due to increases in property tax revenue as a result of increased assessed property values and increases in State Equalization Assistance revenue as a result of higher student enrollment and base support level. The General Fund expenditures increased \$4.5 million primarily due to increased spending on capital improvement projects.

Fund balance of the Classroom Site Fund increased \$66,629, which is insignificant.

Fund balance of the Federal and State Grants Fund increased \$13,757, which was due to the timing of grant reimbursements.

Fund balance of the Debt Service Fund decreased \$139,005 due to planned debt service payments.

Budgetary Highlights

Over the course of the year, the District increased the General Fund annual expenditure budget by 2.9 million, or five percent, due to changes in the budget balance carryforward and the payment of the Free Reduced Priced Lunch and District Additional Assistance one-time funding.

Significant variances for the final amended budget and actual revenues resulted from the District no longer being required by the State of Arizona to prepare a revenue budget. A schedule showing the original and final budget amounts compared to the District's actual financial activity for the General Fund is provided in this report as required supplementary information. The significant favorable variance of \$5.2 million in instruction expenditures was due to planned budgetary surpluses.

Capital Assets and Debt Administration

Capital Assets. At year end, the District had invested \$169.2 million in capital assets, including school buildings, athletic facilities, buses and other vehicles, computers, and other equipment. This amount represents a net increase prior to depreciation of \$3.5 million from the prior fiscal year, primarily due to completion of capital projects for the installation of solar panels and various school improvements. Total depreciation expense for the current fiscal year was \$4.3 million.

Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025

Capital Assets and Debt Administration

The following schedule presents a summary of capital asset balances for the fiscal years ended June 30, 2025 and June 30, 2024.

	As of	As of
	June 30, 2025	June 30, 2024
Capital assets - non-depreciable	\$ 19,911,783	\$ 18,374,880
Capital assets - depreciable, net	97,876,920	100,088,768
Total	\$ 117,788,703	\$ 118,463,648

The estimated cost to complete current construction projects is \$5.8 million.

Additional information on the District's capital assets can be found in Note 5.

Debt Administration. At year-end, the District had \$52.2 million in long-term debt outstanding, \$2.2 million due within one year. Long-term debt increased by \$3.4 million primarily due to the acquisition of a financed purchase agreement.

The District's general obligation bonds are subject to two limits; the Constitutional debt limit (total debt limit) on all general obligation bonds (up to 15 percent of the total net full cash assessed valuation) and the statutory debt limit on Class B bonds (the greater of 10 percent of the net full cash assessed valuation or \$1,500 per student). The current total debt limitation for the District is \$144.5 million and the Class B debt limit is \$96.3 million, which are more than the District's total outstanding general obligation debt and Class B debt, respectively.

Additional information on the District's long-term debt can be found in Notes 7 through 9.

Economic Factors and Next Year's Budget and Rates

Many factors were considered by the District's administration during the process of developing the fiscal year 2025-26 budget. Among them:

- Fiscal year 2024-25 budget balance carry forward (estimated \$6.4 million).
- District student population (estimated 5,894).

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

Budgeted expenditures in the General Fund increased four percent to \$58.1 million in fiscal year 2025-26 primarily due to increased enrollment. State aid and property taxes are expected to be the primary funding sources. No new programs were added to the 2025-26 budget.

**Littleton Elementary School District No. 65
Management's Discussion and Analysis (MD&A)
Year Ended June 30, 2025**

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Littleton Elementary School District No. 65, 1600 South 107th Avenue, Avondale, Arizona 85323.

Basic Financial Statements

(This page intentionally left blank)

Government-Wide Financial Statements

Littleton Elementary School District No. 65

Statement of Net Position

June 30, 2025

	Governmental Activities
Assets	
Current assets:	
Cash and investments	\$ 36,476,261
Cash with fiscal agent	5,710,319
Deposits	65,832
Property taxes receivable	237,467
Accounts receivable	59,564
Due from governmental entities	9,650,686
Inventory	212,442
Total current assets	<u>52,412,571</u>
Noncurrent assets:	
Net other postemployment benefit plan assets	1,446,704
Capital assets not being depreciated	19,911,783
Capital assets, net accumulated depreciation	<u>97,876,920</u>
Total noncurrent assets	<u>119,235,407</u>
Total assets	<u>171,647,978</u>
Deferred outflows of resources	
Pension plan items	6,542,047
Other postemployment benefit plan items	<u>104,823</u>
Total deferred outflows of resources	<u>6,646,870</u>
Liabilities	
Current liabilities:	
Accounts payable	1,071,782
Accrued payroll and employee benefits	729,603
Unearned revenues	1,195,669
Compensated absences payable	723,407
Financed purchases payable	174,426
Bonds payable	2,045,000
Accrued interest payable	844,101
Total current liabilities	<u>6,783,988</u>
Noncurrent liabilities:	
Non-current portion of long-term obligations	<u>90,821,461</u>
Total noncurrent liabilities	<u>90,821,461</u>
Total liabilities	<u>97,605,449</u>
Deferred inflows of resources	
Pension plan items	3,617,142
Other postemployment benefit plan items	<u>463,918</u>
Total deferred inflows of resources	<u>4,081,060</u>
Net position	
Net investment in capital assets	66,205,482
Restricted for:	
Instruction	8,021,652
Food service	1,731,467
Non-instructional purposes	635,526
Debt service	322,188
Capital outlay	4,278,583
Other postemployment benefit plan items	1,446,704
Unrestricted	<u>(6,033,263)</u>
Total net position	<u>\$ 76,608,339</u>

Littleton Elementary School District No. 65
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenue				Net (Expense) Revenue and Changes in Net Position	
		Operating Grants		Capital Grants			
		Charges for Services	and Contributions	and Contributions	Governmental Activities		
Governmental activities							
Instruction	\$ 37,703,972	\$ 383,804	\$ 2,290,982	\$ 183,319	\$ (34,845,867)		
Support services - students and staff	9,979,482	106,610	1,965,853			(7,907,019)	
Support services - administration	8,326,073	180,243	238,070			(7,907,760)	
Operation and maintenance of plant services	6,831,884	131,724	387,989	26,384		(6,285,787)	
Student transportation services	3,950,995	48,896	224,968			(3,677,131)	
Operation of non-instructional services	6,178,251	845,045	5,747,953	143,032		557,779	
Interest on long-term debt	1,538,479		67,370			(1,471,109)	
Total governmental activities	\$ 74,509,136	\$ 1,696,322	\$ 10,923,185	\$ 352,735		(61,536,894)	
General revenues							
Property taxes						18,160,213	
Investment income						1,228,078	
Unrestricted state aid						46,420,593	
Unrestricted federal aid						1,018,628	
Total general revenues						66,827,512	
Changes in net position							
Net position, beginning of year						71,317,721	
Net position, end of year						\$ 76,608,339	

(This page intentionally left blank)

Fund Financial Statements

Littleton Elementary School District No. 65
Balance Sheet
Governmental Funds
June 30, 2025

	Federal and			
	General	Classroom Site	State Grants	Debt Service
Assets				
Cash and investments	17,575,020	5,695,382	1,025,573	3,162,360
Cash with fiscal agent	5,710,319			
Deposits				
Property taxes receivable	188,538			48,929
Due from governmental entities	8,818,810		582,615	
Inventory	186,363			
Accounts receivable				
Total assets	<u>\$ 32,479,050</u>	<u>\$ 5,695,382</u>	<u>\$ 1,608,188</u>	<u>\$ 3,211,289</u>
Liabilities				
Accounts payable	\$ 934,136	\$ 24,604	\$	
Accrued payroll and employee benefits	583,959		145,644	
Unearned revenues			1,195,669	
Bonds payable				2,045,000
Bond interest payable				844,101
Total liabilities	<u>1,518,095</u>		<u>1,365,917</u>	<u>2,889,101</u>
Deferred inflows of resources				
Unavailable revenues - property taxes	177,480			43,455
Unavailable revenues - intergovernmental			107,064	
Total deferred inflows of resources	<u>177,480</u>		<u>107,064</u>	<u>43,455</u>
Fund balances				
Nonspendable	186,363			
Restricted		5,695,382	135,207	278,733
Unassigned	30,597,112			
Total fund balances	<u>30,783,475</u>	<u>5,695,382</u>	<u>135,207</u>	<u>278,733</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 32,479,050</u>	<u>\$ 5,695,382</u>	<u>\$ 1,608,188</u>	<u>\$ 3,211,289</u>

Non-Major Governmental Funds	Total Governmental Funds
9,017,926	\$ 36,476,261
	5,710,319
65,832	65,832
	237,467
249,261	9,650,686
26,079	212,442
59,564	59,564
<u>\$ 9,418,662</u>	<u>\$ 52,412,571</u>
 \$ 113,042	 \$ 1,071,782
	729,603
	1,195,669
	2,045,000
	844,101
<u>113,042</u>	<u>5,886,155</u>
 <u>26,079</u>	 220,935
<u>9,279,541</u>	<u>107,064</u>
	<u>327,999</u>
 <u>9,305,620</u>	 <u>46,198,417</u>
 <u>\$ 9,418,662</u>	 <u>\$ 52,412,571</u>

(This page intentionally left blank)

Littleton Elementary School District No. 65
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

Total fund balances - governmental funds \$ **46,198,417**

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

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

Governmental capital assets	\$ 169,162,195
Less accumulated depreciation	<u>(51,373,492)</u>
	117,788,703

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

Property taxes	220,935
Intergovernmental	<u>107,064</u>
	327,999

The net OPEB assets are not a current financial resource and, therefore, are not reported in the funds.

1,446,704

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

Deferred outflows of resources related to pensions/OPEB	6,646,870
Deferred inflows of resources related to pensions/OPEB	<u>(4,081,060)</u>
	2,565,810

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

Compensated absences payable	(2,927,790)
Financed purchases payable	<u>(7,298,785)</u>
Bonds payable	<u>(42,815,481)</u>
Net pension liability	<u>(38,677,238)</u>
	(91,719,294)

Net position of governmental activities \$ **76,608,339**

Littleton Elementary School District No. 65
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Federal and State			
	General	Classroom Site	Grants	Debt Service
Revenues				
Other local	\$ 1,151,835	\$ 185,887	\$ 7,637	\$ 66,957
Property taxes	14,191,261			3,804,149
State aid and grants	41,023,668	5,098,460	367,701	
Federal aid, grants and reimbursements	<u>1,018,628</u>		<u>4,700,990</u>	<u>67,370</u>
Total revenues	<u>57,385,392</u>	<u>5,284,347</u>	<u>5,076,328</u>	<u>3,938,476</u>
Expenditures				
Current:				
Instruction	26,876,217	4,636,184	1,993,434	
Support services - students and staff	7,469,938	581,534	1,845,836	
Support services - administration	7,238,207		237,478	
Operation and maintenance of plant services	5,502,456		367,073	
Student transportation services	2,825,230		211,165	
Operation of non-instructional services	291,817		14,365	
Capital outlay	5,675,780			102,150
Debt service:				
Principal retirement				2,395,000
Interest and fiscal charges				1,692,552
Total expenditures	<u>55,879,645</u>	<u>5,217,718</u>	<u>4,771,501</u>	<u>4,087,552</u>
Excess (deficiency) of revenues over expenditures	<u>1,505,747</u>	<u>66,629</u>	<u>304,827</u>	<u>(149,076)</u>
Other financing sources (uses)				
Transfers in	791,070			10,071
Transfers out	(199,124)			(291,070)
Financed purchase agreements	6,378,568			
Insurance recoveries	5,434			
Proceeds from sale of capital assets	<u>10,393</u>			
Total other financing sources (uses)	<u>6,986,341</u>		<u>(291,070)</u>	<u>10,071</u>
Changes in fund balances	<u>8,492,088</u>	<u>66,629</u>	<u>13,757</u>	<u>(139,005)</u>
Fund balances, beginning of year	<u>22,291,387</u>	<u>5,628,753</u>	<u>121,450</u>	<u>417,738</u>
Fund balances, end of year	<u>\$ 30,783,475</u>	<u>\$ 5,695,382</u>	<u>\$ 135,207</u>	<u>\$ 278,733</u>

Non-Major Governmental Funds	Total Governmental Funds
\$ 1,754,475	\$ 3,166,791
150,000	18,145,410
451,884	46,941,713
<u>5,875,681</u>	<u>11,662,669</u>
<u>8,232,040</u>	<u>79,916,583</u>

212,607	33,718,442
218,693	10,116,001
158,775	7,634,460
122,778	5,992,307
8,418	3,044,813
5,741,010	6,047,192
1,403,342	7,181,272
169,867	2,564,867
29,257	1,721,809
<u>8,064,747</u>	<u>78,021,163</u>
<u>167,293</u>	<u>1,895,420</u>

199,124	1,000,265
(510,071)	(1,000,265)
6,378,568	
5,434	
<u>25</u>	<u>10,418</u>
<u>(310,922)</u>	<u>6,394,420</u>
<u>(143,629)</u>	<u>8,289,840</u>
<u>9,449,249</u>	<u>37,908,577</u>
<u>\$ 9,305,620</u>	<u>\$ 46,198,417</u>

Littleton Elementary School District No. 65
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

Changes in fund balances - total governmental funds \$ 8,684,657

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

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

Expenditures for capitalized assets	\$ 3,595,889
Less current year depreciation	<u>(4,264,284)</u>
	(668,395)

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

Financed purchase agreements	<u>(6,378,568)</u>
	(6,378,568)

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

Property taxes	14,803
Intergovernmental	<u>(147,484)</u>
	(132,681)

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

Financed purchase principal retirement	169,867
Bond principal retirement	<u>2,395,000</u>
	2,564,867

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

Current year pension contributions/OPEB contributions	4,408,582
Pension/OPEB expense	<u>(1,872,757)</u>
	2,535,825

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

Loss on disposal of assets	(6,550)
Amortization of deferred bond items	183,330
Compensated absences	<u>(1,097,050)</u>
	<u>(920,270)</u>

Changes in net position in governmental activities \$ 5,685,435

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

The financial statements of the Littleton Elementary School District No. 65 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

During the year ended June 30, 2025, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*. This Statement updates the recognition and measurement guidance for compensated absences. Liabilities are recognized for leave that has not been used, as well as leave that has been used but not yet paid in cash or settled through noncash means. The District's analysis of compensated absences in effect at the beginning of the year resulted in no changes to beginning balances reported in the financial statements due to the implementation of this standard.

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

A. Reporting Entity

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

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

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

The financial reporting entity consists of a primary government and its component units. A component unit is a legally separate entity that must be included in the reporting entity in conformity with generally accepted accounting principles. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments.

Furthermore, there are no component units combined with the District for financial statement presentation purposes, and the District is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing board is financially accountable. The District's major operations include education, student transportation, construction and maintenance of District facilities, and food services.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

B. Government-Wide and Fund Financial Statements

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

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

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

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

Fund Financial Statements – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. As permitted by generally accepted accounting principles the District applies the “early recognition” option for debt service payments. Property tax resources are provided in the Debt Service Fund during the current year for the payment of debt service principal and interest due early in the following year (less than one month). Therefore, the expenditures and related liabilities have been recognized in the current period. Capital asset acquisitions are reported as expenditures in governmental funds. Issuances of long-term debt and acquisitions under lease contracts and subscription-based information technology arrangements are reported as other financing sources.

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

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

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

The District reports the following major governmental funds:

General Fund – The General Fund is the District’s primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. The General Fund includes the District’s Maintenance and Operation Fund and the Unrestricted Capital Outlay Fund, as well as other funds that do not meet the criteria for separate reporting in the financial statements.

Classroom Site Fund – The Classroom Site Fund accounts for the financial activity for the portion of state sales tax collections and permanent state school fund earnings.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

Federal and State Grants – The Federal and State Grants Fund accounts for financial assistance received for federal and state grants and projects.

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

D. Cash and Investments

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

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

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

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

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

E. Investment Income

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

F. Receivables and Payables

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

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

G. Property Tax Calendar

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

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

H. Inventory

All inventories are valued at cost using the average cost method. Inventories consist of expendable supplies held for consumption. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

I. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

J. Capital Assets

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

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

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

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

Land improvements	10 - 20 years
Buildings and improvements	15 - 50 years
Vehicles, furniture and equipment	5 - 20 years

K. Deferred Outflows/Inflows of Resources

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

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

L. Compensated Absences

The District's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay in varying amounts. Only benefits considered more likely than not to be used or paid are recognized in the financial statements. The liability for vacation and sick leave is reported in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations and retirements.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

M. Pensions

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

N. Long-term Obligations

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

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

O. Interfund Activity

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

P. Net Position Flow Assumption

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

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 1 – Summary of Significant Accounting Policies

Q. Estimates

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

Note 2 – Fund Balance Classifications

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

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

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

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

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

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 2 – Fund Balance Classifications

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

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

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

	General	Classroom Site	Federal and State Grants	Debt Service	Non-Major Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 186,363	\$	\$	\$	26,079
Restricted:					
Debt service				278,733	
Capital projects				4,278,583	
Bond building projects				576,045	
Voter approved initiatives		5,695,382			1,624,546
Federal and state projects			135,207		
Food service				1,705,388	
Civic center				314,344	
Community schools				302,581	
Extracurricular activities				106,405	
Student activities				69,867	
Other purposes				301,782	
Unassigned	<u>30,597,112</u>				
Total fund balances	<u>\$ 30,783,475</u>	<u>\$ 5,695,382</u>	<u>\$ 135,207</u>	<u>\$ 278,733</u>	<u>\$ 9,305,620</u>

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 3 – Cash and Investments

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of bank failure the District's deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. At year end, the carrying amount of the District's deposits was \$4,920,121 and the bank balance was \$6,014,282. At year end, \$5,764,282 of the District's deposits were covered by collateral held by the pledging financial institution's trust department or agent but not in the District's name. The District also had \$5,710,319 of financed purchase proceeds held in an escrow account.

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

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

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

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

	<u>Average Maturities</u>	<u>Fair Value</u>
County Treasurer's investment pool	452 Days	\$ 31,556,140

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

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

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

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 4 – Receivables

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

	Non-Major		
	Federal and		Governmental
	General	State Grants	
Due from other governmental entities:			
Due from federal government	\$ 369,002	\$ 566,865	\$ 46,445
Due from state government	<u>8,449,808</u>	<u>15,750</u>	<u>202,816</u>
Net due from governmental entities	<u>\$ 8,818,810</u>	<u>\$ 582,615</u>	<u>\$ 249,261</u>

Note 5 – Capital Assets

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

Governmental Activities	Beginning			Ending
	Balance	Increase	Decrease	
Capital assets, not being depreciated:				
Land	\$ 17,623,871	\$	\$	\$ 17,623,871
Construction in progress	<u>751,009</u>	<u>2,293,395</u>	<u>756,492</u>	<u>2,287,912</u>
Total capital assets, not being depreciated	<u>18,374,880</u>	<u>2,293,395</u>	<u>756,492</u>	<u>19,911,783</u>
Capital assets, being depreciated:				
Land improvements	7,200,585	835,929		8,036,514
Buildings and improvements	<u>127,388,561</u>	<u>812,520</u>		<u>128,201,081</u>
Vehicles, furniture and equipment	<u>12,726,840</u>	<u>410,537</u>	<u>124,560</u>	<u>13,012,817</u>
Total capital assets being depreciated	<u>147,315,986</u>	<u>2,058,986</u>	<u>124,560</u>	<u>149,250,412</u>
Less accumulated depreciation for:				
Land improvements	(1,874,033)	(361,095)		(2,235,128)
Buildings and improvements	<u>(37,127,014)</u>	<u>(3,163,885)</u>		<u>(40,290,899)</u>
Vehicles, furniture and equipment	<u>(8,226,171)</u>	<u>(739,304)</u>	<u>(118,010)</u>	<u>(8,847,465)</u>
Total accumulated depreciation	<u>(47,227,218)</u>	<u>(4,264,284)</u>	<u>(118,010)</u>	<u>(51,373,492)</u>
Total capital assets being depreciated, net	<u>100,088,768</u>	<u>(2,205,298)</u>	<u>6,550</u>	<u>97,876,920</u>
Governmental activities capital assets, net	<u>\$ 118,463,648</u>	<u>\$ 88,097</u>	<u>\$ 763,042</u>	<u>\$ 117,788,703</u>

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 5 – Capital Assets

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 3,136,723
Support services – students and staff	8,618
Support services – administration	87,367
Operation and maintenance of plant services	682,602
Student transportation services	282,409
Operation of non-instructional services	66,565
Total depreciation expense – governmental activities	<u>\$ 4,264,284</u>

Construction Commitments – At year end the District had spent \$2,287,912 on the installation of solar panels, classroom renovations, playground resurfacing, and other renovation projects and had estimated remaining contractual commitments of \$5,821,723. These projects are being funded with federal and state grants, bond proceeds, and General Fund revenues.

Note 6 – Short Term Debt – Line of Credit

The District has a \$7.5 million line of credit to provide cash flow during the year to mitigate the impact of timing differences of expenditures and the receipt of state aid and property tax revenues. At year end, the District had \$7.5 million in unused line of credit. The District did not use its line of credit during the fiscal year.

Note 7 – Financed Purchases Payable

The District has entered into a new agreement to acquire solar upgrades under the provisions of a contract classified as a financed purchase payable. The District has also acquired energy upgrades under the provisions of a contract classified as a financed purchase payable. Revenues from the General Fund are transferred to the Other Capital Projects Fund to pay the obligation.

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

Year ending June 30:	Governmental Activities	
	Principal	Interest
2026	\$ 174,426	\$ 309,827
2027	179,107	290,851
2028	2,076,390	246,542
2029	259,756	200,078
2030	279,906	191,844
2031-35	698,523	698,523
2036-40	1,278,704	1,278,704
2041-45	2,351,973	2,351,973
Total	<u>\$ 7,298,785</u>	<u>\$ 5,568,342</u>

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 8 – General Obligation Bonds Payable

Bonds payable at year end, consisted of the following outstanding general obligation bonds. Of the amount originally authorized, none remains unissued. The bonds are both callable and noncallable with interest payable semiannually. Property taxes from the Debt Service Fund are used to pay bonded debt. The District's legal debt limit is \$144.5 million, and the available margin is \$100.2 million. In addition, a portion of the District's school improvements bonds are Qualified Build America Bonds (BABS). The District receives a direct subsidy payment from the United States of America for a portion of the interest payment due on the bonds.

Purpose	Original	Outstanding			
	Amount Issued	Interest Rates	Remaining Maturities	Principal June 30, 2025	Due Within One Year
Governmental activities:					
General obligation bonds:					
Project of 2009, Series A-1 (Qualified School Construction Bonds) (2010)	\$ 4,600,000	6.62%	7/1/25-27	\$ 1,410,000	\$ 465,000
School Improvement Bonds					
Project of 2014, Series A (2015)	11,860,000	3.0-4.0%	7/1/25-32	7,685,000	900,000
School Improvement Bonds					
Project of 2017, Series D (2021)	12,610,000	3.0-4.0%	7/1/31-40	12,610,000	
School Improvement Bonds					
Project of 2021, Series A (2022)	14,140,000	3.0-5.0%	7/1/25-41	14,015,000	175,000
Private placement bonds:					
School Improvement Bonds					
Project of 2014, Series B (2017)	2,390,000	2.17%	7/1/25-29	1,240,000	185,000
School Improvement Bonds					
Project of 2017, Series A (2018)	3,750,000	2.96%	7/1/25-31	3,200,000	275,000
School Improvement Bonds					
Project of 2017, Series B (2019)	2,000,000	2.75%	7/1/25-30	1,890,000	45,000
Total				<u>\$ 42,050,000</u>	<u>\$ 2,045,000</u>

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

Year ending June 30:	Governmental Activities			
	General Obligation Bonds		Private Placement Bonds	
	Principal	Interest	Principal	Interest
2026	\$ 1,540,000	\$ 1,477,574	\$ 505,000	\$ 167,030
2027	1,895,000	1,396,612	585,000	152,492
2028	1,975,000	1,306,818	645,000	135,935
2029	1,340,000	1,232,463	1,210,000	111,091
2030	1,350,000	1,175,088	1,340,000	76,976
2031-35	11,670,000	4,633,857	2,045,000	48,612
2036-40	11,850,000	2,042,250		
2041-42	4,100,000	193,250		
Total	<u>\$ 35,720,000</u>	<u>\$ 13,457,912</u>	<u>\$ 6,330,000</u>	<u>\$ 692,136</u>

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 9 – Changes in Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 37,180,000	\$ 1,460,000	\$ 35,720,000	\$ 1,540,000	
Private placement bonds	7,485,000		1,155,000	6,330,000	505,000
Premium	2,993,811		183,330	2,810,481	
Total bonds payable	<u>47,658,811</u>		2,798,330	<u>44,860,481</u>	2,045,000
Financed purchases payable	1,090,084	6,378,568	169,867	7,298,785	174,426
Net pension liability	39,510,234		832,996	38,677,238	
Compensated absences payable	1,830,740	1,097,050		2,927,790	723,407
Total long-term liabilities	<u>\$ 90,089,869</u>	<u>\$ 7,475,618</u>	<u>\$ 3,801,193</u>	<u>\$ 93,764,294</u>	<u>\$ 2,942,833</u>

Note 10 – Contingent Liabilities

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

Note 11 – Interfund Transfers

At year end, interfund balances were as follows:

Transfers out	Transfers in				Total	
	Non-Major Governmental					
	General	Debt Service	Funds	General		
General	\$	\$	\$	\$	\$ 199,124	
Federal and State Grants	291,070				291,070	
Non-Major Governmental Funds	500,000	10,071			510,071	
Total	<u>\$ 791,070</u>	<u>\$ 10,071</u>	<u>\$ 199,124</u>		<u>\$ 1,000,265</u>	

Transfers between funds were used 1) to move investment income earned in the Bond Building Fund, a non-major governmental fund, that is required by statute to be expended in the Debt Service Fund, (2) to move federal grant funds restricted for indirect costs, and 3) to move energy savings between the General Fund and the Other Capital Projects Fund, a non-major governmental fund, for payment of the energy efficient upgrades financed purchase.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 12 – Risk Management

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

The District's employees have health and accident insurance coverage with the Valley Schools Employee Benefit Trust (VSEBT). VSEBT is a public entity risk pool currently operating as a common risk management and insurance program for school districts in the State. The District pays a monthly premium equivalent to VSEBT for employees' health and accident insurance coverage. The agreement provides that VSEBT will be self-sustaining through members' premiums and will reinsurance through commercial companies for claims in excess of specified amounts for each insured event.

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

Note 13 – 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. ASRS is a component unit of the State of Arizona. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on the ASRS website at www.azasrs.gov.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 13 – Pensions and Other Postemployment Benefits

Aggregate Amounts. At June 30, 2025, the District reported the following aggregate amounts related to pensions and OPEB for all plans to which it contributes:

	Pension	OPEB	Total
Net assets	\$	\$ (1,446,704)	\$ (1,446,704)
Net liability	38,677,238		38,677,238
Deferred outflows of resources	6,542,047	104,823	6,646,870
Deferred inflows of resources	3,617,142	463,918	4,081,060
Expense	2,066,844	(194,087)	1,872,757
Contributions	4,383,120	25,462	4,408,582

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

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

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

*With actuarially reduced benefits

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

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 13 – Pensions and Other Postemployment Benefits

Contributions. In accordance with state statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the current fiscal year, active ASRS members were required by statute to contribute at the actuarially determined rate of 12.27 percent (12.12 percent for retirement and 0.15 percent for long-term disability) of the members' annual covered payroll, and the District was required by statute to contribute at the actuarially determined rate of 12.27 percent (12.05 percent for retirement, 0.07 percent for health insurance premium benefit, and 0.15 percent for long-term disability) of the active members' annual covered payroll. The District's contributions to the pension plan for the year ended June 30, 2025 were \$4,383,120.

Employers are also required to pay an Alternate Contribution Rate (ACR), for retired members who return to work in positions that would typically be filled by an employee who contributes to ASRS. The District was required by statute to contribute at the actuarially determined rate of 10.19 percent (10.14 for retirement and 0.05 percent for long-term disability). ACR contributions are included in employer contributions presented above.

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

Pension Liability. The net pension liability was measured as of June 30, 2024. 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, 2023 to the measurement date of June 30, 2024. The District's proportion of the net liability was based on the District's actual contributions to the applicable plan relative to the total of all participating employers' contributions to the plan for the year ended June 30, 2024.

At June 30, 2024, the District reported the following amounts for its proportionate share of the pension plan net liability. In addition, at June 30, 2024, the District's percentage proportion for the plan and the related change from its proportion measured as of June 30, 2023 was:

Net Liability	District % Proportion	Increase (Decrease)
\$ 38,677,238	0.242	(0.002)

Pension Expense and Deferred Outflows/Inflows of Resources. The District has deferred outflows and inflows of resources related to the net pension liability. Certain changes in the net pension liability are recognized as pension expense over a period of time rather than the year of occurrence. The District's pension expense for the year ended June 30, 2025 was \$2,066,844.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 13 – Pensions and Other Postemployment Benefits

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,158,927	\$
Net difference between projected and actual earnings on pension investments		2,469,965
Changes in proportion and differences between contributions and proportionate share of contributions		1,147,177
Contributions subsequent to the measurement date	4,383,120	
Total	\$ 6,542,047	\$ 3,617,142

The amounts of deferred outflows of resources resulting from contributions subsequent to the measurement date as reported in the table above will be recognized as an adjustment of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:		
2026	\$ (2,144,766)	
2027	1,765,048	
2028	(625,229)	
2029	(453,268)	

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

Actuarial valuation date	June 30, 2023
Actuarial roll forward date	June 30, 2024
Actuarial cost method	Entry age normal
Investment rate of return	7.0%
Inflation	2.3%
Projected salary increases	2.9-8.4%
Permanent base increases	Included
Mortality rates	2017 SRA Scale U-MP

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 13 – Pensions and Other Postemployment Benefits

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

The long-term expected rate of return on ASRS plan investments was determined to be 7.0 percent using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, excluding any expected inflation.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	4.48%
Credit	23%	4.40
Interest rate sensitive	6%	(.45)
Private equity	10%	6.11
Real estate	17%	6.05
Total	<u>100%</u>	

Discount Rate. The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board's funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

Littleton Elementary School District No. 65

Notes to Financial Statements

June 30, 2025

Note 13 – Pensions and Other Postemployment Benefits

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Current		
	1% Decrease	Discount Rate	1% Increase
Rate	6.0%	7.0%	8.0%
Net liability	\$ 59,222,761	\$ 38,677,238	\$ 21,554,339

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued ASRS financial report. The report is available on the ASRS website at www.azasrs.gov.

Required Supplementary Information

(This page intentionally left blank)

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General
For the Year Ended June 30, 2025

	Budget		Non-GAAP	Variance with
	Original	Final		
Revenues				
Other local	\$	\$	\$ 367,370	\$ 367,370
Property taxes			8,972,204	8,972,204
State aid and grants			41,023,668	41,023,668
Total revenues			<u>50,363,242</u>	<u>50,363,242</u>
Expenditures				
Current:				
Instruction	30,663,170	31,654,311	26,471,805	5,182,506
Support services - students and staff	7,737,913	7,493,722	7,151,395	342,327
Support services - administration	5,855,488	7,093,103	6,430,887	662,216
Operation and maintenance of plant services	5,624,017	6,327,265	5,399,532	927,733
Student transportation services	2,696,828	2,879,222	2,767,213	112,009
Operation of non-instructional services	330,633	361,220	291,817	69,403
Total expenditures	<u>52,908,049</u>	<u>55,808,843</u>	<u>48,512,649</u>	<u>7,296,194</u>
Excess (deficiency) of revenues over expenditures	<u>(52,908,049)</u>	<u>(55,808,843)</u>	<u>1,850,593</u>	<u>57,659,436</u>
Other financing sources (uses)				
Transfers out			(199,124)	(199,124)
Total other financing sources (uses)			<u>(199,124)</u>	<u>(199,124)</u>
Changes in fund balances	<u>(52,908,049)</u>	<u>(55,808,843)</u>	<u>1,651,469</u>	<u>57,460,312</u>
Fund balances, beginning of year			7,408,620	7,408,620
Fund balances, end of year	<u>\$ (52,908,049)</u>	<u>\$ (55,808,843)</u>	<u>\$ 9,060,089</u>	<u>\$ 64,868,932</u>

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Classroom Site
For the Year Ended June 30, 2025

	Budget			Variance with	
	Original	Final	Actual	Final Budget	
Revenues					
Other local	\$	\$	\$ 185,887	\$ 185,887	
State aid and grants			5,098,460	5,098,460	
Total revenues			5,284,347	5,284,347	
Expenditures					
Current:					
Instruction	4,788,591	4,732,444	4,636,184	96,260	
Support services - students and staff	732,613	789,163	581,534	207,629	
Total expenditures	5,521,204	5,521,607	5,217,718	303,889	
Changes in fund balances	(5,521,204)	(5,521,607)	66,629	5,588,236	
Fund balances, beginning of year			5,628,753	5,628,753	
Fund balances, end of year	\$ (5,521,204)	\$ (5,521,607)	\$ 5,695,382	\$ 11,216,989	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Federal and State Grants
For the Year Ended June 30, 2025

	Budget			Variance with	
	Original	Final	Actual	Final Budget	
Revenues					
Other local	\$	\$	\$	7,637	\$ 7,637
State aid and grants				367,701	367,701
Federal aid, grants and reimbursements				4,700,990	4,700,990
Total revenues				<u>5,076,328</u>	<u>5,076,328</u>
Expenditures					
Current:					
Instruction	3,246,142	3,221,141	1,993,434	1,227,707	
Support services - students and staff	3,005,791	2,982,641	1,845,836	1,136,805	
Support services - administration	386,713	383,735	237,478	146,257	
Operation and maintenance of plant services	597,748	593,144	367,073	226,071	
Student transportation services	343,865	341,216	211,165	130,051	
Operation of non-instructional services	23,392	23,212	14,365	8,847	
Capital outlay	166,343	165,062	102,150	62,912	
Total expenditures	<u>7,769,994</u>	<u>7,710,150</u>	<u>4,771,501</u>	<u>2,938,649</u>	
Excess (deficiency) of revenues over expenditures	<u>(7,769,994)</u>	<u>(7,710,150)</u>	<u>304,827</u>	<u>8,014,977</u>	
Other financing sources (uses)					
Transfers out				(291,070)	(291,070)
Total other financing sources (uses)				<u>(291,070)</u>	<u>(291,070)</u>
Changes in fund balances	<u>(7,769,994)</u>	<u>(7,710,150)</u>	<u>13,757</u>	<u>7,723,907</u>	
Fund balances, beginning of year				<u>121,450</u>	<u>121,450</u>
Fund balances, end of year	<u>\$ (7,769,994)</u>	<u>\$ (7,710,150)</u>	<u>\$ 135,207</u>	<u>\$ 7,845,357</u>	

Littleton Elementary School District No. 65
Schedule of the Proportionate Share of the Net Pension Liability
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Measurement date	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
District's proportion of the net pension (assets) liability	0.24%	0.24%	0.26%	0.27%
District's proportionate share of the net pension (assets) liability	\$ 38,677,238	\$ 39,510,234	\$ 43,030,271	\$ 35,016,917
District's covered payroll	\$ 33,778,603	\$ 31,857,466	\$ 31,362,290	\$ 29,918,335
District's proportionate share of the net pension (assets) liability as a percentage of its covered payroll	114.50%	124.02%	137.20%	117.04%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%

Schedule of Pension Contributions
Arizona State Retirement System
Last Ten Fiscal Years

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
Actuarially determined contribution	\$ 4,383,120	\$ 4,063,566	\$ 3,797,410	\$ 3,766,611
Contributions in relation to the actuarially determined contribution	<u>4,383,120</u>	<u>4,063,566</u>	<u>3,797,410</u>	<u>3,766,611</u>
Contribution deficiency (excess)	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
District's covered payroll	\$ 36,374,440	\$ 33,778,603	\$ 31,857,466	\$ 31,362,290
Contributions as a percentage of covered payroll	12.05%	12.03%	11.92%	12.01%

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
0.27%	0.26%	0.24%	0.24%	0.24%	0.25%
\$ 46,360,570	\$ 37,411,041	\$ 33,595,677	\$ 37,521,293	\$ 38,325,201	\$ 38,849,925
\$ 29,200,096	\$ 27,075,957	\$ 23,922,110	\$ 23,172,968	\$ 22,266,700	\$ 23,064,702
158.77%	138.17%	140.44%	161.92%	172.12%	168.44%
69.33%	73.24%	73.40%	69.92%	67.06%	68.35%
<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 3,485,486	\$ 3,343,411	\$ 3,027,092	\$ 2,607,510	\$ 2,498,046	\$ 2,415,937
<u>3,485,486</u>	<u>3,343,411</u>	<u>3,027,092</u>	<u>2,607,510</u>	<u>2,498,046</u>	<u>2,415,937</u>
<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>	<u><u>\$</u></u>
\$ 29,918,335	\$ 29,200,096	\$ 27,075,957	\$ 23,922,110	\$ 23,172,968	\$ 22,266,700
11.65%	11.45%	11.18%	10.90%	10.78%	10.85%

Littleton Elementary School District No. 65
Notes to Required Supplementary Information
June 30, 2025

Note 1 – Budgetary Basis of Accounting

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:

- Prepaid items are budgeted in the year prepaid.
- Employee insurance expenditures are budgeted in the year the employee insurance account is funded.

Additionally, the General Fund includes the Maintenance and Operations Fund and other funds that do not meet the criteria for separate reporting in the financial statements, and which do not have legally adopted budgets. Arizona Revised Statutes requires a Maintenance and Operations Fund budget, and therefore these other funds must be subtracted to present only the activity of the Maintenance and Operations Fund.

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

	Fund	
	Total	Balances
	Expenditures	End of Year
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 55,879,645	\$ 30,783,475
Other funds presented in the General Fund	(7,348,504)	(17,063,115)
Prior-year prepaid items	(127,729)	
Employee insurance account	<u>109,237</u>	<u>(4,660,271)</u>
Schedule of Revenue, Expenditures and Changes in Fund Balances – Budget and Actual - General Fund	<u>\$ 48,512,649</u>	<u>\$ 9,060,089</u>

Note 2 – Pension Plan Schedules

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

Factors that Affect Trends. The actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial experience study for the five-year period ended June 30, 2020. The purpose of the experience study was to review actual experience in relation to the actuarial assumptions in effect. The ASRS Board adopted the experience study recommended changes which were applied to the June 30, 2020, actuarial valuation.

**Combining and Individual
Fund Financial Statements and Schedules**

(This page intentionally left blank)

Governmental Funds

(This page intentionally left blank)

Non-Major Governmental Funds

Special Revenue Funds

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

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

Other Special Revenue Fund – to account for the revenues and expenditures of other special revenue activities, including the following: civic center, community school, extracurricular activities fees tax credit, and student activities.

Capital Projects Funds

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

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

Other Capital Projects Fund – to account for the revenues and expenditures of other capital projects activities, including the following: school plant, energy water and savings, and building renewal grant.

Littleton Elementary School District No. 65
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2025

	Special Revenue Funds		
	Instructional Improvement	Food Service	Other Special Revenue
Assets			
Cash and investments	\$ 1,421,730	\$ 1,647,759	\$ 1,107,809
Deposits		65,832	
Due from governmental entities	202,816	46,445	
Inventory		26,079	
Accounts receivable		45,564	
Total assets	<u>\$ 1,624,546</u>	<u>\$ 1,831,679</u>	<u>\$ 1,107,809</u>
Liabilities			
Accounts payable	\$ _____	\$ 100,212	\$ 12,830
Total liabilities	<u>100,212</u>	<u>12,830</u>	
Fund balances			
Nonspendable		26,079	
Restricted	<u>1,624,546</u>	1,705,388	1,094,979
Total fund balances	<u>1,624,546</u>	<u>1,731,467</u>	<u>1,094,979</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,624,546</u>	<u>\$ 1,831,679</u>	<u>\$ 1,107,809</u>

Capital Projects Funds

<u>Adjacent Ways</u>	<u>Bond Building</u>	<u>Other Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
\$ 2,058,776	\$ 576,045	\$ 2,205,807	\$ 9,017,926
			65,832
			249,261
			26,079
		14,000	59,564
<u>\$ 2,058,776</u>	<u>\$ 576,045</u>	<u>\$ 2,219,807</u>	<u>\$ 9,418,662</u>
\$ _____	\$ _____	\$ _____	\$ 113,042
_____	_____	_____	<u>113,042</u>
2,058,776	576,045	2,219,807	26,079
<u>2,058,776</u>	<u>576,045</u>	<u>2,219,807</u>	<u>9,279,541</u>
<u>2,058,776</u>	<u>576,045</u>	<u>2,219,807</u>	<u>9,305,620</u>
<u>\$ 2,058,776</u>	<u>\$ 576,045</u>	<u>\$ 2,219,807</u>	<u>\$ 9,418,662</u>

Littleton Elementary School District No. 65
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds			
	Instructional Improvement	Food Service	Other Special Revenue
Revenues			
Other local	\$ 45,166	\$ 749,757	\$ 698,363
Property taxes			
State aid and grants	425,500		
Federal aid, grants and reimbursements		5,875,681	
Total revenues	<u>470,666</u>	<u>6,625,438</u>	<u>698,363</u>
Expenditures			
Current:			
Instruction	8,868	12,394	191,345
Support services - students and staff	157,522		61,171
Support services - administration		10,760	148,015
Operation and maintenance of plant services			122,778
Student transportation services			8,418
Operation of non-instructional services	5,645,735		95,275
Capital outlay		143,032	41,646
Debt service:			
Principal retirement			
Interest and fiscal charges			
Total expenditures	<u>166,390</u>	<u>5,811,921</u>	<u>668,648</u>
Excess (deficiency) of revenues over expenditures	<u>304,276</u>	<u>813,517</u>	<u>29,715</u>
Other financing sources (uses)			
Transfers in			
Transfers out		(500,000)	
Proceeds from sale of capital assets		25	
Total other financing sources (uses)		<u>(499,975)</u>	
Changes in fund balances			
Fund balances, beginning of year	<u>1,320,270</u>	<u>1,417,925</u>	<u>1,065,264</u>
Fund balances, end of year	<u>\$ 1,624,546</u>	<u>\$ 1,731,467</u>	<u>\$ 1,094,979</u>

Capital Projects Funds

Adjacent Ways	Bond Building Fund	Other Capital Projects	Total Non-Major Governmental Funds
\$ 56,452	\$ 10,071	\$ 194,666	\$ 1,754,475
150,000			150,000
		26,384	451,884
			5,875,681
<u>206,452</u>	<u>10,071</u>	<u>221,050</u>	<u>8,232,040</u>
			212,607
			218,693
			158,775
			122,778
			8,418
			5,741,010
68,664		1,150,000	1,403,342
		169,867	169,867
		29,257	29,257
<u>68,664</u>	<u>1,349,124</u>	<u>8,064,747</u>	
<u>206,452</u>	<u>(58,593)</u>	<u>(1,128,074)</u>	<u>167,293</u>
		199,124	199,124
	(10,071)		(510,071)
			25
		(10,071)	(310,922)
<u>206,452</u>	<u>(68,664)</u>	<u>(928,950)</u>	<u>(143,629)</u>
<u>1,852,324</u>	<u>644,709</u>	<u>3,148,757</u>	<u>9,449,249</u>
<u>\$ 2,058,776</u>	<u>\$ 576,045</u>	<u>\$ 2,219,807</u>	<u>\$ 9,305,620</u>

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Instructional Improvement
For the Year Ended June 30, 2025

	<u>Budget</u>			Variance with Original and Final
	<u>Actual</u>	<u>Final Budget</u>		
Revenues				
Other local	\$	\$	\$	45,166
State aid and grants				425,500
Total revenues				<u>470,666</u>
Expenditures				
Current:				
Instruction	23,369	8,868	14,501	
Support services - students and staff	415,106	157,522	257,584	
Total expenditures	<u>438,475</u>	<u>166,390</u>	<u>272,085</u>	
Changes in fund balances	<u>(438,475)</u>	<u>304,276</u>	<u>742,751</u>	
Fund balances, beginning of year		<u>1,320,270</u>	<u>1,320,270</u>	
Fund balances, end of year	<u>\$ (438,475)</u>	<u>\$ 1,624,546</u>	<u>\$ 2,063,021</u>	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Food Service
For the Year Ended June 30, 2025

	<u>Budget</u>			Variance with Final Budget
	<u>Original and Final</u>		<u>Actual</u>	
	\$	\$	\$	
Revenues				
Other local		\$ 749,757	\$ 749,757	
Federal aid, grants and reimbursements		5,875,681	5,875,681	
Total revenues		<u>6,625,438</u>	<u>6,625,438</u>	
Expenditures				
Current:				
Instruction	12,795	12,394	401	
Support services - administration	11,108	10,760	348	
Operation of non-instructional services	5,828,436	5,645,735	182,701	
Capital outlay	147,661	143,032	4,629	
Total expenditures	<u>6,000,000</u>	<u>5,811,921</u>	<u>188,079</u>	
Excess (deficiency) of revenues over expenditures	<u>(6,000,000)</u>	<u>813,517</u>	<u>6,813,517</u>	
Other financing sources (uses)				
Transfers out		(500,000)	(500,000)	
Proceeds from Sale of Capital Assets		25	25	
Total other financing sources (uses)		<u>(499,975)</u>	<u>(499,975)</u>	
Changes in fund balances	<u>(6,000,000)</u>	<u>313,542</u>	<u>6,313,542</u>	
Fund balances, beginning of year		<u>1,417,925</u>	<u>1,417,925</u>	
Fund balances, end of year	<u>\$ (6,000,000)</u>	<u>\$ 1,731,467</u>	<u>\$ 7,731,467</u>	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Special Revenue
For the Year Ended June 30, 2025

	Budget			Variance with	
	Original	Final	Actual		
				Final Budget	
Revenues					
Other local	\$ _____	\$ _____	\$ 698,363	\$ 698,363	
Total revenues	<u>_____</u>	<u>_____</u>	<u>698,363</u>	<u>698,363</u>	
Expenditures					
Current:					
Instruction	297,142	381,767	191,345	190,422	
Support services - students and staff	94,993	122,047	61,171	60,876	
Support services - administration	229,854	295,316	148,015	147,301	
Operation and maintenance of plant services	190,663	244,964	122,778	122,186	
Student transportation services	13,072	16,795	8,418	8,377	
Operation of non-instructional services	147,953	190,090	95,275	94,815	
Capital outlay	64,672	83,091	41,646	41,445	
Total expenditures	<u>1,038,350</u>	<u>1,334,070</u>	<u>668,648</u>	<u>665,422</u>	
Excess (deficiency) of revenues over expenditures	<u>(1,038,350)</u>	<u>(1,334,070)</u>	<u>29,715</u>	<u>1,363,785</u>	
Changes in fund balances	<u>(1,038,350)</u>	<u>(1,334,070)</u>	<u>29,715</u>	<u>1,363,785</u>	
Fund balances, beginning of year	<u>_____</u>	<u>_____</u>	<u>1,065,264</u>	<u>1,065,264</u>	
Fund balances, end of year	<u>\$ (1,038,350)</u>	<u>\$ (1,334,070)</u>	<u>\$ 1,094,979</u>	<u>\$ 2,429,049</u>	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service
For the Year Ended June 30, 2025

	Budget			Variance with	
	Original	Final	Actual	Final Budget	
Revenues					
Other local	\$	\$	\$	66,957	\$ 66,957
Property taxes				3,804,149	3,804,149
Federal aid, grants and reimbursements				67,370	67,370
Total revenues				<u>3,938,476</u>	<u>3,938,476</u>
Expenditures					
Debt service:					
Principal retirement	2,395,000	2,395,000	2,395,000		
Interest and fiscal charges	1,305,000	3,605,000	1,692,552		1,912,448
Total expenditures	<u>3,700,000</u>	<u>6,000,000</u>	<u>4,087,552</u>		<u>1,912,448</u>
Excess (deficiency) of revenues over expenditures	<u>(3,700,000)</u>	<u>(6,000,000)</u>	<u>(149,076)</u>		<u>5,850,924</u>
Other financing sources (uses)					
Transfers in				10,071	10,071
Total other financing sources (uses)				<u>10,071</u>	<u>10,071</u>
Changes in fund balances					
	<u>(3,700,000)</u>	<u>(6,000,000)</u>	<u>(139,005)</u>		<u>5,860,995</u>
Fund balances, beginning of year				417,738	417,738
Fund balances, end of year	<u>\$ (3,700,000)</u>	<u>\$ (6,000,000)</u>	<u>\$ 278,733</u>	<u>\$ 6,278,733</u>	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Adjacent Ways
For the Year Ended June 30, 2025

	<u>Budget</u>		Variance with	
	<u>Original and Final</u>	<u>Actual</u>	<u>Final Budget</u>	
Revenues				
Other local	\$	\$	\$	\$
Property taxes	_____	150,000	_____	150,000
Total revenues	_____	206,452	_____	206,452
Expenditures				
Capital outlay	2,000,000	_____	2,000,000	_____
Total expenditures	2,000,000	_____	2,000,000	_____
Changes in fund balances	(2,000,000)	206,452	_____	2,206,452
Fund balances, beginning of year	_____	1,852,324	_____	1,852,324
Fund balances, end of year	<u>\$ (2,000,000)</u>	<u>\$ 2,058,776</u>	<u>\$ 4,058,776</u>	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Bond Building
For the Year Ended June 30, 2025

	<u>Budget</u>			Variance with Original and Final
	<u>Actual</u>	<u>Final Budget</u>		
Revenues				
Other local	\$ 10,071	\$ 10,071	\$ 10,071	
Total revenues	<u>10,071</u>	<u>10,071</u>	<u>10,071</u>	
Expenditures				
Capital outlay	650,000	68,664	581,336	
Total expenditures	<u>650,000</u>	<u>68,664</u>	<u>581,336</u>	
Excess (deficiency) of revenues over expenditures	<u>(650,000)</u>	<u>(58,593)</u>	<u>591,407</u>	
Other financing sources (uses)				
Transfers in				
Transfers out		(10,071)	(10,071)	
Total other financing sources (uses)		<u>(10,071)</u>	<u>(10,071)</u>	
Changes in fund balances	<u>(650,000)</u>	<u>(68,664)</u>	<u>581,336</u>	
Fund balances, beginning of year		644,709	644,709	
Fund balances, end of year	<u>\$ (650,000)</u>	<u>\$ 576,045</u>	<u>\$ 1,226,045</u>	

Littleton Elementary School District No. 65
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Other Capital Projects
For the Year Ended June 30, 2025

	Budget			Variance with	
	Original	Final	Actual	Final Budget	
Revenues					
Other local	\$	\$	\$	194,666	\$ 194,666
State aid and grants				26,384	26,384
Total revenues				<u>221,050</u>	<u>221,050</u>
Expenditures					
Capital outlay	3,082,201	3,252,636	1,150,000	2,102,636	
Debt service:					
Principal retirement	169,867	169,867	169,867	169,867	
Interest and fiscal charges	29,257	29,257	29,257	29,257	
Total expenditures	<u>3,281,325</u>	<u>3,451,760</u>	<u>1,349,124</u>	<u>2,102,636</u>	
Excess (deficiency) of revenues over expenditures	<u>(3,281,325)</u>	<u>(3,451,760)</u>	<u>(1,128,074)</u>	<u>2,323,686</u>	
Other financing sources (uses)					
Transfers in				199,124	199,124
Total other financing sources (uses)				<u>199,124</u>	<u>199,124</u>
Changes in fund balances					
	<u>(3,281,325)</u>	<u>(3,451,760)</u>	<u>(928,950)</u>	<u>2,522,810</u>	
Fund balances, beginning of year				3,148,757	3,148,757
Fund balances, end of year	<u>\$ (3,281,325)</u>	<u>\$ (3,451,760)</u>	<u>\$ 2,219,807</u>	<u>\$ 5,671,567</u>	

Statistical Section

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Littletown Elementary School District No. 65
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Net Position:					
Net investment in capital assets	\$ 66,205,482	\$ 70,139,878	\$ 68,391,888	\$ 63,560,420	\$ 60,787,385
Restricted	16,436,120	16,665,746	23,692,277	17,088,358	11,142,928
Unrestricted	(6,033,263)	(15,487,903)	(28,786,103)	(28,154,802)	(28,763,251)
Total net position	<u><u>\$ 76,608,339</u></u>	<u><u>\$ 71,317,721</u></u>	<u><u>\$ 63,298,062</u></u>	<u><u>\$ 52,493,976</u></u>	<u><u>\$ 43,167,062</u></u>
	2020	2019	2018	2017	2016
Net Position:					
Net investment in capital assets	\$ 56,313,462	\$ 54,663,649	\$ 54,284,981	\$ 55,002,861	\$ 53,316,103
Restricted	9,256,546	7,660,471	8,465,090	5,821,136	7,095,095
Unrestricted	(27,912,254)	(24,133,528)	(29,328,719)	(30,960,414)	(30,772,236)
Total net position	<u><u>\$ 37,657,754</u></u>	<u><u>\$ 38,190,592</u></u>	<u><u>\$ 33,421,352</u></u>	<u><u>\$ 29,863,583</u></u>	<u><u>\$ 29,638,962</u></u>

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

Note: Unrestricted net position for the year ended June 30, 2023 was restated for the correction of a cash in bank balances accrual error.

Littleton Elementary School District No. 65
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Expenses					
Instruction	\$ 37,703,972	\$ 37,597,406	\$ 35,014,806	\$ 32,514,720	\$ 30,786,791
Support services - students and staff	9,979,482	10,380,312	9,423,107	8,917,557	8,815,879
Support services - administration	8,326,073	7,203,814	7,537,129	6,084,722	5,895,244
Operation and maintenance of plant services	6,831,884	6,454,980	5,679,757	4,770,135	4,958,511
Student transportation services	3,950,995	3,643,061	3,547,415	2,328,797	2,003,696
Operation of non-instructional services	6,178,251	6,009,091	5,737,185	4,847,184	3,106,342
Interest on long-term debt	1,538,479	1,619,753	1,821,258	1,124,199	891,774
Total expenses	74,509,136	72,908,417	68,760,657	60,587,314	56,458,237
Program Revenues					
Charges for services:					
Instruction	383,804	892,097	1,436,124	81,436	423,979
Operation of non-instructional services	845,045	975,192	840,662	211,582	24,082
Other activities	467,473	290,211	247,821	399,433	288,279
Operating grants and contributions	10,923,185	14,180,495	16,392,142	14,555,639	9,746,888
Capital grants and contributions	352,735	457,596	2,065,520	2,684,843	4,378,637
Total program revenues	12,972,242	16,795,591	20,982,269	17,932,933	14,861,865
Net (Expense)/Revenue	\$ (61,536,894)	\$ (56,112,826)	\$ (47,778,388)	\$ (42,654,381)	\$ (41,596,372)

Note: Support services - administration expenses for the year ended June 30, 2023 were restated for the correction of a cash in bank balances accrual error.

(Continued)

Littleton Elementary School District No. 65
Expenses, Program Revenues, and Net (Expense)/Revenue
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	2020	2019	2018	2017	2016
Expenses					
Instruction	\$ 30,572,464	\$ 25,459,688	\$ 23,382,170	\$ 23,799,099	\$ 24,800,192
Support services - students and staff	8,256,769	6,684,359	6,388,519	6,436,126	6,576,747
Support services - administration	6,701,801	5,613,793	5,022,793	5,347,981	4,867,489
Operation and maintenance of plant services	4,415,197	4,000,697	3,786,287	3,797,582	3,555,273
Student transportation services	2,643,820	2,100,998	1,893,209	1,767,152	1,854,233
Operation of non-instructional services	5,047,938	4,968,174	4,654,832	4,708,568	3,649,787
Interest on long-term debt	<u>1,050,556</u>	<u>988,854</u>	<u>893,913</u>	<u>878,066</u>	<u>963,926</u>
Total expenses	<u>58,688,545</u>	<u>49,816,563</u>	<u>46,021,723</u>	<u>46,734,574</u>	<u>46,267,647</u>
Program Revenues					
Charges for services:					
Instruction	399,096	201,168	147,972	266,007	308,993
Operation of non-instructional services	472,620	560,625	546,913	456,641	335,439
Other activities	210,135	256,852	257,972	182,132	293,180
Operating grants and contributions	<u>7,584,157</u>	<u>8,078,792</u>	<u>7,081,956</u>	<u>7,054,231</u>	<u>7,108,886</u>
Capital grants and contributions	<u>298,977</u>	<u>718,949</u>	<u>402,609</u>	<u>735,730</u>	<u>165,115</u>
Total program revenues	<u>8,964,985</u>	<u>9,816,386</u>	<u>8,437,422</u>	<u>8,694,741</u>	<u>8,211,613</u>
Net (Expense)/Revenue	<u>\$ (49,723,560)</u>	<u>\$ (40,000,177)</u>	<u>\$ (37,584,301)</u>	<u>\$ (38,039,833)</u>	<u>\$ (38,056,034)</u>

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

(Concluded)

Littleton Elementary School District No. 65
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Net (Expense)/Revenue	\$ (61,536,894)	\$ (56,112,826)	\$ (47,778,388)	\$ (42,654,381)	\$ (41,596,372)
General Revenues:					
Property taxes	18,160,213	17,457,820	17,345,175	16,488,058	15,545,463
Investment income	1,228,078	781,979	717,178	209,035	141,191
Unrestricted county aid				2,668,941	2,620,848
Unrestricted state aid	46,420,593	45,119,409	40,035,817	32,109,648	28,449,893
Unrestricted federal aid	1,018,628	773,277	484,304	505,613	348,285
Total general revenues	66,827,512	64,132,485	58,582,474	51,981,295	47,105,680
Changes in Net Position	\$ 5,290,618	\$ 8,019,659	\$ 10,804,086	\$ 9,326,914	\$ 5,509,308

(Continued)

Littleton Elementary School District No. 65
General Revenues and Total Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)

	Fiscal Year Ended June 30				
	2020	2019	2018	2017	2016
Net (Expense)/Revenue	\$ (49,723,560)	\$ (40,000,177)	\$ (37,584,301)	\$ (38,039,833)	\$ (38,056,034)
General Revenues:					
Property taxes	14,638,903	13,772,243	13,447,991	12,833,943	12,341,162
Investment income	266,983	262,092	100,413	55,858	82,812
Unrestricted county aid	2,621,782	2,547,818	2,469,462	2,224,802	2,094,375
Unrestricted state aid	31,194,024	28,012,345	24,934,749	22,838,761	22,281,981
Unrestricted federal aid	310,628	174,919	183,259	311,090	268,552
Total general revenues	49,032,320	44,769,417	41,135,874	38,264,454	37,068,882
Changes in Net Position	\$ (691,240)	\$ 4,769,240	\$ 3,551,573	\$ 224,621	\$ (987,152)

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

Note: Due to a change in legislation, beginning in fiscal year 2023, unrestricted county aid is now presented with property taxes.

(Concluded)

Littleton Elementary School District No. 65
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
General Fund:					
Nonspendable	\$ 186,363	\$ 132,154	\$ 4,660,193	\$ 123,378	\$ 123,729
Restricted				4,559,464	2,544,645
Unassigned	<u>30,597,112</u>	<u>22,159,233</u>	<u>13,708,854</u>	<u>7,510,389</u>	<u>6,738,776</u>
Total General Fund	<u><u>\$ 30,783,475</u></u>	<u><u>\$ 22,291,387</u></u>	<u><u>\$ 18,369,047</u></u>	<u><u>\$ 12,193,231</u></u>	<u><u>\$ 9,407,150</u></u>
All Other Governmental Funds:					
Nonspendable	\$ 26,079	\$	\$	\$	\$
Restricted		15,388,863	15,617,190	11,865,083	39,545,596
Unassigned				(3,317,439)	(298,633)
Total all other governmental funds	<u><u>\$ 15,414,942</u></u>	<u><u>\$ 15,617,190</u></u>	<u><u>\$ 8,547,644</u></u>	<u><u>\$ 39,246,963</u></u>	<u><u>\$ 9,252,227</u></u>

Note: Unassigned fund balance in the General Fund for the year ended June 30, 2023 was restated for the correction of a cash in bank balances accrual error.

(Continued)

Littleton Elementary School District No. 65
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund:					
Nonspendable	\$ 557,010	\$ 77,981	\$ 50,193	\$ 57,700	\$
Restricted	791,016	1,710,530	687,336	210,670	1,714,999
Unassigned	5,973,283	5,732,708	5,339,294	5,080,428	5,300,808
Total General Fund	<u>\$ 7,321,309</u>	<u>\$ 7,521,219</u>	<u>\$ 6,076,823</u>	<u>\$ 5,348,798</u>	<u>\$ 7,015,807</u>
All Other Governmental Funds:					
Restricted	\$ 9,204,788	\$ 11,164,884	\$ 11,278,181	\$ 7,719,313	\$ 5,156,526
Unassigned	(1,039,504)	(197,574)	(101,428)	(26)	
Total all other governmental funds	<u>\$ 8,165,284</u>	<u>\$ 10,967,310</u>	<u>\$ 11,176,753</u>	<u>\$ 7,719,287</u>	<u>\$ 5,156,526</u>

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

(Concluded)

Littleton Elementary School District No. 65
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Federal sources:					
Federal grants	\$ 5,786,988	\$ 13,507,631	\$ 6,794,282	\$ 8,700,529	\$ 7,386,771
National School Lunch Program	5,875,681	5,370,128	5,184,640	6,119,186	2,923,716
Total federal sources	<u>11,662,669</u>	<u>18,877,759</u>	<u>11,978,922</u>	<u>14,819,715</u>	<u>10,310,487</u>
State sources:					
State equalization assistance	41,023,668	39,567,517	34,923,648	27,156,386	25,331,567
State grants	367,701	457,374	335,346	395,635	212,420
School Facilities Oversight Board	26,384	2,070,816	194,883	160,777	55,656
Other revenues	5,523,960	5,218,725	4,752,169	4,792,485	3,177,552
Total state sources	<u>46,941,713</u>	<u>47,314,432</u>	<u>40,206,046</u>	<u>32,505,283</u>	<u>28,777,195</u>
Local sources:					
Property taxes	18,145,410	17,670,799	17,282,351	16,509,100	15,587,882
County aid				2,668,941	2,620,848
Food service sales	698,920	709,701	686,076	211,582	24,082
Investment income	1,228,078	781,979	717,178	209,035	141,191
Other revenues	1,239,793	1,567,035	2,607,594	2,745,348	693,959
Total local sources	<u>21,312,201</u>	<u>20,729,514</u>	<u>21,293,199</u>	<u>22,344,006</u>	<u>19,067,962</u>
Total revenues	<u>\$ 79,916,583</u>	<u>\$ 86,921,705</u>	<u>\$ 73,478,167</u>	<u>\$ 69,669,004</u>	<u>\$ 58,155,644</u>

(Continued)

Littleton Elementary School District No. 65
Governmental Funds Revenues
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	2020	2019	2018	2017	2016
Federal sources:					
Federal grants	\$ 3,583,539	\$ 3,289,280	\$ 2,869,395	\$ 3,538,301	\$ 3,341,620
National School Lunch Program	<u>4,488,805</u>	<u>4,560,165</u>	<u>4,193,258</u>	<u>4,176,317</u>	<u>3,825,325</u>
Total federal sources	<u><u>8,072,344</u></u>	<u><u>7,849,445</u></u>	<u><u>7,062,653</u></u>	<u><u>7,714,618</u></u>	<u><u>7,166,945</u></u>
State sources:					
State equalization assistance	27,652,969	24,787,458	22,073,027	20,645,967	20,085,240
State grants	374,178	95,025	106,399	34,771	13,503
School Facilities Oversight Board	196,115	386,006	5,080	266,436	
Other revenues	<u>3,344,940</u>	<u>3,224,887</u>	<u>2,861,722</u>	<u>2,192,794</u>	<u>2,196,741</u>
Total state sources	<u><u>31,568,202</u></u>	<u><u>28,493,376</u></u>	<u><u>25,046,228</u></u>	<u><u>23,139,968</u></u>	<u><u>22,295,484</u></u>
Local sources:					
Property taxes	14,876,797	13,808,390	13,475,453	12,917,411	12,475,137
County aid	2,621,782	2,547,818	2,469,462	2,224,802	2,094,375
Food service sales	450,868	560,625	535,267	456,641	334,114
Investment income	266,983	262,092	100,413	55,858	82,812
Other revenues	<u>662,291</u>	<u>738,775</u>	<u>781,476</u>	<u>734,441</u>	<u>642,209</u>
Total local sources	<u><u>18,878,721</u></u>	<u><u>17,917,700</u></u>	<u><u>17,362,071</u></u>	<u><u>16,389,153</u></u>	<u><u>15,628,647</u></u>
Total revenues	<u>\$ 58,519,267</u>	<u>\$ 54,260,521</u>	<u>\$ 49,470,952</u>	<u>\$ 47,243,739</u>	<u>\$ 45,091,076</u>

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

Note: Due to a change in legislation, beginning in fiscal year 2023, county aid is now presented with property taxes.

(Concluded)

Littleton Elementary School District No. 65
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Expenditures:					
Current -					
Instruction	\$ 33,718,442	\$ 34,838,509	\$ 28,982,768	\$ 29,045,139	\$ 25,922,544
Support services - students and staff	10,116,001	10,604,208	8,899,435	8,758,594	8,171,762
Support services - administration	7,634,460	7,028,814	6,089,431	5,795,853	5,013,028
Operation and maintenance of plant services	5,992,307	5,736,154	4,653,649	3,892,746	3,811,271
Student transportation services	3,044,813	3,269,359	2,099,771	1,904,403	1,190,680
Operation of non-instructional services	6,047,192	5,938,179	5,429,059	4,764,106	2,904,974
Capital outlay	7,181,272	4,311,916	37,712,941	7,741,839	4,214,917
Debt service -					
Principal retirement	2,564,867	2,430,426	2,251,102	2,846,892	2,432,791
Interest and fiscal charges	1,721,809	1,803,083	1,922,125	1,248,134	914,548
Bond issuance costs				543,813	
Total expenditures	\$ 78,021,163	\$ 75,960,648	\$ 98,040,281	\$ 66,541,519	\$ 54,576,515
Expenditures for capitalized assets	\$ 3,595,889	\$ 3,760,091	\$ 31,780,284	\$ 7,162,733	\$ 1,807,285
Debt service as a percentage of noncapital expenditures		6%	6%	6%	7%
					6%

Note: Support services - administration expenditures for the year ended June 30, 2023 were restated for the correction of a cash in bank balances accrual error.

(Continued)

Littleton Elementary School District No. 65
Governmental Funds Expenditures and Debt Service Ratio
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	2020	2019	2018	2017	2016
Expenditures:					
Current -					
Instruction	\$ 26,064,298	\$ 24,377,167	\$ 21,322,962	\$ 20,676,769	\$ 20,234,887
Support services - students and staff	7,824,834	7,002,780	6,510,832	6,154,941	5,952,268
Support services - administration	5,720,387	5,385,859	4,578,367	4,887,361	4,190,570
Operation and maintenance of plant services	4,185,850	3,736,402	3,537,682	3,590,342	3,181,678
Student transportation services	1,779,325	1,694,019	1,450,378	1,436,582	1,278,064
Operation of non-instructional services	4,847,103	4,863,087	4,532,694	4,602,476	3,527,579
Capital outlay	11,484,595	4,347,528	6,489,674	4,809,375	14,652,734
Debt service -					
Principal retirement	2,188,086	2,034,657	1,685,912	1,692,727	1,620,146
Interest and fiscal charges	989,196	1,022,504	927,563	930,886	1,016,745
Bond issuance costs	51,191	42,617	61,558	46,000	
Total expenditures	\$ 65,134,865	\$ 54,506,620	\$ 51,097,622	\$ 48,827,459	\$ 55,654,671
Expenditures for capitalized assets	\$ 8,626,941	\$ 2,713,837	\$ 4,974,159	\$ 2,968,092	\$ 10,920,526
Debt service as a percentage of noncapital expenditures		6%	6%	6%	6%

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

(Concluded)

Littleton Elementary School District No. 65
Other Financing Sources and Uses and Net Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Excess (deficiency) of revenues over expenditures	\$ 1,895,420	\$ 10,961,057	\$ (24,562,114)	\$ 3,127,485	\$ 3,579,129
Other financing sources (uses):					
Issuance of school improvement bonds				26,750,000	
Premium on sale of bonds				3,211,113	
Financed purchase agreements	6,378,568				
Insurance recoveries	5,434	16,359	32,331	26,075	3,202
Proceeds from sale of capital assets	10,418	14,470	6,280	26,973	23,734
Transfers in	1,000,265	950,093	1,351,263	1,609,534	597,415
Transfers out	<u>(1,000,265)</u>	<u>(950,093)</u>	<u>(1,351,263)</u>	<u>(1,609,534)</u>	<u>(597,415)</u>
Total other financing sources (uses)	<u>6,394,420</u>	<u>30,829</u>	<u>38,611</u>	<u>30,014,161</u>	<u>26,936</u>
Changes in fund balances	<u>\$ 8,289,840</u>	<u>\$ 10,991,886</u>	<u>\$ (24,523,503)</u>	<u>\$ 33,141,646</u>	<u>\$ 3,606,065</u>
	2020	2019	2018	2017	2016
Excess (deficiency) of revenues over expenditures	\$ (6,615,598)	\$ (246,099)	\$ (1,626,670)	\$ (1,583,720)	\$ (10,563,595)
Other financing sources (uses):					
Issuance of school improvement bonds	2,971,476	2,000,000	3,750,000	2,390,000	
Capital lease agreements			2,020,000		
Insurance recoveries	4,755	44,463	49,668	31,772	
Transfers in	654,099	1,039,105	500,175	454,979	470,050
Transfers out	<u>(654,099)</u>	<u>(1,039,105)</u>	<u>(500,175)</u>	<u>(454,979)</u>	<u>(470,050)</u>
Total other financing sources (uses)	<u>2,976,231</u>	<u>2,044,463</u>	<u>5,819,668</u>	<u>2,421,772</u>	
Changes in fund balances	<u>\$ (3,639,367)</u>	<u>\$ 1,798,364</u>	<u>\$ 4,192,998</u>	<u>\$ 838,052</u>	<u>\$ (10,563,595)</u>

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

Littleton Elementary School District No. 65
Net Limited Assessed Value and Full Cash Value of Taxable Property by Class
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Commercial, Industrial, Utilities and Mining	\$ 163,141,874	\$ 145,095,326	\$ 135,684,424	\$ 120,561,648	\$ 115,643,384
Agricultural and Vacant	15,600,811	17,027,255	16,045,216	15,288,043	15,406,243
Residential (Owner Occupied)	171,322,050	145,614,413	133,395,130	118,778,097	108,958,264
Residential (Rental)	91,638,293	77,368,678	62,205,971	54,699,954	51,687,779
Railroad, Private Cars and Airlines	1,238,847	1,168,418	1,177,337	788,148	747,848
Certain Government Property Improvements		1			
Total	\$ 442,941,875	\$ 386,274,091	\$ 348,508,078	\$ 310,115,890	\$ 292,443,518
Gross Full Cash Value	\$ 9,237,265,079	\$ 7,030,042,848	\$ 5,145,099,891	\$ 4,632,011,780	\$ 4,251,968,662
Ratio of Net Limited Assessed Value to Gross Full Cash Value	5%	5%	7%	7%	7%
Total Direct Rate	4.41	4.72	5.13	5.47	5.55
<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 108,335,175	\$ 99,545,865	\$ 91,170,396	\$ 86,685,736	\$ 88,769,446
Agricultural and Vacant	12,705,932	11,260,485	12,111,514	12,658,186	13,257,222
Residential (Owner Occupied)	100,580,183	92,738,166	82,853,013	72,812,666	66,423,404
Residential (Rental)	49,017,531	45,570,640	44,942,993	44,055,914	43,486,628
Railroad, Private Cars and Airlines	782,534	779,834	831,381	653,099	707,976
Historical Property					23,155
Certain Government Property Improvements		33,467			
Total	\$ 271,421,355	\$ 249,928,457	\$ 231,909,297	\$ 216,865,601	\$ 212,667,831
Gross Full Cash Value	\$ 3,764,134,521	\$ 3,341,807,620	\$ 2,965,326,105	\$ 2,729,351,774	\$ 2,448,365,106
Ratio of Net Limited Assessed Value to Gross Full Cash Value	7%	7%	8%	8%	9%
Total Direct Rate	5.66	5.58	5.88	5.97	5.93

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

Littleton Elementary School District No. 65
Net Full Cash Assessed Value of Taxable Property by Class
Last Ten Fiscal Years

<u>Class</u>	<u>Fiscal Year</u>				
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Commercial, Industrial, Utilities and Mining	\$ 281,686,606	\$ 224,623,529	\$ 190,648,687	\$ 177,408,946	\$ 164,952,441
Agricultural and Vacant	40,849,173	40,646,144	32,052,625	30,642,133	28,127,369
Residential (Owner Occupied)	409,092,720	306,113,044	223,172,818	198,736,605	179,091,351
Residential (Rental)	230,025,144	170,598,612	111,141,513	95,659,300	88,919,542
Railroad, Private Cars and Airlines	1,810,915	1,509,342	1,555,894	1,025,088	949,549
Certain Government Property Improvements		2			
Total	\$ 963,464,558	\$ 743,490,673	\$ 558,571,537	\$ 503,472,072	\$ 462,040,252
Gross Full Cash Value	\$ 9,237,265,079	\$ 7,030,042,848	\$ 5,145,099,891	\$ 4,632,011,780	\$ 4,251,968,662
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	10%	11%	11%	11%	11%
Estimated Net Full Cash Value	8,145,685,061	6,200,252,276	4,536,152,868	4,023,819,736	4,251,968,662
Total Direct Rate	4.41	4.72	5.13	5.47	5.55
<u>Class</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Commercial, Industrial, Utilities and Mining	\$ 150,547,318	\$ 130,477,328	\$ 118,188,274	\$ 112,013,804	\$ 102,727,234
Agricultural and Vacant	22,188,927	17,827,489	18,337,984	19,039,422	16,371,305
Residential (Owner Occupied)	154,841,087	139,013,726	117,126,150	102,125,338	91,097,821
Residential (Rental)	77,030,181	70,850,652	64,303,840	60,867,572	58,786,878
Railroad, Private Cars and Airlines	969,625	942,584	970,916	699,273	721,525
Historical Property					92,620
Certain Government Property Improvements		52,958			
Total	\$ 405,577,138	\$ 359,164,737	\$ 318,927,164	\$ 294,745,409	\$ 269,797,383
Gross Full Cash Value	\$ 3,764,134,521	\$ 3,341,807,620	\$ 2,965,326,105	\$ 2,729,351,774	\$ 2,448,365,106
Ratio of Net Full Cash Assessed Value to Gross Full Cash Value	11%	11%	11%	11%	11%
Estimated Net Full Cash Value	3,208,029,267	2,862,169,827	2,965,326,105	2,307,734,253	2,081,962,044
Total Direct Rate	5.66	5.58	5.88	5.97	5.93

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

Littleton Elementary School District No. 65
Property Tax Assessment Ratios
Last Ten Fiscal Years

Class	Fiscal Year				
	2025	2024	2023	2022	2021
Commercial, Industrial, Utilities and Mining	17 %	17 %	18 %	18 %	18 %
Agricultural and Vacant	15	15	15	15	15
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	14	14	15	15	15

Class	Fiscal Year				
	2020	2019	2018	2017	2016
Commercial, Industrial, Utilities and Mining	18 %	18 %	18 %	18 %	19 %
Agricultural and Vacant	15	15	15	15	16
Residential (Owner Occupied)	10	10	10	10	10
Residential (Rental)	10	10	10	10	10
Railroad, Private Cars and Airlines	15	14	15	14	15

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

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

Littleton Elementary School District No. 65
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30	Overlapping Rates										District Direct Rates		
	State Equalization	County	Community College District	Flood Control District	Water Conservation District	City of Avondale	City of Tolleson	Tolleson Union High School District No. 214	Primary	Secondary			
2025		1.16	1.10	1.47	0.14	1.46	2.68	4.70	1.67	2.74	4.41		
2024		1.20	1.14	0.15	0.14	1.46	2.64	5.31	1.82	2.90	4.72		
2023		1.25	1.19	0.16	0.14	1.55	2.68	5.41	1.97	3.17	5.13		
2022	0.43	1.35	1.23	0.18	0.14	1.42	2.75	4.73	2.18	3.29	5.47		
2021	0.44	1.40	1.29	0.18	0.14	1.42	3.53	4.71	2.17	3.37	5.55		
2020	0.46	1.40	1.33	0.18	0.14	1.65	3.72	5.01	2.24	3.42	5.66		
2019	0.47	1.40	1.38	0.18	0.14	1.76	3.83	4.45	2.20	3.38	5.58		
2018	0.49	1.40	1.41	0.18	0.14	1.60	3.99	3.94	2.42	3.46	5.88		
2017	0.50	1.40	1.47	0.18	0.14	1.70	3.97	3.57	2.33	3.64	5.97		
2016	0.51	1.36	1.49	0.16	0.14	1.75	3.97	4.01	2.48	3.45	5.93		

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

Note: There was no state equalization levy for the years ended June 30, 2023, June 30, 2024, and June 2025.

Littleton Elementary School District No. 65
Principal Property Taxpayers
Current Fiscal Year and Fiscal Year Nine Years Prior

Taxpayer	2025			2016		
	Net Limited Assessed Valuation	Percentage of District's Net Limited Assessed Valuation		Net Full Cash Assessed Valuation	Percentage of District's Net Full Cash Assessed Valuation	
SVC Manufacturing inc	\$ 14,838,961	3.35	%	\$ 18,246,900	6.76	%
Smiths food & drug centers inc	13,168,826	2.97		9,144,717	3.39	
Arizona Public Service Company	9,770,835	2.21		7,209,439	2.67	
J & J Coldwater LLC	8,824,509	1.99		3,785,487	1.40	
Phoenix Speedway Corp	8,819,837	1.99		4,125,756	1.53	
CPUS Fairway LP	6,548,078	1.48				
AVARI LLC	5,596,740	1.26				
JJC Avondale LLC	5,348,688	1.21				
SREIT loop 101 phase II LLC	4,784,713	1.08				
Crystal Springs Apartments, L.P.	4,027,388	0.91				
Mechanic (AZ) QRD 15-41, Inc				2,977,350	1.10	
AZEJM Land Holdings/Oxnard Commerceplex LLC				2,783,822	1.03	
Avondale Commerce LLC				2,381,880	0.88	
Ashton Pointe Apartments, L.P.				2,296,813	0.85	
D.H. Ventures, LLC				2,169,212	0.80	
Total	<u>\$ 81,728,575</u>	<u>18.45</u>	<u>%</u>	<u>\$ 55,121,376</u>	<u>20.43</u>	<u>%</u>

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

Littleton Elementary School District No. 65
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Collected to the End of the Current Fiscal Year		
		Amount	Percentage of Levy	Collections in Subsequent Fiscal Years	Amount	Percentage of Levy	
2025	\$ 19,415,923	\$ 18,890,845	97.30 %	\$ 100,648	\$ 18,890,845	97.30 %	
2024	18,322,421	17,758,602	96.92	553,097	17,859,250	97.47	
2023	17,931,891	17,370,903	96.87	509,478	17,924,000	99.96	
2022	16,915,936	16,400,610	96.95	617,154	16,910,088	99.97	
2021	16,287,360	15,666,296	96.19	464,854	16,283,450	99.98	
2020	15,395,349	14,926,252	96.95	400,926	15,391,106	99.97	
2019	14,044,116	13,637,320	97.10	427,379	14,038,246	99.96	
2018	13,692,709	13,264,299	96.87	395,921	13,691,678	99.99	
2017	12,252,638	11,856,051	96.76	221,086	12,251,972	99.99	
2016	12,519,102	12,297,642	98.23		12,518,728	100.00	

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

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

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

Littleton Elementary School District No. 65
Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	General Obligation Bonds						Total Outstanding Debt					
	Less: Amounts			Percentage of Estimated Actual Value (Full Cash Value)			Financed Purchases			Percentage of Estimated Actual Value (Full Cash Value)		
	General Obligation Bonds	Restricted for Principal	Total	Per Capita	Total	Per Capita	Total	Per Capita	N/A	%	Per Capita	Percentage of Personal Income
2025	\$ 44,860,481	\$ 322,188	\$ 44,538,293	0.49 %	\$ 827	\$ 7,298,785	\$ 52,159,266	0.56 %	\$ 961	N/A	%	
2024	47,658,811	458,416	47,200,395	0.68	885	1,090,084	48,748,895	0.69	905	0.02		
2023	49,932,141	774,430	49,157,711	0.97	939	1,255,510	51,187,651	0.99	962	0.02		
2022	52,805,471	511,280	52,294,191	1.14	1,126	1,416,612	54,222,083	1.17	1,157	0.02		
2021	25,248,293	328,815	24,919,478	0.59	550	1,573,504	26,821,797	0.63	584	0.01		
2020	27,181,067	605,343	26,575,724	10.01	602	1,726,295	28,907,362	10.65	640	0.01		
2019	26,034,718	639,408	25,395,310	10.42	594	2,004,381	28,039,099	11.22	640	0.01		
2018	25,643,368	825,793	24,817,575	11.06	582	2,269,038	27,912,406	12.04	633	0.01		
2017	23,517,018	654,955	22,862,063	10.84	537	359,950	23,876,968	11.01	545	0.01		
2016	22,704,838	411,700	22,293,138	10.68	535	462,677	23,167,515	10.89	545	0.01		

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

Note: N/A indicates that the information is not available.

Note: The provisions of the Governmental Accounting Standards Board (GASB) Statement No. 87 were adopted in fiscal year 2022. The standard replaces the previous capital and operating lease designations with financed purchases or leases depending on the substance of the transactions. The fiscal year 2016-2021 information within this column relates to the transactions previously designated as capital leases.

Littleton Elementary School District No. 65
Direct and Overlapping Governmental Activities Debt
June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable to School District	Estimated Amount Applicable to School District
Overlapping:			
Maricopa County Community College District	\$ 87,320,000	0.64 %	\$ 558,848
Maricopa County Special Health District	574,205,000	0.64	4,307,442
City of Avondale	67,194,737	37.60	25,265,221
City of Goodyear	343,735,863	0.01	34,374
City of Phoenix	6,464,480,388	0.36	23,272,129
City of Tolleson	18,683,600	18.22	3,404,152
Western Maricopa Education Center	98,510,000	1.73	1,704,223
Tolleson Union High School District No. 214	272,199,600	21.64	<u>58,903,993</u>
Subtotal, Overlapping Debt			<u>117,450,382</u>
Direct:			
Littleton Elementary School District No. 65	52,159,266	100.00	<u>52,159,266</u>
Total Direct and Overlapping Debt			<u>\$ 169,609,648</u>

Direct and Overlapping General Bonded Debt Ratios

Net Direct General Obligation Bonded Debt	
As a Percentage of Net Limited Assessed Valuation	10.06 %
Net Direct and Overlapping General Bonded Debt	
Per Capita	\$ 2,986
As a Percentage of Net Limited Assessed Valuation	36.57 %
As a Percentage of Gross Full Cash Value	0.52 %

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

Notes: 1) Estimated percentage of debt outstanding applicable to the District is calculated based on a portion of the District's net limited assessed valuation as a percentage of the net limited assessed valuation of the overlapping jurisdiction.

2) Outstanding debt as of June 30, 2024 is presented for the overlapping governments as this is the most recent available information.

Littleton Elementary School District No. 65
Legal Debt Margin Information
Last Ten Fiscal Years

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed valuation	\$ 963,464,558
Debt limit (10% of assessed value)	96,346,456
Debt applicable to limit	<u>44,292,397</u>
Legal debt margin	<u>\$ 52,054,059</u>

Total Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed valuation	\$ 963,464,558
Debt limit (15% of assessed value)	144,519,684
Debt applicable to limit	<u>44,292,397</u>
Legal debt margin	<u>\$ 100,227,287</u>

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Debt Limit	\$ 144,519,684	\$ 111,523,601	\$ 83,785,731	\$ 75,520,811	\$ 69,306,038
Total net debt applicable to limit	<u>44,292,397</u>	<u>46,907,397</u>	<u>49,005,000</u>	<u>51,965,000</u>	<u>24,975,000</u>
Legal debt margin	<u>\$ 100,227,287</u>	<u>\$ 64,616,204</u>	<u>\$ 34,780,731</u>	<u>\$ 23,555,811</u>	<u>\$ 44,331,038</u>

Total net debt applicable to the limit as a percentage of debt limit	31%	42%	58%	69%	36%
---	-----	-----	-----	-----	-----

	2020	2019	2018	2017	2016
Debt Limit	\$ 60,836,571	\$ 53,874,711	\$ 47,839,075	\$ 44,211,811	\$ 40,469,607
Total net debt applicable to limit	<u>26,885,000</u>	<u>25,705,000</u>	<u>25,280,000</u>	<u>23,120,000</u>	<u>22,255,000</u>
Legal debt margin	<u>\$ 33,951,571</u>	<u>\$ 28,169,711</u>	<u>\$ 22,559,075</u>	<u>\$ 21,091,811</u>	<u>\$ 18,214,607</u>

Total net debt applicable to the limit as a percentage of debt limit	44%	48%	53%	52%	55%
---	-----	-----	-----	-----	-----

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

Notes:

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

Littleton Elementary School District No. 65
County-Wide Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income (thousands)		Per Capita Income	Unemployment Rate		Estimated District Population
2024	4,726,247	\$	N/A	\$	N/A	3.1	%
2023	4,665,020		312,350,417		68,111	3.4	
2022	4,586,431		288,842,282		63,461	3.3	
2021	4,507,419		268,713,717		59,759	4.5	
2020	4,329,227		196,779,825		45,454	7.5	
2019	4,367,835		210,370,180		47,694	3.6	
2018	4,294,460		210,370,180		40,415	4.1	
2017	4,307,033		196,286,191		45,573	4.2	
2016	4,137,076		280,120,037		40,415	4.5	
2015	4,076,438		184,784,917		42,092	5.5	

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

Note: N/A indicates that the information is unavailable.

Littleton Elementary School District No. 65
Principal Employers
Current Fiscal Year and Fiscal Year Nine Years Prior

Employer	2025		2016	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
State of Arizona	28,870	1.49 %	49,800	2.71 %
Banner Health	28,350	1.47	24,825	1.35
Amazon	25,570	1.32		
Walmart	18,050	0.93	30,634	1.67
Maricopa County	15,320	0.79	12,792	0.70
Frys Food Stores	14,790	0.77		
Intel Corporation	12,990	0.67		
Wells Fargo	12,200	0.63	13,308	0.72
Maricopa County Community College District	11,670	0.60		
Arizona State University	10,970	0.57	11,185	0.61
City of Phoenix			15,100	0.82
Bank of America			13,300	0.72
Raytheon Co			11,500	0.63
Apollo Group Inc.			11,000	0.60
Total	<u>178,780</u>	<u>9.24 %</u>	<u>193,444</u>	<u>10.53 %</u>
Total employment	<u>1,933,200</u>		<u>1,836,600</u>	

Source: The source of this county-wide information is the Maricopa Association of Governments. The source of the "Total employment" for 2020 is the U.S. Department of Labor, Bureau of Labor Statistics, by Arizona Department of Administration, Office of Employment and Population Statistics. The source of the remaining information is Elliot D. Pollack & Co., the Greater Phoenix Economic Council, and the Arizona Department of Economic Security.

Littleton Elementary School District No. 65
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	Full-time Equivalent Employees as of June 30				
	2025	2024	2023	2022	2021
Supervisory					
Superintendent/principals	9	9	9	8	9
Assistant principals	8	8	8	8	7
Total supervisory	<u>17</u>	<u>17</u>	<u>17</u>	<u>16</u>	<u>16</u>
Instruction					
Teachers	303	317	323	335	327
Other professionals (instructional)	43	42	49	21	19
Aides	88	99	85	70	71
Total instruction	<u>434</u>	<u>458</u>	<u>457</u>	<u>426</u>	<u>417</u>
Support and Administration					
Managers	17	19	16	17	16
Other classified	161	165	290	147	127
Total support and administration	<u>178</u>	<u>184</u>	<u>306</u>	<u>164</u>	<u>143</u>
Total	<u>629</u>	<u>659</u>	<u>780</u>	<u>606</u>	<u>576</u>

(Continued)

Littleton Elementary School District No. 65
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Supervisory					
Superintendent/principals	8	8	8	8	8
Assistant principals	7	7	7	6	6
Total supervisory	<u>15</u>	<u>15</u>	<u>15</u>	<u>14</u>	<u>14</u>
Instruction					
Teachers	290	342	332	325	293
Other professionals (instructional)	12	21	21	36	24
Aides	94	92	81	76	83
Total instruction	<u>396</u>	<u>455</u>	<u>434</u>	<u>437</u>	<u>400</u>
Support and Administration					
Managers	16	16	16	17	10
Other classified	127	141	146	148	93
Total support and administration	<u>143</u>	<u>157</u>	<u>162</u>	<u>165</u>	<u>103</u>
Total	<u>554</u>	<u>627</u>	<u>611</u>	<u>616</u>	<u>517</u>

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

(Concluded)

Littleton Elementary School District No. 65
Operating Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30	Average Daily Membership	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Free/Reduced Students
2025	5,800	\$ 66,553,215	\$ 11,475	(5.19) %	\$ 74,509,136	\$ 12,846	(1.86) %	303	19.1	70.0 %
2024	5,570	67,415,223	12,103	18.33	72,908,417	13,089	4.51	317	17.6	69.0
2023	5,490	56,154,113	10,228	0.53	68,760,657	12,525	10.04	323	17.0	62.0
2022	5,323	54,160,841	10,175	14.10	60,587,314	11,382	6.29	335	15.9	76.8
2021	5,272	47,014,259	8,918	3.25	56,458,237	10,709	6.53	327	16.1	76.8
2020	5,838	50,421,797	8,637	3.66	58,688,545	10,053	13.98	290	20.1	78.9
2019	5,648	47,059,314	8,332	11.25	49,816,563	8,820	7.31	342	16.5	78.0
2018	5,599	41,932,915	7,489	(2.81)	46,021,723	8,220	(5.62)	332	16.9	81.0
2017	5,366	41,348,471	7,706	3.74	46,734,574	8,709	(2.77)	325	16.5	81.0
2016	5,165	38,365,046	7,428	(1.89)	46,267,647	8,958	(0.35)	293	17.6	81.0

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

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

Littleton Elementary School District No. 65
Capital Assets Information
Last Ten Fiscal Years

	Fiscal Year Ended June 30									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<u>Schools</u>										
Elementary										
Buildings	32	32	28	28	28	28	28	28	27	25
Square feet	743,540	767,627	678,804	678,804	678,804	678,804	678,804	678,804	658,092	586,505
Capacity	9,200	9,340	8,260	8,260	8,260	8,260	8,260	8,260	7,882	7,261
Enrollment	5,800	5,564	5,486	5,278	5,278	5,823	5,659	6,113	5,903	5,607
Administrative										
Buildings	4	3	3	3	3	3	3	3	3	3
Square feet	64,478	44,687	44,687	44,687	44,687	44,687	44,687	44,687	44,678	44,678
Transportation										
Garages	1	1	1	1	1	1	1	1	1	1
Buses	34	34	33	32	31	31	29	26	25	25

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