



Comprehensive Annual Financial Report of the Emery County School District

120 North Main Street
Huntington, Utah 84528

Laurel Johansen.....President of the Board
Kirk Sitterud.....Superintendent
Jared Black.....Business Administrator

*Prepared By: Jackie Allred, Accounting Specialist &
Jared Black, Business Administrator*

For the Fiscal Year Ended June 30, 2010

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Introductory Section

Section I: Unaudited

COMPREHENSIVE ANNUAL FINANCIAL REPORT

This section of the District's Comprehensive Annual Financial Report presents a general overview of the District and this report.

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BOARD MEMBERS

*Laurel Johansen,
President*

*Royd Hatt,
Vice President*

*Marie Johnson
Samuel Singleton
Nanette Tanner*

ADMINISTRATION

*Kirk L. Sitterud,
Superintendent*

*Jared Black,
Business
Administrator*

*Jon Crawford,
Director of
Student Services*

*Edward H. Clark,
Supervisor of
Applied Technology*

*Gwen Callahan,
Supervisor of
Secondary Education*

*Jed Jensen,
Supervisor of
Elementary Education*

*Jeneane Warren,
Director of
School Food Service*

*Roger Swenson,
Supervisor of
Transportation*

*Kerry Lake,
Supervisor of
Buildings and Grounds*

October 1, 2010

To the Members of the Emery County School District Board of Education and the Citizens of Emery County:

We are pleased to present Emery County School District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. This report is published to provide citizens, entities and other interested parties with both financial and non-financial information. This report is also intended to support the District's mission of providing a comprehensive education that will prepare students to take a proactive and responsible role in an ever-changing world.

State law requires that Emery County School District (the District) publish within five months of the close of each fiscal year a complete set of financial statements. These statements are to be presented in conformity with generally accepted accounting principles (GAAP) in the United States of America, and are audited by a licensed firm of certified public accountants 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 of the United States.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of management's discussion and analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in connection with it. The District's MD&A can be found immediately following the report of the independent auditors in the *Financial Section*.

INTERNAL CONTROLS

Management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a framework of internal controls to protect the District's assets from loss, theft, or misuse and to compile sufficiently reliable information for the preparation of the District's financial statements in conformity with GAAP.

The cost of internal controls should not outweigh their benefits, and consequently, the District's internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

INDEPENDENT AUDIT

Kimball and Roberts PC, a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the year ended June 30, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, evaluating the accounting principles used and significant estimates made by management, and assessing the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified ("clean") opinion that the District's financial statements for the year ended June 30, 2010, are fairly presented in conformity with GAAP. The independent auditor's report can be found as the first component of the *Financial Section* of this CAFR.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of the *Office of Management and Budget Circular A-133, Audits of States and Local Governments and Non-Profit Organizations*, are the authoritative standards governing Single Audit engagements. These reports are available in the compliance section of this report.

DISTRICT PROFILE

The Emery County School District was officially organized in 1915. The District is now one of 41 public school districts in Utah and serves around 2,360 students. Projected enrollment for the 2010-11 school year is 2,359. The major purpose of the District is to provide public education for those who reside within the boundaries of Emery County, located in central-eastern Utah. To accomplish this purpose, as of September 2010, the District services one 10-12 high school, one 7-12 high school, two 7-9 junior high schools, and six K-6 elementary schools.

In addition, the District offers several educational alternatives outside the traditional school setting. These alternatives include preschool training at four elementary schools, an adult education program, a comprehensive career and technical education program and concurrent enrollment classes where students simultaneously earn high school and college credits. Other offerings include advanced placement, special education, music, and many other programs in a variety of curriculum areas.

Emery County School District is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. The District is fiscally independent. Policy making and legislative authority are vested in the Board of Education, which in accordance with Utah Code 20A-14-202-1a, is comprised of five members. The Board of Education represents the Emery County citizenry and is elected from precincts which have been independently determined by Emery County. A map of the precinct boundaries is included in the *Introductory Section* of the report, on page 11. The Board of Education is elected locally on a non-partisan basis. Board members serve four-year terms on a staggered basis.

The Board of Education is responsible, among other things, for developing policy, adopting the annual budget, levying property taxes, incurring bonded debt, and appointing both the superintendent and business administrator. The superintendent and business administrator are responsible for carrying out the policies of the Board of Education and overseeing the day-to-day operations of the District.

The District has just over 300 employees working in a variety of professions, including:

▪ 130 Teachers / Counselors / Specialists	▪ 70 Educational Assistants
▪ 23 Custodians	▪ 20 Child Nutrition Workers
▪ 17 Bus Drivers	▪ 15 Secretaries
▪ 9 Principals	▪ 6 Maintenance Workers
▪ 8 Administrators	▪ 4 Technology Specialists
▪ 2 Accounting Specialists	▪ 1 Mechanic

ECONOMIC INDICATORS

State Economy: Utah, like all other States over the last 12 months, has experienced a significant bottoming-out of the economy. The Governor’s Office of Planning and Budget has recently reported the following information: Utah’s economy contracted during 2009 with overall employment declining 5.1% and unemployment doubling from an average of 3.4% in 2008 to an average of 6.6% in 2009. The State does continue to outperform the nation in unemployment with a rate of 7.4% in August 2010, compared to the national rate of 9.6%. The construction and manufacturing industries experienced significant job losses from August 2009 to August 2010 while the professional services, educational services and hospitality industries experienced growth during this period. The economic outlook calls for gradual strengthening through 2010.

The July 1, 2009 population estimate for Utah was 2.8 million, an increase of 1.5% from 2008. This population growth rate ranked Utah second among all states. Utah’s population is projected to reach 3.7 million in 2020, 4.4 million in 2030, 5.2 million in 2040, 6.0 million in 2050, and 6.8 million in 2060.

Personal income in Utah reached \$90.7 billion in the 2nd quarter of 2010, a 2.9% increase from the same period of 2009. National statistics for the same period are lower than those of Utah, showing a 2.2% increase. Utah ranks ninth in the nation in personal income growth by percentage.

In 2009, there were an estimated 563,273 students in Utah’s public education system; an increase of 12,260 students, or 2.2%, over 2008. It is noteworthy that these additional students have been integrated into the Utah public school system with no growth funding. These students are becoming increasingly diverse, and score respectably with their national peers.

Local Economy: Because of unique local factors, the economy in Emery County does not always parallel that of the State of Utah. Employment in Emery County revolves heavily around the energy and agricultural industries. Employment in farming, mining and energy production is a key component of the local economy.

Emery County had an estimated population of 10,848 on July 1, 2009. Population in the county has remained relatively flat over the last few years, with the population in 2001 being 10,473, a difference of only 375 from the 2009 estimate. Prior to 2001, historical numbers readily demonstrate an ebb and

flow of population in the County, based on the availability of mining and energy employment. Population reached an all-time high of 12,700 in 1982 and 1983. Net migration is typically in the negative.

Emery County historically has a slightly higher rate of unemployment than the State of Utah average. In August of 2010, the County saw an unemployment rate of 7.6%, 0.2% higher than the State rate of 7.4%. Significant job losses were sustained in the mining industry and jobs were gained primarily in the construction industry, but also in smaller numbers across several other industries. County unemployment continues to be far below the national average (9.6%). Historically, unemployment in the County peaked at 9.6% in January of 2003, and as recent as January of 2007 was at 3.2%. Current unemployment reflects a slow but steady increase since 2007.

Emery School District has experienced consistent and significant declining enrollment since 1993. However, the October 1st 2009 student enrollment count showed an increase of 60 students over the 2008 student enrollment. This is the first increase in enrollment of any amount since 1993. Based on birth rate numbers and the current size of classes in the District, it is anticipated that over the next five years, enrollment numbers will continue to slowly rise.

REVENUES

The District is dependent upon State aid, providing 41.3% of government-wide revenues and 48.6% of the general fund revenues. Due to significant Legislative budget cuts, these percentages are substantially lower than the prior two years, when State aid provided 43.6% (2009) and 50.3% (2008) of government-wide revenues and 53.8% (2009) and 60.9% (2008) of general fund revenues. Historically, the State Uniform School Fund was constitutionally established in 1938 and is used to allocate funding for statewide public education programs. Since 1947, all taxes based on income have been required to be used for public education. In 1996, voters in Utah approved a change providing that these revenues could also be used for higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

The overall government-wide State aid to the District decreased from 2009 to 2010 by \$821,591. In 2009, State aid had decreased from 2008 by \$1,326,467. Combined, this represents an 18% overall decrease in State revenues since 2008. The State's fiscal year 2010 school finance program is designed to provide every Utah school district with a basic operation program of \$2,577 per weighted pupil unit (WPU). This amount is identical to the 2009 amount, the first time since 1989 that the WPU was not increased from the prior year. In 2008, the WPU amount was \$2,514.

Locally generated property taxes comprised 41.5% of government-wide revenues and 38.5% of general fund revenues. Local taxable property values continue to rise—2.54% higher than last year. Local tax revenues have increased by \$708,671 in the last two fiscal years, primarily due to significant increases in the State Basic Levy, over which the District has no control. In 2008, the District did increase its voted leeway to a maximum of 0.001600, which also accounts for some of the increase in local revenues. The increase in local taxes has offset about one-third of the loss in State funding.

Federal funding accounted for 11.6% of government-wide revenues and 10.7% of general fund revenues. These Federal percentages are up from 6.6% and 5.5% respectively two years ago, due

mostly to one time funding made available through the American Recovery and Reinvestment Act. This one-time funding compensated for another portion of State revenue decreases.

BUDGETARY CONTROL

The District adopts an annual budget for revenues and expenditures. This budget serves as the financial operating plan for the entire fiscal year. Revisions may be implemented during the year. Said revisions are approved by the Board only after receiving citizen input through a public hearing. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance reserve. Each June, the District Superintendent submits to the Board a proposed operating budget for the next fiscal year, commencing July 1st. This budget includes proposed expenditures and the means of financing them. Also included is a final budget for the current fiscal year ending June 30th.

On or before June 22nd of each year, the Board of Education legally adopts, by resolution, its budget for the next fiscal year, after receiving taxpayer input. If the District exceeds the certified tax rate, a revised budget is adopted in August through the truth-in-taxation process.

In developing its budget, the District strives to estimate revenues and expenditures as accurately as possible. The level by which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budgeted revenue of a given fund.

MAJOR INITIATIVES / CAPITAL PROJECTS

Earmarked funding through the American Recovery and Reinvestment Act has allowed the District to improve curriculum and instructional technology resources in the Title I and Resource programs. This funding has also allowed for significant professional development and training opportunities for teachers and educational assistants working in these programs.

Buildings owned by the District are generally older, with most school buildings having been constructed between 1962 and 1981. Renovations and upgrades occur annually as needed, and the District strives to maintain its buildings at a high level. Consequently, although the buildings are older, they are generally in excellent condition. A capital budget approval process is used for major projects. District administration reviews annual requests for capital projects, and approves those which are most urgent. Projects requiring expenditures of more than \$10,000 are also approved by the Board of Education.

The last major building construction project was the completion of a new gymnasium at Green River High School in June of 2007. No building construction projects are currently planned, although the District does intend to develop a construction and renovation master plan for its buildings over the course of the next two years.

LONG TERM FINANCIAL PLANNING

The District was successful in planning for significant budget decreases, which did occur over the past two years. We do not expect revenues to increase in the near future and subsequently continue to be conservative in all budgeting processes and inasmuch as possible, to not use one-time funding sources for ongoing expenditures.

The District intends to develop a building committee in the next two years, made up of representatives from all communities served by the District. It will be the responsibility of this committee to review current buildings, future student projections, and to make recommendations to the Board of Education regarding future building needs and possible renovations to existing buildings along with possible bonding requirements.

SIGNIFICANT FINANCIAL POLICIES

The District maintains the following financial goals: a) to provide the best student education possible with the resources available, b) to maintain at least one month of operating expense in all fund balances, c) to identify revenue sources for all new supplemental programs prior to implementation, and d) to adequately fund and maintain basic programs.

AWARDS & ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Emery County School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. To be awarded a Certificate of Achievement, an entity must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. *This was the second year that the government has achieved this prestigious award.* We believe that our current report continues to meet the Certificate of Achievement program's requirements and we are submitting it to GFOA.

The District also received the Association of School Business Officials International's (ASBO) Certificate of Excellence in Financial Reporting for the year ended June 30, 2009. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by ASBO. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials and is also valid for a period of one year. *This was the second year the District has received this prestigious award.* We believe that this current report continues to meet the Certificate of Excellence program's requirements and we are submitting it to ASBO.

We wish to acknowledge principals, secretaries, and many other employees of the departments and schools in the District who play a critical role in the management, accurate processing, and timely closing of the District's financial records. Their expertise and professionalism is greatly appreciated.

We would also like to express appreciation to all individuals who assisted in the preparation of this report. Special appreciation is given to Jackie Allred, Accounting Specialist, who is the major contributor in preparation of this report. We would also like to thank the members of the Board of Education for their interest and support in conducting the financial affairs of the District in a responsible and progressive manner.

Respectfully submitted,



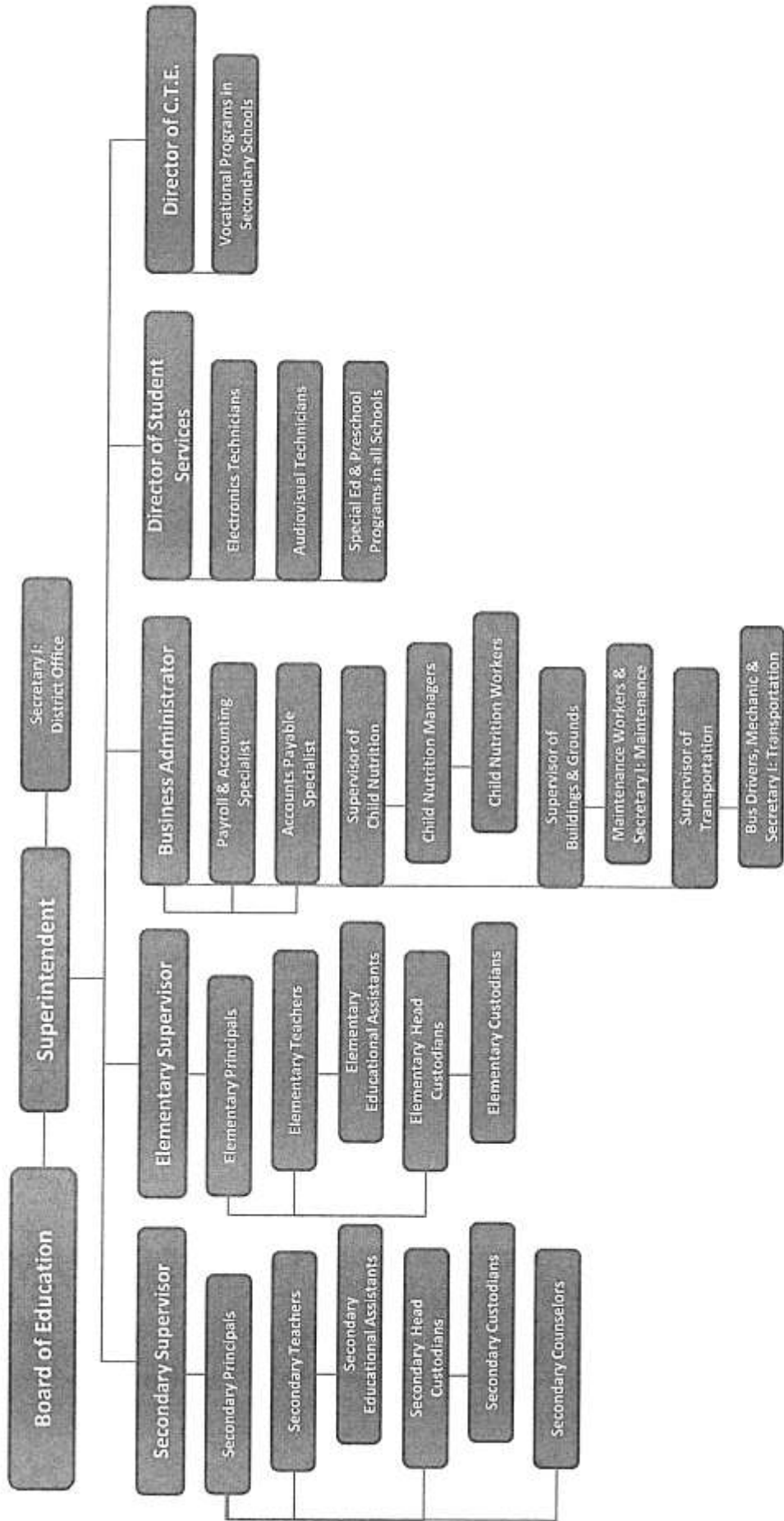
Kirk L. Sitterud, Superintendent of Schools



J. Jared Black, Business Administrator



ORGANIZATION CHART FOR EMERY COUNTY SCHOOL DISTRICT



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Emery County School
District, Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "JEFFREY R. EMER".

President

A handwritten signature in black ink, appearing to read "JEFFREY R. EMER".

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

EMERY COUNTY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2009

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director

Emery County School District
Elected and Appointed Officials
June 30, 2010

Elected Officials

<u>Members of the Board of Education</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
Sam Singleton Precinct I	January 3, 2009	January 7, 2013	January 2001
Nanette Tanner Precinct II	January 5, 2009	January 7, 2013	January 2009
Laurel Johansen <i>President of the Board</i> Precinct III	January 3, 2009	January 7, 2013	January 1997
Marie Johnson Precinct IV	January 1, 2007	January 3, 2011	November 1990
Royd Hatt <i>Vice President of the Board</i> Precinct V	January 1, 2007	January 3, 2011	July 1989

Appointed Officials

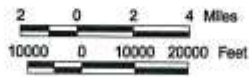
Kirk Sitterud Superintendent	July 2008	July 2010	July 1997
Jared Black Business Administrator	January 2009	January 2011	January 2007

The term of office for a Board Member is four years, beginning on the first Monday in January following the November election.

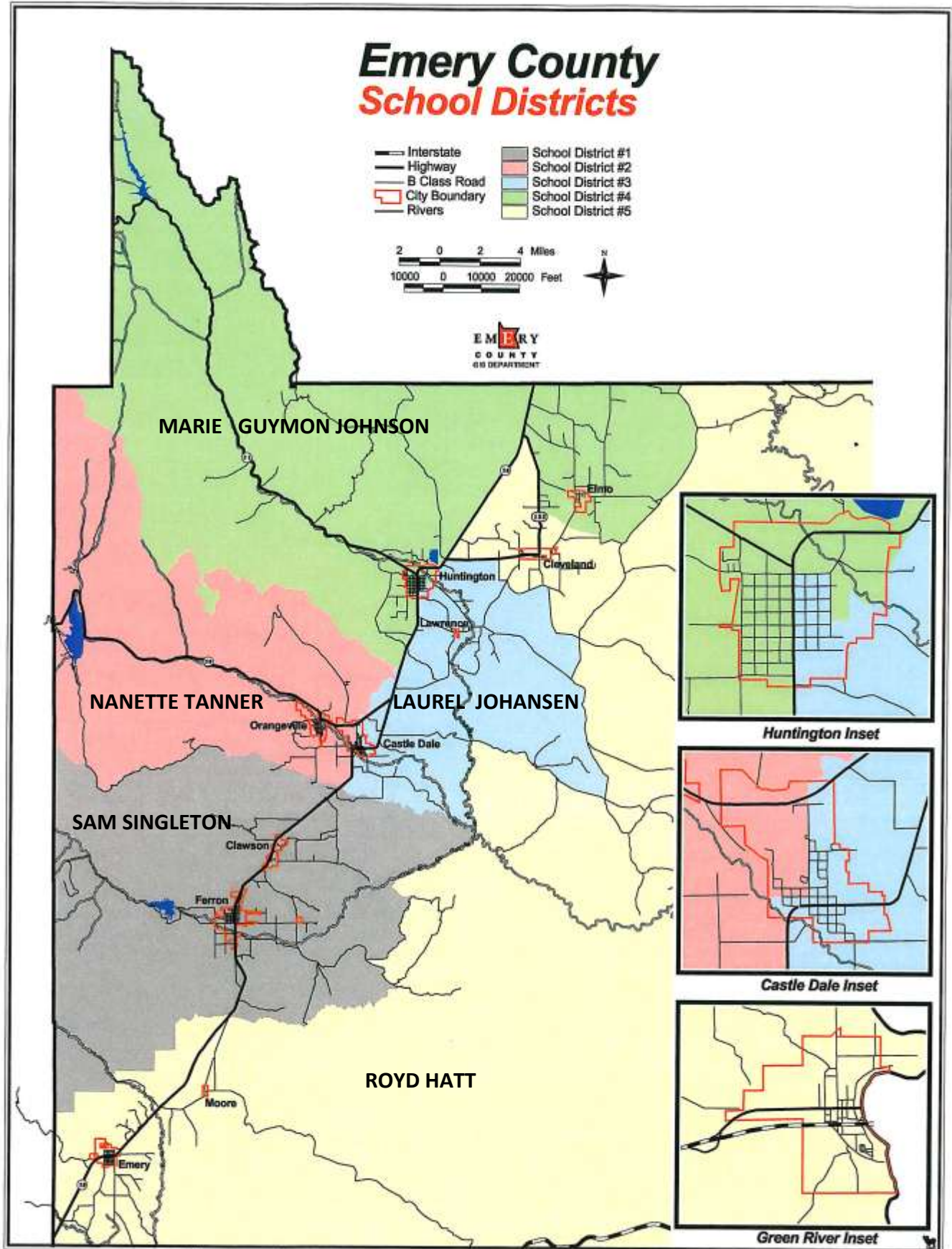
The term of office of the Superintendent and Business Administrator is two years.

Emery County School Districts

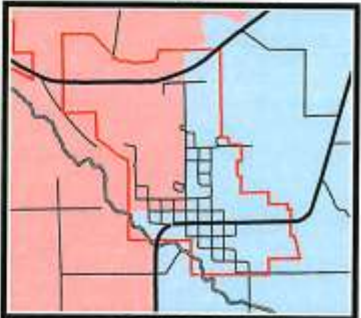
- Interstate
- Highway
- B Class Road
- City Boundary
- Rivers
- School District #1
- School District #2
- School District #3
- School District #4
- School District #5



EMERY COUNTY GIS DEPARTMENT



Huntington Inset



Castle Dale Inset



Green River Inset

This map is made for viewing purposes only. Emery County assumes no liability for the accuracy of this map. Map printed on 10/27/00

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Financial Section

Section II: Audited

COMPREHENSIVE ANNUAL FINANCIAL REPORT

This section of the District's Comprehensive Annual Financial Report presents information required by Generally accepted accounting principles (GAAP).

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Independent Auditor's Report: The independent auditor's report describes the audit, the nature and scope of the audit, And the auditor's opinion.	12-13
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Kimball & Roberts

Certified Public Accountants

A Professional Corporation

Box 663

Richfield, Utah 84701

Phone 896-6488

INDEPENDENT AUDITOR'S REPORT

Emery County School Board
Emery County School District
Huntington, Utah 84528

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Emery County School District as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Emery County School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.


In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Emery County School District as of June 30, 2010, and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 14, 2010, on our consideration of Emery County School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Emery County School Board
Emery County School District

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Emery County School District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Emery County School District. The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.


KIMBALL & ROBERTS, P. C.
Certified Public Accountants

September 14, 2010
Richfield, Utah

As management of the Emery County School District (District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2010.

FINANCIAL HIGHLIGHTS

The financial position of the District continues to improve. The following highlights are a summary of the District's financial position in several areas that help measure the District's financial performance for the fiscal year ended June 30, 2010.

- A. Government-Wide Assets.** The District's total net assets exceeded liabilities by \$26.3 million at the close of this fiscal year.
- B. Government-Wide Financial Progress:** During the year, government-wide expenses were \$966,616 less than the \$23.8 million generated in taxes and other revenues for governmental activities.
- C. Governmental Fund Financial Progress:** Even with significant State funding reductions, the combined fund balance increased by \$230,369 and is the result of fund balance increases in both restricted and unrestricted programs throughout all funds. The previous year's combined fund balance increase was \$387,462.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- A. Government-Wide Financial Statements.**
 - 1. 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.
 - 2. The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
 - 3. The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets 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 the statement of

activities for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 25-26 of this report.

B. Fund Financial Statements.

A *fund* is a group of related accounts that are used to maintain control over resources segregated for specific objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the District can be divided into two categories: governmental funds and fiduciary funds.

1. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resource available at the end of the fiscal year.

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

The District maintains six governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and the capital projects fund; both of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual data for each of these governmental funds is found in the *combining statements and schedules*.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 27-31 of this report.

2. *Fiduciary Funds* are used to account for resources held for the benefit of parties outside the government entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The District uses an agency fund to account for resources held for student activities and groups. The basic fiduciary fund financial statement can be found on page 32 of this report.

C. Notes to the Basic Financial Statements.

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 33-45 of this report.

D. Other Information.

The combining and individual fund financial statements and schedules referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the basic financial statements, on pages 46-59. Additional financial and non-financial statistical data and trends are presented in the statistical section of the report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The following section will provide additional information on the status of the District's net assets, as well as changes in net assets from the prior year.

A. Net Assets – Governmental Activities

For the fiscal year ended June 30, 2010, District assets exceeded liabilities by \$26.3 million. Notable information related to net assets includes the following:

1. The largest portion of the District's net assets (67.7%) reflects investment in capital assets (e.g., land, water stock, buildings and improvements, and furniture and equipment) less any related debt (general obligation bonds payable and obligations under capital leases less unspent bond proceeds) used to acquire those assets that are still outstanding.
2. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.
3. An additional portion of the District's net assets (24.0%) represents resources that are subject to external restrictions on how they may be used.
4. The remaining balance of net assets is classified as *unrestricted net assets* (8.3%) and may be used to meet the District's ongoing obligations to students, employees, and creditors.

Net Assets June 30, 2010 and 2009

	Governmental Activities		Total
	2010	2009	Change
Current and other assets	\$ 21,021,137	\$ 20,493,417	\$ 527,720
Capital assets	17,785,235	18,146,508	(361,273)
Total assets	<u>38,806,372</u>	<u>38,639,925</u>	<u>166,447</u>
Long-term liabilities outstanding	560,595	1,657,656	(1,097,061)
Other liabilities	11,951,495	11,654,603	296,892
Total liabilities	<u>12,512,090</u>	<u>13,312,259</u>	<u>(800,169)</u>
Net assets:			
Invested in capital assets, net of related debt	17,785,235	17,867,508	(82,273)
Restricted	6,317,521	2,998,160	3,319,361
Unrestricted	2,291,526	4,461,998	(2,270,472)
Total net assets	<u>\$ 26,294,282</u>	<u>\$ 25,327,666</u>	<u>\$ 966,616</u>

At the end of the current fiscal year, the District shows a large increase in the restricted net assets with a sizable decrease in the unrestricted net assets. This is due mostly in part to the implementation of GASB 54 where fund balances are categorized with only the general fund being able to have unrestricted fund balances. All other funds that are not restricted from outside sources are now restricted based on the single-purpose of the funds.

B. Changes in Net Assets – Governmental Activities

Total net assets of the District increased by \$966,616 during the current fiscal year. The following discussion and analysis focuses on this increase – see chart on next page.

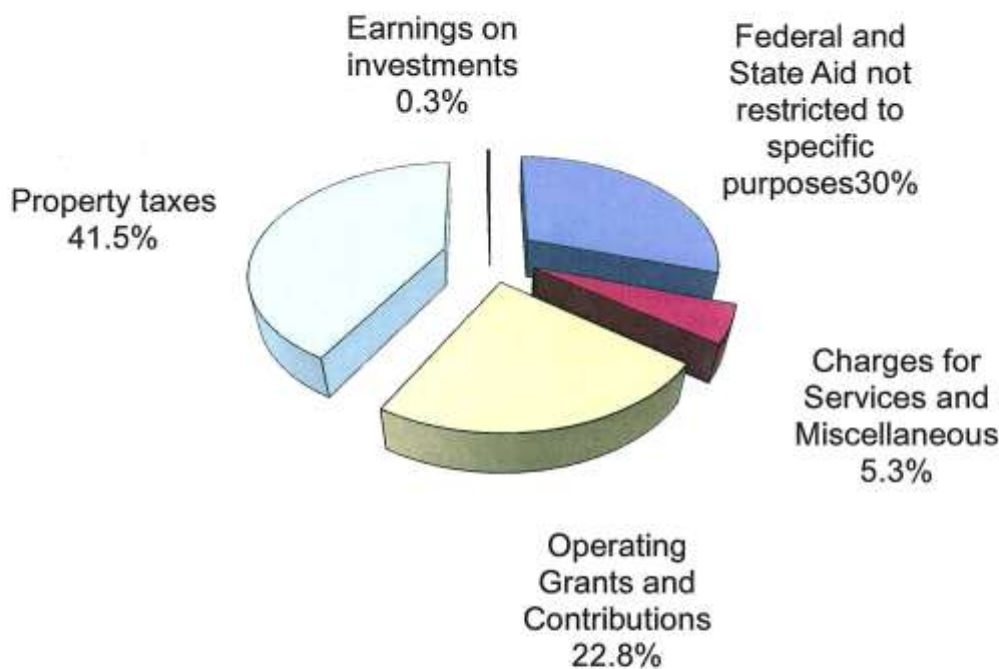
1. Total revenues took a 2.7% cut with current year revenues at \$23.8 compared to prior year revenues at \$24.4 million. However, expenses were also decreased by the same margin.
2. Total combined Federal and State aid added up to 52.9% of the District's revenues; while property taxes generated 41.5% of the District revenues. The remainder of revenues came from other locally generated sources.
3. Revenues from operating grants and contributions decreased substantially compared to the prior year due to one-time Federal funding to the District through the American Recovery and Reinvestment Act (ARRA) received in FY09.

Changes in Net Assets June 30, 2010 and 2009

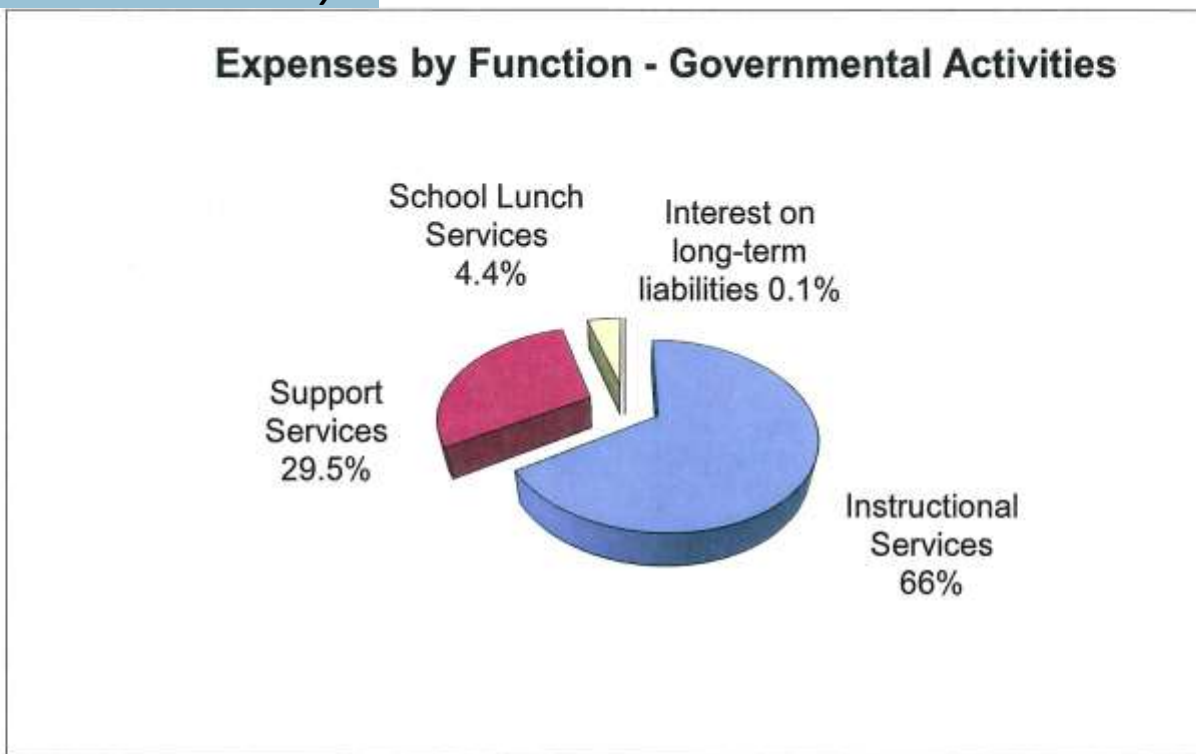
	Governmental activities		Increase (Decrease)
	2010	2009	from Fiscal 2009
Revenues:			
Program revenues:			
Charges for services	\$ 557,774	\$ 387,590	\$ 170,184
Operating grants and contributions	5,427,449	6,144,620	(717,171)
General revenues:			
Property taxes	9,868,704	9,608,210	260,494
Federal and state aid not restricted to specific purposes	7,136,267	7,197,881	(61,614)
Earnings on investments	75,031	215,553	(140,522)
Miscellaneous	691,758	854,402	(162,644)
Total revenues	23,756,983	24,408,256	(651,273)
Expenses:			
Instructional services	15,059,008	15,572,891	(513,883)
Supporting services:			
Students	428,005	425,282	2,723
Instructional staff	389,327	359,631	29,696
District administration	359,100	469,207	(110,107)
School administration	1,472,803	1,580,642	(107,839)
Business	320,087	311,104	8,983
Operation and maintenance of facilities	2,607,105	2,616,731	(9,626)
Transportation	1,145,681	1,052,445	93,236
School Lunch services	998,750	979,697	19,053
Interest on long-term liabilities	10,501	27,796	(17,295)
Total expenses	22,790,367	23,395,426	(605,059)
Increase (decrease) in net assets	966,616	1,012,830	(46,214)
Net assets - beginning	25,327,666	24,314,836	1,012,830
Net assets - ending	\$ 26,294,282	\$ 25,327,666	\$ 966,616
Revenue per pupil:			
Local	4,833	4,899	\$ (66)
State	4,236	4,713	(477)
Federal	1,188	1,201	(13)
Total revenue per pupil	\$ 10,258	\$ 10,813	\$ (555)
Expense per pupil	\$ 9,840	\$ 10,370	\$ (530)
Student population	2,316	2,256	60

- Changes in Federal and State aid are a reflection of changes in funding for specific programs and changes in student enrollment. State aid is based primarily on weighted pupil units (WPU) and other appropriations. If a student is in membership a full 180 days, the State awards the District one WPU. The State guarantees that if local taxes do not provide money equal to the guarantee it will make up the difference with State funding. The value of the WPU did not change during the year ended June 30, 2010 (\$2,577 during 2010 as well as 2009).

Revenues by Source - Governmental Activities



5. For expenses, Instructional services saw the largest dollar difference from the prior year with a decrease of \$513,883 or 3.3%. A portion of the decrease is seen in salaries and benefits because of reduction in staff.
6. The largest categorical percentage decrease in expenses (23.4%) was in District Administration due to an absence of a judgment levy expense that was \$119,000 in FY09.
7. There were not any changes to the Licensed salary schedule nor the Classified or Child Nutrition salary schedules reflecting the decrease in funding. The District's health insurance committee voted to continue with the contract with Aetna Insurance Company but decreasing the coverage. However, health insurance premiums still increased by 13.3% with the employee now being charged half the increase of 6.7%. Dental premiums were not significantly changed.
8. Depreciation expenses of \$973,354 were allocated to the appropriate functions according to percent of total expenses, with the largest being Instruction of 61%.



FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

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

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. Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, committed, assigned, and unassigned portions. Restricted fund balance indicates the portion of the District's fund balances that are not available for appropriation. The District has designated portions of the unassigned fund balance to earmark resources for certain government-wide liabilities and post employment obligations that are not recognized in the governmental funds.

Fund balances of debt service, capital projects, and other governmental funds are restricted by State law to the purpose of the fund and are not available for discretionary spending.

As the District completed the fiscal year, its governmental funds reported a combined fund balance of \$9,069,642; which is \$230,369 higher than the previous year. The primary factors of this increase mirror those highlighted in the analysis of governmental activities. In addition, the following changes should be noted:

A. General Fund

1. The *General Fund* is the chief operating fund of the District. At the end of the current fiscal year, the unassigned fund balance was \$2,230,855 while the total fund balance

was \$4,015,092. The unassigned fund balance increased by \$50,792 while the total fund balance decreased by \$75,535, or 1.8%.

2. State revenues were decreased from FY09 reflecting the state's slower economy by \$807,533 or 8%. This was partially substituted by federal ARRA stimulus funding of \$569,400 recognized in the social security/retirement line item. This helped the district to keep lower class sizes as the one-time ARRA funding in FY09 of \$942,756 was no longer available. The district recognized nine retirees, eight that were not replaced, and also had 4 other positions eliminated with the reduction in force policy for the FY10 school year. There were not any pay increases approved, and an employee portion of the medical insurance was introduced.
3. Expenditures for general District purposes totaled \$19.4 million, an increase of 1.7% over the prior fiscal year. Instructional services totaled 66% of general fund expenditures.
4. General fund salaries totaled \$10.7 million; the associated employee benefits of retirement, social security, and insurance (health, dental and accident, industrial, and unemployment) adds \$5.5 million for a total of \$16.2 million, or 84% of total general fund expenditures used on salaries and benefits.

B. Other Major Funds

The *Capital Projects Fund* has a total fund balance of \$3,725,982, an increase of \$459,803 from FY09, all of which is for the acquisition of capital assets and the purchase of supplies and related expenditures.

C. Non-Major Funds

1. The *Other Governmental Funds* consist of the Student Activities Fund, Non K-12 Programs Fund, Debt Service Fund and the School Food Service Fund. The *Student Activities Fund* reflects the monies spent at the school level for instruction. The ending balance had an increase of \$9,689 or 3.9%, totaling \$259,388.
2. The *Non K-12 Programs Fund* had a positive change of \$45,664, with a total fund balance of \$702,788. Of this, \$101,708 is restricted for programs.
3. The *Debt Service Fund* has now been exhausted of all fund balance with the last general obligation bond payment being made this year and the residual balances being transferred to the Capital Outlay Fund. See Note # 7 and 9 for more detail.
4. The School Food Service fund has a total fund balance of \$366,392 with \$74,340 as inventories. The School Food Service fund also had an increase in fund balance of \$119,446, or 33%, this year.

GENERAL FUND BUDGETARY ADJUSTMENTS AND HIGHLIGHTS

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$3,193,659 in total general fund expenditures. The most significant changes include:

- A. After finalizing FY09 and after the FY10 original budget is passed, carry-forward balances for designated programs were added to the budget in the amount of \$1,896,478, which accounts for 59% of the increase of revenue. This carry-over funding was added to instructional services in the expenditures which accounts for 69% of that increase.
- B. The District added the use of unrestricted fund balance of \$200,000 to decrease the Longevity Benefit Liability. This liability is now reduced to just the catch-up provision that is to be paid out at employee's time of retirement. More details concerning this liability is explained in Note #5.
- C. Approximately half of the 10% of basic tax levy, or \$534,267, was transferred to the General Fund property tax revenue budget from the Capital Outlay Fund budget to comply with the Utah State Office of Education's recommendations for recognizing expenditures for supplies and books. This accounts for 71% of the property tax revenue increase and 20% of the instructional services function increase on the expenses.
- D. The elimination of the longevity benefit liability was an additional \$593,000 charged to instructional services reflecting 22% of the increase.
- E. There was a decrease of another \$40,000 or 40% in the anticipated interest revenues due to the continuous declining of interest rates. This revenue item has decreased 79% since FY08.

Actual expenditures were \$2,681,047 below the final amended budgeted amounts. The most significant positive variance was \$2,398,931 in instructional services. This is a result of an intentional effort of the District to conserve monies for use in future years as a result of lower anticipated revenues due to the current economic conditions. To illustrate this, the carry over balances as of June 30, 2010 total \$1,784,237, or 74% of this variance.

On the other hand, actual revenues were \$2,746,582 below the final budgeted amount. The final budget included a total use of fund balance of \$2,231,577. None of this fund balance was actually used, which accounts for 81% of the revenue difference between final budget and actual. There is also a noticeable difference in budget to actual in the Federal aid revenues. The ARRA stimulus funding for Special Ed, Preschool, and Title One programs were received with the time limit of two years and are included in the budget at their full amounts. Such grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met; unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

A. Capital Assets

The capital projects fund is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District.

Capital assets at June 30, 2010 and 2009 are outlined below:

Capital Assets (Net of Accumulated Depreciation)

	Governmental activities	
	2010	2009
Land	\$ 674,190	\$ 674,190
Water Stock	212,595	212,595
Buildings and improvements	14,852,974	15,318,364
Furniture and equipment	842,013	794,430
Vehicles	1,203,463	1,146,929
Total capital assets, net of depreciation	\$ 17,785,235	\$ 18,146,508

Additional information on the District's capital assets can be found in Note 4 to the basic financial statements on page 40.

B. Debt Administration

On June 25, 1996, by a 70% margin, the public voted to authorize the District to issue \$15,000,000 in general obligation bonds for the construction of a new physical education / higher education facility, renovation of existing school facilities and related equipment and improvements. This debt authorization was sought to construct new, larger, more modern facilities, to better serve student and community needs, and to take advantage of modern technology.

On August 1, 1996, the District issued \$9,990,000 in general obligation bonds. Final payment on that debt was made in June 2002. On April 1, 1998, the District issued \$2,000,000 in general obligation bonds. That issue was retired in June of 2003. On May 1, 2002, the District issued \$1,500,000 in general obligation bonds. That issue was also retired in June of 2007. On June 11, 2004, the District issued \$1,510,000 in general obligation bonds. With this issuance, the \$15 million in general obligation bonds authorized by voters in 1996 was finalized. As of June 30, 2010, the district's bonded indebtedness has been eliminated with all bonds now being retired.

The general obligation bonded debt of the District is limited by State law to 4% of the fair market value of the total taxable property in the District. The legal limit at June 30, 2010 is \$73.12 million. Net general obligation debt at June 30, 2010 is \$0 (see table below), leaving the debt-incurring capacity at \$73.12 million.

Outstanding Debt

	Governmental activities	
	2010	2009
General Obligation Bonds	\$ -	\$ 279,000

Additional information on the District's long-term debt can be found in Note 7 to the basic financial statements.

CHANGING ENROLLMENT IN THE DISTRICT

The components of changing enrollment are net migration and the kindergarten to grade 12 (K-12) differentials. The K-12 differential is the difference between the class size of the grade 12 leaving, and the class size of the kindergarten students entering the District in a given year. District births and number of students per grade are known data. Growth would occur if the number of kindergarten students entering the District exceeds the number of grade 12 students leaving the District. Declining enrollment would occur if the number of grade 12 students leaving the District exceeds the number of kindergarten students entering the District, provided all other factors remain constant. After many years of consistent declining enrollment, the District now has a four-year projection of stabilized to slightly increasing enrollment. Birth rates to project the fifth year is not yet available from Utah Department of Health Services.

Projected Enrollment (2011-2014)

2011	2012	2013	2014
2,356	2,360	2,405	2,422

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Emery County School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Emery County School District, PO Box 120, Huntington, UT 84528.

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EMERY COUNTY SCHOOL DISTRICT
Statement of Net Assets
June 30, 2010

	<u>Governmental Activities 2010</u>
Assets:	
Current Assets:	
Cash and investments	\$ 10,375,610
Receivables:	
Property taxes	10,063,712
Other governments	485,580
Other	13,463
Inventories	82,772
Capital Assets:	
Land and water stock	886,785
Other capital assets, net of accumulated depreciation	16,898,450
Total assets	<u>38,806,372</u>
Liabilities:	
Current Liabilities:	
Accounts payable	313,446
Accrued wages	1,079,211
Accrued payroll liabilities	548,376
Unearned revenue:	
Property taxes	10,010,462
Leave, retirement, and longevity benefit liability due within one year	158,020
Noncurrent Liabilities:	
Leave and retirement liability due in more than one year	402,575
Total liabilities	<u>12,512,090</u>
Net Assets:	
Invested in capital assets, net of related debt	17,785,235
Restricted for:	
General	1,523,015
Student Activity	259,388
Non K-12	702,788
School Food Service	292,052
Capital Outlay	3,540,278
Unrestricted	2,191,526
Total net assets	<u>\$ 26,294,282</u>
Total Liabilities and Net Assets	<u>38,806,372</u>

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

EMERY COUNTY SCHOOL DISTRICT
Statement of Activities
Year Ended June 30, 2010

Functions	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Total Governmental Activities
Governmental activities:				
Instructional services	15,059,008	\$ 247,040	\$ 4,417,585	\$ (10,394,383)
Supporting services:				
Students	428,005	-	187,139	(240,866)
Instructional staff	389,327	-	10,040	(379,287)
District administration	359,100	-	8,115	(350,985)
School administration	1,472,803	-	24,346	(1,448,457)
Business	320,088	-	-	(320,088)
Operation and maintenance of facilities	2,607,105	-	1,875	(2,605,230)
Transportation	1,145,681	9,261	-	(1,136,420)
School lunch services	998,750	301,473	778,349	81,072
Interest on long-term liabilities	10,501	-	-	(10,501)
Total school district	<u>22,790,367</u>	<u>\$ 557,774</u>	<u>\$ 5,427,449</u>	<u>(16,805,144)</u>
General revenues:				
Property taxes levied for:				
General purposes				6,807,421
Transportation				536,440
Recreation				768,897
Capital outlay				1,755,946
Federal and state aid not restricted to specific purposes				7,136,267
Earnings on investments				75,031
Miscellaneous				691,758
Total general revenues				<u>17,771,760</u>
Change in net assets				966,616
Net assets - beginning				<u>25,327,666</u>
Net assets - ending				<u>\$ 26,294,282</u>

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

EMERY COUNTY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2010

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Capital Outlay</u>		
Assets:				
Cash and investments	\$ 5,383,189	\$ 3,728,419	\$ 1,264,002	\$ 10,375,610
Receivables:				
Property taxes	7,514,930	1,772,574	776,208	10,063,712
Other governments	395,916		89,664	485,580
Other receivables	13,463		-	13,463
Inventories		8,432	74,340	82,772
Total assets	<u>\$ 13,307,498</u>	<u>\$ 5,509,425</u>	<u>\$ 2,204,214</u>	<u>\$ 21,021,137</u>
Liabilities and fund balances:				
Liabilities:				
Accounts payable	\$ 293,973	\$ 17,933	\$ 1,540	\$ 313,446
Accrued Wages	978,146		101,065	1,079,211
Accrued payroll benefits	548,376			548,376
Deferred revenue:				
Property taxes	7,471,911	1,765,510	773,041	10,010,462
Total liabilities	<u>9,292,406</u>	<u>1,783,443</u>	<u>875,646</u>	<u>11,951,495</u>
Fund Balances:				
Nonspendable		8,432	74,340	82,772
Restricted for Programs	1,523,015		101,708	1,624,723
Restricted for Fund		3,540,278	1,152,520	4,692,798
Committed for Construction		130,918		130,918
Assigned by LEA	261,222	46,354		307,576
Unassigned	2,230,855			2,230,855
Total fund balances	<u>4,015,092</u>	<u>3,725,982</u>	<u>1,328,568</u>	<u>9,069,642</u>
Total liabilities and fund balances	<u>\$ 13,307,498</u>	<u>\$ 5,509,425</u>	<u>\$ 2,204,214</u>	<u>\$ 21,021,137</u>

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

EMERY COUNTY SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2010

Total fund balances for governmental funds	\$	9,069,642
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Total net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds. Those assets consist of:

Land	\$	674,190	
Water stock		212,595	
Buildings and improvements, net		14,852,974	
Furniture and equipment, net		842,013	
Vehicles, net		1,203,463	17,785,235

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for general obligation bonds is now non applicable because of the bond being completed.

-

Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets. Balances at year-end are:

Bonds payable		-	
Longevity Liability		(102,634)	
Accrued vacation		(330,859)	
Early retirement payable		(127,102)	(560,595)

Total net assets of governmental activities	\$	26,294,282
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The notes to the financial statements are an integral part of this statement.

EMERY COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2010

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Capital Outlay</u>		
Revenues:				
Property taxes	\$ 7,408,262	\$ 1,698,350	\$ 762,092	\$ 9,868,704
Earnings on investments	41,520	24,830	8,681	75,031
School food service sales			301,473	301,473
Other local sources	392,931	24,944	530,744	948,619
State aid	9,363,062	50,000	398,296	9,811,358
Federal aid	2,060,724		691,634	2,752,358
Other	-		(560)	(560)
Total revenues	<u>19,266,499</u>	<u>1,798,124</u>	<u>2,692,360</u>	<u>23,756,983</u>
Expenditures:				
Current:				
Instructional services	12,868,242		1,554,139	14,422,381
Supporting services:				
Students	428,005			428,005
Instructional staff	389,327			389,327
District administration	310,432			310,432
School administration	1,565,442			1,565,442
Business	310,354			310,354
Operation and maintenance of facilities	2,439,188		1,501	2,440,689
Transportation	1,097,013			1,097,013
School food services			959,816	959,816
Capital outlay		1,313,195		1,313,195
Debt service:				
Principal retirement			279,000	279,000
Interest and fiscal charges			10,960	10,960
Total expenditures	<u>19,408,003</u>	<u>1,313,195</u>	<u>2,805,416</u>	<u>23,526,614</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(141,504)</u>	<u>484,929</u>	<u>(113,056)</u>	<u>230,369</u>
Other financing sources (uses):				
Transfer Remainder Debt Serv	-	40,843	(40,843)	-
Transfer one-time to General	65,969	(65,969)	-	-
Total other financing sources (uses)	<u>65,969</u>	<u>(25,126)</u>	<u>(40,843)</u>	<u>-</u>
Net change in fund balances	(75,535)	459,803	(153,899)	230,369
Fund balances - beginning	<u>4,090,627</u>	<u>3,266,179</u>	<u>1,482,467</u>	<u>8,839,273</u>
Fund balances - ending	<u>\$ 4,015,092</u>	<u>\$ 3,725,982</u>	<u>\$ 1,328,568</u>	<u>\$ 9,069,642</u>

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

EMERY COUNTY SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Government Funds to the Statement of Activities
Year Ended June 30, 2010

Net change in fund balances-total governmental funds \$ 230,369

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for furniture and equipment and \$50,000 for buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 619,574	
Loss on disposal of capital assets	(7,493)	
Depreciation expense	(973,354)	(361,273)

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Repayment of bond principal	279,000	
Interest expense - general obligation bonds	459	279,459

In the statement of activities, certain operating expenses - compensated absences (sick leave), termination benefits (early retirement) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, accrued vacation increased by \$4,730, early retirement payable decreased by \$212,576 and longevity benefit decreased by \$610,215.

818,061

Change in net assets of governmental activities \$ 966,616

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

EMERY COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 6,653,595	\$ 7,413,565	\$ 7,408,262	\$ (5,303)
Earnings on investments	100,000	60,000	41,520	(18,480)
Other local sources	325,949	405,828	392,931	(12,897)
State aid	9,392,391	9,368,513	9,363,062	(5,451)
Federal aid	1,742,744	2,533,598	2,060,724	(472,874)
Uses of Fund Balance	135,099	2,231,577		(2,231,577)
Total revenues	<u>18,349,778</u>	<u>22,013,081</u>	<u>19,266,499</u>	<u>(2,746,582)</u>
Expenditures:				
Current:				
Instructional services	12,510,244	15,267,173	12,868,242	2,398,931
Supporting services:				
Students	421,416	442,146	428,005	14,141
Instructional staff	372,590	406,866	389,327	17,539
District administration	315,559	317,385	310,432	6,953
School administration	1,581,243	1,575,014	1,565,442	9,572
Business	299,416	332,522	310,354	22,168
Operation and maintenance of facilities	2,363,507	2,594,592	2,439,188	155,404
Transportation	1,031,416	1,153,352	1,097,013	56,339
Total expenditures	<u>18,895,391</u>	<u>22,089,050</u>	<u>19,408,003</u>	<u>2,681,047</u>
Excess of revenues over expenditures	<u>(545,613)</u>	<u>(75,969)</u>	<u>(141,504)</u>	<u>(65,535)</u>
Other financing sources (uses):				
One Time Transfer from Other Fund	18,030	65,969	65,969	-
Sale of Capital Assets	10,000	10,000		10,000
Net change in fund balances	<u>(535,613)</u>	<u>-</u>	<u>(75,535)</u>	<u>(55,535)</u>
Fund balances - beginning			<u>4,090,627</u>	
Fund balances - ending			<u>\$ 4,015,092</u>	

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

EMERY COUNTY SCHOOL DISTRICT
Statement of Fiduciary Assets and Liabilities
Agency Fund
June 30, 2010

	<u>Student Activities Fund</u>
Assets:	
Cash and investments	37,217
Total assets	<u>37,217</u>
Liabilities	
Due to student groups	37,217
Total liabilities	<u>37,217</u>

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

EMERY COUNTY SCHOOL DISTRICT
Notes to Financial Statements
Fiscal Year Ending June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Emery County School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

A. Reporting Entity

The Board of Education, comprised of five elected individuals, is the governing authority for the District and comprises the primary and only educational government within Emery County. The District is not a component unit of any other primary government. The District may levy taxes, issue bonds, hire employees and is fiscally independent.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the District. Governmental activities generally are financed through taxes, inter-governmental revenues, and other non-exchange transactions. The effect of inter-fund activity has been eliminated from the government-wide financial statements with the exception that inter-fund services provided and used are not eliminated in the process of consolidation.

The statement of activities presents a comparison between direct expenses and program revenues of each function of the District's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instructional, school administration, operation and maintenance of facilities, and school lunch services) are ratably included in direct expenses of the appropriate functions.

Interest on general long-term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line item. Program revenues include: 1) charges to students or applicants who purchase, use, or directly benefit from goods or services offered by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

C. Fund Financial Statements

The fund financial statements provide information about the District's funds. Separate statements for each fund category (governmental and fiduciary) are presented. The emphasis of fund financial

statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The District reports the following *major* governmental funds:

1. *General Fund* – the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
2. *Capital Projects Fund* – accounts for resources accumulated and payments made for the acquisition and improvement of sites; construction and remodel of facilities; and procurement of equipment necessary for providing educational programs for all students within the District.

The District reports the following *nonmajor* special revenue funds that receive revenues which are restricted to expenditures for specified purposes:

3. *Student Activities Fund* – accounts for revenue and expenses generated at the school level for all instructional activity.
4. *Non-K-12 Programs* – accounts for preschool, adult education and extra-curricular activities.
5. *School Food Service* – accounts for preparation and serving of school lunches and breakfasts.
6. *Debt Service Fund* – accounts for resources accumulated and payments made for principal and interest on general obligation school building bonds.

Additionally, the District reports the following funds as Agency funds:

7. *Student Activities Agency Fund* – used to account for the receipt and disbursement of monies of student activity organizations and other custodial type transactions within the schools.

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

The *government-wide financial statements* are reported using the economic resources measurement focus. The government-wide and agency fund financial statements are reported using 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. Non-exchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and similar items are recognized as revenue in the fiscal year in which all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Property taxes and interest are considered to be susceptible to accrual.

All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early retirement and postemployment healthcare benefits and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

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

E. Budgetary Data

Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year end with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

1. During June of each year, the District Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1st. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30th.
2. Copies of the proposed budget are made available for public inspection before the Board hearing in which the Board adopts the proposed budget.
3. If the District does not exceed the certified tax rate, a public hearing is held prior to June 22nd at which the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate, the budget is adopted in August when data is available to set the rates.
4. Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the Superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah State law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
5. Minor interim adjustments in estimated revenue and appropriations during the year ended June 30, 2010 have been included in the final budget approved by the Board, as presented in the financial statements.
6. Expenditures may not legally exceed budgeted appropriations at the fund level.

7. Encumbrance accounting is employed in governmental funds. Encumbrances (purchase orders and contracts) outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

F. Deposits and Investments

The cash balances of substantially all funds are pooled and invested by the District for the purpose of increasing earnings through investment activities and providing efficient management of temporary investments. The District's investments are reported at fair value at year-end. The Utah Public Treasurer's Investment Fund operates in accordance with appropriate State laws. The reported value of the pool is the same as the fair value of the pool shares. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned and paid or credited to funds based on the average balance of each participating fund.

G. Cash and Cash Equivalents

The District considers cash and cash equivalents to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including the Public Treasures' Investment Fund (PTIF).

H. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements, and which are outstanding at year-end, are referred to as either "due to/from other funds".

I. Inventories

Inventories are valued at cost, or if donated, at fair value when received, using the first-in first-out (FIFO) method. Inventory in the governmental funds consists of expendable supplies held for consumption. The cost is recorded as an asset at the time individual inventory items are purchased, and expenditure when the assets are distributed and consumed. Commodities received from federal sources are consumable inventories intended to support the food service operations. Thus, federal commodities are treated as a current financial resource and are recorded as revenues when received in both the fund statements and government-wide statements.

J. Capital Assets

Capital assets, which include land, water stock, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as those listed above with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded as estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Land and construction in progress are not depreciated. Buildings and improvements, furniture, and equipment of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
▪ Buildings	50
▪ Building improvements and portable classrooms	20
▪ Stage / Auditorium Equipment	20
▪ Computer Equipment	5
▪ Standard Furniture and Equipment	15
▪ Vehicles and Buses	10
▪ Educational Media	7

K. Compensated Absences

Compensated absences and voluntary termination benefits are typically paid for by resources from the District’s general fund. However, it is the District’s policy to use resources from other funds, when those other funds directly funded the employees’ related positions to pay for these costs.

Under terms of association agreements, twelve-month or full year employees earn vacation and sick leave in amounts varying with tenure and classification. The unused sick leave is reimbursed upon retirement with a maximum of 180 days at 50% of the certified substitute pay wage/per day. To qualify, the employee must have met the minimum retirement requirements set by Utah Retirement Systems, as well as have 15 years of consecutive URS qualifying service with the District. The vacation leave is accrued to a maximum of 30 days while the employee is still employed with the District. There is not a reimbursement for vacation days upon retirement.

All sick leave pay plus related payroll taxes is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

L. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related 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.

M. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use of a restricted purpose. Designations of fund balance represent tentative plans for future use of financial resources that are subject to change.

N. Use of Estimates

Presenting financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make certain estimates concerning assets, liabilities, revenues, and expenses.

2. DEPOSITS AND INVESTMENTS

A. Deposits

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2010, as shown on the financial statements is as follows:

Demand deposits	\$ 630,593
Investments	<u>9,782,234</u>
Total cash and investments	<u>\$10,412,827</u>
Governmental funds	\$ 10,375,610
Fiduciary funds	<u>37,217</u>
Total cash and investments	<u>\$ 10,412,827</u>

The District complies with the State Money Management Act (Utah Code Section 51, Chapter 7) (Act) and related Rules of the Money Management Council (Council) in handling its depository and investing transactions. The District considers the actions of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits. District funds are deposited in qualified depositories as defined by the Act. The District does not have a deposit policy for custodial credit risk.

B. Investments.

The PTIF is authorized and makes investments in accordance to the Act. The council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio. For the year ended June 30, 2010, the District had investments of \$9,612,883 with the PTIF; \$724,403 with Zion's Bank; \$32,932 with Key Bank and \$42,609 with Desert View Credit Union. The entire balance had a maturity less than one year. The PTIF pool has not been rated.

Investments - Custodial Credit Risk:

Deposits - Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be recovered. The District's policy for managing custodial credit risk is to adhere to

the Act. As of June 30, 2010, \$328,351 of the District's bank balances of \$630,593 was uninsured and uncollateralized.

Investments - Credit Risk:

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The District's policy for limiting the credit risk of investments is to comply with the Money Management Act.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair value by investment mainly in the PTIF and by adhering to the Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested.

3. PROPERTY TAXES

The budgeting and accounting for property taxes are accounted for on a modified-accrual basis, with appropriate recognition of property taxes receivable at year-end. The District has recorded a corresponding property tax deferral for taxes assessed January 1 but not due and collectible within thirty days of the end of the fiscal year.

The property tax revenue of the District is collected and distributed by the Emery County treasurer as an agent of the District. Utah statutes establish the process by which taxes are levied and collected. The county assessor is required to assess a lien on real property as of January 1 and complete the tax rolls by May 15. The District's Board of Education is required to adopt its initial budget for the next fiscal year by June 22; this initial budget adoption establishes tax levy rates to provide resources to fund District operations for the next fiscal year beginning July 1.

By July 21, the county auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30.

An annual uniform fee based on the age of motor vehicles is levied in lieu of an ad valorem tax on motor vehicles that is due each time a vehicle is registered. Revenues collected in each county from motor vehicle fees are distributed by the county to each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed. The District recognizes motor vehicle fees as property tax revenue when collected.

As of June 30, 2010, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2010 or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period. The "other governmental funds" line includes a recreation levy assessed by the District. The property taxes receivable and property taxes deferred revenue accounts at June 30, 2010 are summarized as follows:

Notes to Financial Statements

	General	Debt Service	Capital Projects	Other Governmental Funds	Totals
Property Taxes - Receivable					
Levied for current and prior years	\$ 43,019		\$ 7,064	\$ 3,167	\$ 53,250
Levied for future years	7,471,911	-	1,765,510	773,041	10,010,462
	<u>\$ 7,514,930</u>	<u>\$ -</u>	<u>\$ 1,772,574</u>	<u>\$ 776,208</u>	<u>\$ 10,063,712</u>
Property Taxes - Deferred Revenue					
Levied for future year and uncollected	\$ 7,471,911	\$ -	\$ 1,765,510	\$ 773,041	\$ 10,010,462
	<u>\$ 7,471,911</u>	<u>\$ -</u>	<u>\$ 1,765,510</u>	<u>\$ 773,041</u>	<u>\$ 10,010,462</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2010 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 674,190	\$ -	\$ -	\$ 674,190
Water stock	212,595	-	-	212,595
Total capital assets, not being depreciated	886,785	-	-	886,785
Capital assets, being depreciated:				
Buildings and improvements	46,786,838	178,295	-	46,965,133
Furniture and equipment	2,190,063	151,806	(16,974)	2,324,895
Vehicles	2,887,918	289,473	(187,596)	2,989,795
Total capital assets, being depreciated	51,864,819	619,574	(204,570)	52,279,823
Accumulated depreciation for:				
Buildings and improvements	(31,468,474)	(643,685)	-	(32,112,159)
Furniture and equipment	(1,395,633)	(104,223)	16,974	(1,482,882)
Vehicles	(1,740,989)	(225,446)	180,103	(1,786,332)
Total accumulated depreciation	(34,605,096)	(973,354)	197,077	(35,381,373)
Total capital assets, being depreciated, net	17,259,723	(353,780)	(7,493)	16,898,450
Governmental activities capital assets, net	<u>\$ 18,146,508</u>	<u>\$ (353,780)</u>	<u>\$ (7,493)</u>	<u>\$ 17,785,235</u>

Depreciation expense for year ended June 30, 2010, was charged to functions of the District as follows:

Governmental activities:	
Instructional services	\$ 593,746
Supporting services:	
District administration	48,668
School administration	68,135
Business	9,734
Operation and maintenance of facilities	165,470
Transportation	48,668
School lunch services	38,934
Total depreciation expense, governmental activities	<u>\$ 973,354</u>

Notes to Financial Statements

The District is obligated at June 30, 2010, under construction commitments as follows:

Project	Authorized Amount	Costs to Date	Costs to Complete
Carpeting at several schools	\$ 18,889	\$ -	\$ 18,889
Roofing at Cottonwood and Ferron elementaries	\$ 112,029	-	\$ 112,029
TOTAL	\$ 130,918	\$ -	\$ 130,918

5. RETIREMENT PLANS

A. Defined Benefit Plans

The District contributes to the State and School Contributory and State and School Noncontributory Retirement System (collectively, the Systems) which are cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (URS). URS provides refunds of retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code annotated 1953, as amended. The Utah State Retirement Act in Chapter 49 provides for the administration of the URS and plans under the direction of the Utah State Retirement Board whose members are appointed by the Governor. This Board has the authority to adopt interest rates, premium rates, and annual contribution rates after reviewing recommendations, and reports annually to the governor, Legislature, and each participating employer of rates and any adjustments necessary to maintain all plans (Utah Code 49-11-203). The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Plan members in the State and School Contributory Retirement System are required to contribute 1.00% of annual covered salary, and the District contributes 14.73% of annual covered salary. For employees participating in the State and School Noncontributory System, the District contributes 14.22% of annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Utah State Retirement Board.

The District's contributions to the State and School Contributory Retirement System for the years ended June 30, 2010, 2009, and 2008, are \$26,648, \$26,575, and \$25,393, respectively, and the employee contributions were \$1,809, \$1,804, and \$1,724, respectively. The District's contributions to the State and School Noncontributory Retirement System for the years ended June 30, 2010, 2009, and 2008, are \$1,590,847, \$1,610,230, and \$1,523,761, respectively. The contributions were equal to the required contributions for each year.

B. Defined Contribution Plans

The District also participates in a defined contribution plan under Internal Revenue Code Section 401(k) to supplement retirement benefits accrued by participants in the Systems. This plan is also administered by Utah Retirement Systems, which maintains authority for establishing and amending contribution requirements. Employees covered by the State and School Noncontributory Retirement System have a mandatory contribution of 1.5% of covered salaries automatically made by the District. Employees participating in the Systems can make additional contributions to the 401(k) plan up to specified limits. Contributions and earnings may be withdrawn by the employee upon termination or may be used as supplemental income upon retirement.

The employer 401(k) contributions for the years ended June 30, 2010, 2009, and 2008 are \$398,923, \$304,992, and \$562,152, respectively; the employee contributions for the years ending June 30, 2010, 2009, and 2008 are \$226,194, \$251,460, and \$274,081, respectively. The 401(k) plan funds are fully vested to the participants at the time of deposit.

Through Utah Retirement Systems, the District also offers its employees a deferred compensation plan created in accordance with IRS Code Section 457, as well as a Roth IRA. These plans, available to all qualified employees, permit them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately.

Employee contributions to the Section 457 plan for the years ended June 30, 2010, 2009, and 2008 are \$18,319, \$30,109, and \$33,389, respectively. The assets of the plan are administered and held by URS. Contributions to the Roth IRA plan by the employees for the years ended June 30, 2010, 2009, and 2008 totaled \$570, \$1,190, and \$4,174, respectively.

C. Early Retirement Incentive

The Board approved policy GCBDC/GDBDC, called the Staff Longevity Benefit on June 13, 2007. Under this policy, employees with between sixteen and thirty years of service in Emery County School District will receive an annual deposit into their 401(k) or into an HRA account with Pelion Benefits equal to a base amount of \$1,000 plus .3% of the employee's base salary for each year of employment. After the 30th year of service, the annual deposit will be equal to a base amount of \$250 plus .3% of the employee's base salary.

Additional retro-pay deposits will be given to active employees who have completed sixteen or more years of service with the District as of July 31, 2007. These deposits will be equal to a \$1,050 base amount plus .7% of the employee's 2006-2007 base salary, multiplied by the eligible number of completed years of service as of July 31, 2007. As of June 30, 2010, all retro-pay liabilities have been funded to the employee's chosen retirement account.

Catch-up deposits will also be made to qualifying employees. These deposits are intended to equalize the overall value of this benefit. The Board authorized use of fund balance over several years to finance the full payment of all qualified employees for their completed years.

During fiscal year 2010, the District funded \$606,415 to eliminate the retro-payment liability, \$3,800 of catch-up deposits and \$127,808 for the annual deposits. The only liability remaining is the catch-up portion of \$102,634 that will be deposited when the qualifying employee retires.

On June 13, 2007 the Board rescinded two prior early-retirement incentive programs adopted in March, 2003. The contracts for employees who have previously retired under these policies will be continued until their termination date. Those qualifying under these programs will receive a salary benefit for a maximum of 4 years or until the retiree reaches age sixty-five (65), whichever occurs first. During the first year of retirement the District will pay 22%, the second year 18%, the third year 16%, and the fourth year 14% of the employee's professional contract minus leeway. The District will provide single or double coverage health insurance and life insurance for the retiree on both plans for the maximum 4 years or until the retiree becomes eligible for Medicare, provided the employee has participated in the health insurance program for a minimum of 3 previous consecutive years.

In the event of a death of the retiree, stipends will continue for the surviving spouse at the rate of 50%. Single coverage health insurance shall also be provided the surviving spouse. Both stipend and health insurance coverage shall continue until the end of the retiree's contract at which time all benefits shall terminate.

The benefits for 10 early-retirees were terminated during the 2010 fiscal year. The number of participants at year end was 12. The District's direct payments to retirees and health benefits in the years ended June 30, 2010 and 2009 are \$221,042 and \$263,258, respectively. Future retirement payments are recognized on an accrual basis as an expense in the government-wide statements in the year of retirement and are funded with current funds. This liability is paid from the fund from which the employee retires. The District has a liability of \$127,102 as of June 30, 2010, to provide benefits to these retirees in future years.

Compensated absences of the District represent accrued sick leave for employees over 15 years of service at June 30, 2010, in the amount of \$330,859.

6. 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; and injuries and disasters. The District has joined with other public entities in a common risk management and insurance program operated by the State of Utah Division of Risk Management. The District pays premiums to this risk pool, the Utah State Management Fund, for its general insurance coverage. The pool is self sustaining through member premiums and reinsured through commercial companies for claims in excess of specified amounts for certain types of risks. The District is subject to a minimal deductible for claims of the risk pool. The District has joined the Utah School Board Risk Management Mutual Insurance Association which is a risk pool for Workers' Compensation. The District has purchased commercial insurance for other risks of loss including employee health and accident insurance. Unemployment compensation is handled on a cost of benefits reimbursement basis with the State of Utah.

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the last three fiscal years.

7. LONG-TERM DEBT

A. Changes in Long-term Obligations

Notes to Financial Statements

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	279,000	\$ -	\$ (279,000)	\$ -	\$ -
Total bonds payable, net	279,000	-	(279,000)	-	-
Accrued Sick Leave	326,129	9,653	(4,923)	330,859	33,086
Longevity Benefit	712,849	-	(610,215)	102,634	10,263
Early Retirement Payable	339,678	-	(212,576)	127,102	114,671
Total governmental activity long-term liabilities	1,657,656	\$ 9,653	\$ (1,106,714)	\$ 560,595	\$ 158,020

Payments on the general obligation bonds are made by the debt service fund from property taxes. On May 5, 2004, the Board of Education of Emery County approved the issuance of \$1,510,000 in general obligation bonds which completes the resolution passed in June 1996 wherein the voters authorized the sale of \$15,000,000 of general obligation bonds.

Accrued sick leave payable represents a potential liability and will be paid in a lump sum out of current revenues from the fund in which the employee worked when the employee retires and the liability becomes due. Longevity Benefit is the retro-payments of the employees who had sixteen or more years of service with the District as of July 31, 2007, as well as the catch-up payments to the same employees, paid upon retirement. Amounts are calculated using a base payment, base salary, and eligible number of years of service (see note #5 c). Through board authorization, payments are made from the general fund and using fund balance if necessary over several years until liability is eliminated. Early retirement benefits are paid by the fund in which the employee worked which has been primarily the general fund.

B. General Obligation Bonds

Through the course of decades, the district has accumulated a small fund balance in the debt service fund that was sufficient to pay the last year's debt payment of the series of 2004 bonds of \$279,000 plus interest of \$10,463. This completes the district's entire general obligation bond debt. There was a small residual fund balance of \$40,843 that was transferred from the debt service fund into the capital outlay fund in accordance to Utah Code 53A-19-105 (6) (d). This is reflected in both the debt service and capital outlay fund financial statements. Because of the depletion of all funds in the debt service fund and major fund requirements, the revenue and expense activity was moved to a *non-major* fund for the fiscal year 2010 financials.

8. RESTRICTED NET ASSETS AND FUND BALANCES

The District receives revenues, primarily from the state of Utah, for restricted programs. Some of these revenue sources have legally imposed restrictions narrower than the purpose of the governmental fund in which they are reported in. Consequently, the District reports the end of the year residual balances associated with these funds as restricted for programs in the fund financial statements. Additionally, non-General funds are restricted based upon GASB Statement 54; these same amounts are reported as

Notes to Financial Statements

restricted net assets in the government-wide financial statements. The residual balances of the programs in the General fund at year end are the following:

Special education	479,154
Quality Teaching Block	253,521
Interventions for	
Student Success Block	88,048
Accelerated Learning	39,892
Trust Lands	17,768
Unique State Programs	179,871
K-3 Reaching Achievement	88,974
Math Initiative	25,078
Applied Technology	67,821
Technology Development	88,736
Federal/State Restricted	<u>194,152</u>
Total residual balances	<u>\$1,523,015</u>

The government-wide statement of net assets also reports restricted balances of \$259,388 for student activity, \$702,788 for Non K-12 fund, \$292,052 for school food service fund, and \$3,540,278 for the capital outlay fund.

When expenditures can be used from multiple fund balance classifications, it is the policy of the District to use restricted funds first, if available, to comply with the funding source's time restrictions. This is followed by committed, assigned, and then unassigned available funds.

If the expenditure is for purchase of furniture, fixtures, or other property (except books) or for the construction or repair of schools that exceed \$10,000, the School Board will commit resources from the fund that fits the purpose of the expenditure. If funds are received from a source that does not restrict its use, the district may assign those funds for specific purposes, especially considering the on-going status of the funds. They are kept separate from unassigned funds, but do not require the board's authority. The committed funds of \$130,918 and assigned funds of \$307,576 are shown on the fund financial statements.

9. TRANSFER FROM CAPITAL OUTLAY TO GENERAL OPERATING FUND

Based on the recommendations from the State Office of Education's auditors on the reporting of general operating supplies, the expenditures and corresponding fund balances of textbooks and supplies that were traditionally charged to the capital outlay fund using the 10% of basic tax levy as stated in Utah Code 53A-17a-145 were transferred to the general operating fund during FY10. This is reflected in the increase of instructional services in the general fund statement and decrease of all functions in the capital outlay fund statement. Also reflected on the fund statements is the transfer of \$65,969 of fund balance that was allocated to schools for textbooks and supplies from the prior year. Half of the 10% of basic operating levy, or \$534,267, was added to the general fund and deducted from the capital outlay fund with corresponding expenditures.

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EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
General Fund

June 30, 2010 with Comparative Totals for 2009

	2010	2009
Assets:		
Cash and investments	\$ 5,383,189	\$ 5,583,313
Receivables:		
Property taxes	7,514,930	6,643,006
Other governments	395,916	303,783
Other receivables	13,463	14,779
Inventories		
Total assets	\$ 13,307,498	\$ 12,544,881
 Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 293,973	\$ 269,120
Accrued Wages	978,146	1,033,434
Accrued payroll benefits	548,376	557,782
Deferred revenue:		
Property taxes	7,471,911	6,593,918
Total liabilities	9,292,406	8,454,254
 Fund Balances:		
Restricted for Programs	1,523,015	1,684,908
Assigned	261,222	225,656
Unassigned	2,230,855	2,180,063
Total fund balances	4,015,092	4,090,627
Total liabilities and fund balances	\$ 13,307,498	\$ 12,544,881

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund

Year Ended June 30, 2010 with Comparative Totals for 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)	2009 Actual Amounts
	Original	Final			
Revenues:					
Property taxes	\$ 6,653,595	\$ 7,413,565	\$ 7,408,262	\$ (5,303)	6,106,559
Earnings on investments	100,000	60,000	41,520	(18,480)	126,616
Other local sources	325,949	405,828	392,931	(12,897)	389,824
State aid	9,392,391	9,368,513	9,363,062	(5,451)	10,159,844
Federal aid	2,296,387	2,533,598	2,060,724	(472,874)	2,119,848
Uses of Fund Balance	135,099	2,231,577	-	(2,231,577)	
Total revenues	<u>18,903,421</u>	<u>22,013,081</u>	<u>19,266,499</u>	<u>(2,746,582)</u>	<u>18,902,691</u>
Expenditures:					
Current:					
Instructional services	12,510,244	15,267,173	12,868,242	2,398,931	12,589,413
Supporting services:					
Students	421,416	442,146	428,005	14,141	425,282
Instructional staff	372,590	406,866	389,327	17,539	359,631
District administration	315,559	317,385	310,432	6,953	410,728
School administration	1,581,243	1,575,014	1,565,442	9,572	1,580,810
Business	299,416	332,522	310,354	22,168	299,408
Operation and maintenance of facilities	2,363,507	2,594,592	2,439,188	155,404	2,406,011
Transportation	1,031,416	1,153,352	1,097,013	56,339	1,005,662
Total expenditures	<u>18,895,391</u>	<u>22,089,050</u>	<u>19,408,003</u>	<u>2,681,047</u>	<u>19,076,945</u>
Excess of revenues over expenditures	<u>8,030</u>	<u>(75,969)</u>	<u>(141,504)</u>	<u>(65,535)</u>	<u>(174,254)</u>
Other financing sources (uses):					
One Time Transfer from Other Fund	(18,030)	65,969	65,969		
Sale of Capital Assets	10,000	10,000	-	10,000	13,773
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(75,535)</u>	<u>(55,535)</u>	<u>(160,481)</u>
Fund balances - beginning			<u>4,090,627</u>		<u>4,251,108</u>
Fund balances - ending			<u>\$ 4,015,092</u>		<u>\$ 4,090,627</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Capital Outlay Fund
June 30, 2010 with Comparative Totals for 2009

	<u>2010</u>	<u>2009</u>
Assets:		
Cash and investments	\$ 3,728,419	\$ 3,378,893
Receivables:		
Property taxes	1,772,574	2,214,691
Inventories	8,432	30,283
Total assets	<u>\$ 5,509,425</u>	<u>\$ 5,623,867</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 17,933	\$ 155,683
Deferred revenue:		
Property taxes	1,765,510	2,202,005
Total liabilities	<u>1,783,443</u>	<u>2,357,688</u>
Fund Balances:		
Nonspendable	8,432	30,362
Restricted for Programs	46,354	121,013
Restricted for Fund	3,540,278	2,838,804
Committed for Construction Projects	130,918	276,000
Total fund balances	<u>3,725,982</u>	<u>3,266,179</u>
Total liabilities and fund balances	<u>\$ 5,509,425</u>	<u>\$ 5,623,867</u>

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Outlay Fund

Year Ended June 30, 2010 with Comparative Totals for 2009

	2010		Variance with Final Budget - Positive (Negative)	2009
	Final Budgeted Amounts	Actual Amounts		Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 1,700,746	\$ 1,698,350	\$ (2,396)	\$ 2,243,499
Earnings on investments	50,000	24,830	(25,170)	61,432
Other	25,150	24,944	(206)	9,302
Total local sources	<u>1,775,896</u>	<u>1,748,124</u>	<u>(27,772)</u>	<u>2,314,233</u>
State sources:				
Equalization of Capital Outlay	50,000	50,000	-	100,000
Total state sources	50,000	50,000	-	100,000
Other Sources:				
Use of Fund Balance			-	
Total Other sources	-	-	-	
Total revenues	<u>1,825,896</u>	<u>1,798,124</u>	<u>(27,772)</u>	<u>2,414,233</u>
Expenditures:				
Instruction	343,152	270,862	72,290	581,015
Support Services				
Students	2,461	677	1,784	1,003
Instructional Staff			-	28,107
Business	10,000		10,000	17,033
Operation and Maintenance of Facilities	1,435,157	1,040,868	394,289	1,251,566
Non-Instructional Services:				
Food Services	10,000	788	9,212	21,135
Total facility expenses	<u>1,800,770</u>	<u>1,313,195</u>	<u>487,575</u>	<u>1,899,859</u>
Total expenditures	<u>1,800,770</u>	<u>1,313,195</u>	<u>487,575</u>	<u>1,899,859</u>
Excess (deficiency) of revenues over (under) expenditures	25,126	484,929	459,803	514,374
Other Financing Sources (Uses):				
Transfer from Debt Service Fund	40,843	40,843	-	
Transfer to General Fund	(65,969)	(65,969)		
Sale of capital assets			-	
Total other financing sources (uses)	<u>(25,126)</u>	<u>(25,126)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	459,803	459,803	514,374
Fund balance - beginning		<u>3,266,179</u>		<u>2,751,805</u>
Fund balance - ending		<u>\$ 3,725,982</u>		<u>\$ 3,266,179</u>

EMERY COUNTY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2010

	<u>Special Revenue</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>School Food Service</u>	<u>Non K-12 Programs</u>	<u>Student Activities</u>	
Assets:				
Cash and investments	\$ 293,805	\$ 710,809	\$ 259,388	\$ 1,264,002
Receivables:				
Property taxes		776,208		776,208
Other				-
Other governments	37,586	52,078		89,664
Inventories	74,340			74,340
Total assets	<u>\$ 405,731</u>	<u>\$ 1,539,095</u>	<u>\$ 259,388</u>	<u>\$ 2,204,214</u>
Liabilities:				
Accounts payable	\$ 1,215	\$ 325		\$ 1,540
Accrued wages	38,124	62,941		101,065
Deferred revenue:				
Property taxes	-	773,041		773,041
Total liabilities	<u>39,339</u>	<u>836,307</u>	<u>-</u>	<u>875,646</u>
Fund balances:				
Nonspendable	74,340	-		\$ 74,340
Restricted for programs	-	101,708		101,708
Restricted for fund	292,052	601,080	259,388	1,152,520
Total fund balances	<u>366,392</u>	<u>702,788</u>	<u>259,388</u>	<u>1,328,568</u>
Total liabilities and fund balances	<u>\$ 405,731</u>	<u>\$ 1,539,095</u>	<u>\$ 259,388</u>	<u>\$ 2,204,214</u>

EMERY COUNTY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2010

	<u>Special Revenue</u>				Total Nonmajor Governmental Funds
	<u>School Food Service</u>	<u>Debt Service</u>	<u>Non K-12 Programs</u>	<u>Student Activities</u>	
Revenues:					
Property tax	\$ -	\$ -	\$ 762,092	\$ -	\$ 762,092
Student fees			19,019	511,725	530,744
Lunch sales	301,473		-		301,473
Earnings on investments	1,083	2,105	5,493		8,681
State aid	126,650		271,646		398,296
Federal aid	650,616		41,018		691,634
Other Financing Sources	(560)		-		(560)
Total revenues	<u>1,079,262</u>	<u>2,105</u>	<u>1,099,268</u>	<u>511,725</u>	<u>2,692,360</u>
Expenditures:					
Current:					
Instructional services	\$ -	\$ -	\$ 1,052,103	\$ 502,036	1,554,139
Supporting services:					
Operation and maintenance of facilities	-		1,501		1,501
Debt Service:					-
Principal retirement		279,000			279,000
Interest and fiscal charges		10,960			10,960
School lunch services	959,816				959,816
Total expenditures	<u>959,816</u>	<u>289,960</u>	<u>1,053,604</u>	<u>502,036</u>	<u>2,805,416</u>
Excess of revenues over expenditures	119,446	(287,855)	45,664	9,689	(113,056)
Other financing sources (uses):					
Transfer Remainder Debt Service		(40,843)			(40,843)
Net change in fund balances	\$ 119,446	\$ (328,698)	\$ 45,664	\$ 9,689	(153,899)
Fund balances - beginning	<u>246,946</u>	<u>328,698</u>	<u>657,124</u>	<u>249,699</u>	<u>1,482,467</u>
Fund balances - ending	<u>\$ 366,392</u>	<u>\$ -</u>	<u>\$ 702,788</u>	<u>\$ 259,388</u>	<u>\$ 1,328,568</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
School Food Service Fund
June 30, 2010 with Comparative Totals for 2009

	<u>2010</u>	<u>2009</u>
Assets:		
Cash and investments	\$ 293,805	\$ 181,203
Receivables:		
Other governments	37,586	48,242
Inventories	74,340	55,178
Total assets	<u>\$ 405,731</u>	<u>\$ 284,623</u>
Liabilities:		
Accounts payable	\$ 1,215	\$ 793
Accrued wages	38,124	36,884
Total liabilities	<u>39,339</u>	<u>37,677</u>
Fund balances:		
Nonspendable	74,340	55,178
Restricted for Fund	292,052	191,768
Total fund balances	<u>366,392</u>	<u>246,946</u>
Total liabilities and fund balances	<u>\$ 405,731</u>	<u>\$ 284,623</u>

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
School Food Service Fund
Nonmajor Special Revenue Fund
Year Ended June 30, 2010 with Comparative Totals for 2009

	2010			2009
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
Revenues:				
Local sources:				
Lunch sales - children	\$ 293,000	\$ 290,754	\$ (2,246)	\$ 289,243
Lunch Sales - adult	15,100	10,719	(4,381)	9,008
Earnings on investments	1,500	1,083	(417)	2,130
Total local sources	<u>309,600</u>	<u>302,556</u>	<u>(7,044)</u>	<u>300,381</u>
State sources:				
State lunch program	137,000	126,650	(10,350)	119,231
Total state sources	<u>137,000</u>	<u>126,650</u>	<u>(10,350)</u>	<u>119,231</u>
Federal sources:				
Federal lunch program	65,000	64,492	(508)	59,964
Free and reduced assistance	332,000	329,576	(2,424)	282,023
Breakfast program	133,000	130,148	(2,852)	106,076
Summer program	32,333	31,750	(583)	17,242
Donated Commodities	85,000	83,508	(1,492)	61,507
Equipment Grant	11,142	11,142	-	33,000
Total federal sources	<u>658,475</u>	<u>650,616</u>	<u>(7,859)</u>	<u>559,812</u>
Other Financing Sources:	4,040	(560)	(4,600)	-
Total revenues	<u>1,109,115</u>	<u>1,079,262</u>	<u>(25,253)</u>	<u>979,424</u>
Expenditures:				
Current:				
Salaries	351,860	349,609	2,251	327,760
Employee benefits	137,230	134,934	2,296	129,291
Purchased services	5,950	(1,051)	7,001	3,717
Supplies	145,020	45,846	99,174	46,268
Food	450,273	412,228	38,045	394,775
Equipment	14,622	14,622	-	28,680
Uniform allowance	3,160	3,628	(468)	2,422
Total expenditures	<u>1,108,115</u>	<u>959,816</u>	<u>148,299</u>	<u>932,913</u>
Net change in fund balances	<u>1,000</u>	<u>119,446</u>	<u>123,046</u>	<u>46,511</u>
Fund balances - beginning		<u>246,946</u>		<u>200,435</u>
Fund balances - ending		<u>\$ 366,392</u>		<u>\$ 246,946</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Debt Service Fund
June 30, 2010 with Comparative Totals for 2009

	2010	2009
Assets:		
Cash and investments	\$ -	\$ 325,870
Receivables:		
Property taxes	-	2,828
Total assets	\$ -	\$ 328,698
 Liabilities and fund balances:		
Liabilities:		
Deferred revenue:		
Property taxes	\$ -	
Total liabilities	-	-
 Fund Balances:		
Restricted for Fund	-	328,698
Total fund balances	-	328,698
Total liabilities and fund balances	\$ -	\$ 328,698

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Debt Service Fund

Year Ended June 30, 2010 with Comparative Totals for 2009

	2010		Variance with Final Budget - Positive (Negative)	2009
	Final Budgeted Amounts	Actual Amounts		Actual Amounts
Revenues:				
Property tax			\$ -	\$ 500,869
Earnings on investments	4,000	2,105	(1,895)	10,442
Other			-	
Use of Fund Balance	326,843		(326,843)	
Total revenues	<u>330,843</u>	<u>2,105</u>	<u>(328,738)</u>	<u>511,311</u>
Expenditures:				
Debt service:				
Bond principal	279,000	279,000	-	497,000
Bond interest	11,000	10,960	40	27,858
Miscellaneous Expenditures			-	499
Total expenditures	<u>290,000</u>	<u>289,960</u>	<u>40</u>	<u>525,357</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40,843</u>	<u>(287,855)</u>	<u>(328,698)</u>	<u>(14,046)</u>
Other financing sources (uses):				
Transfer to Capital Outlay	(40,843)	(40,843)	-	
Total other financing sources (uses)	<u>(40,843)</u>	<u>(40,843)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(328,698)</u>	<u>(328,698)</u>	<u>(14,046)</u>
Fund balance - beginning		<u>328,698</u>		<u>342,744</u>
Fund balance - ending		<u>\$ -</u>		<u>\$ 328,698</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Non K-12 Programs Fund
June 30, 2010 with Comparative Totals for 2009

	<u>2010</u>	<u>2009</u>
Assets:		
Cash and investments	\$ 710,809	\$ 714,147
Receivables:		
Property taxes	776,208	747,502
Other governments	52,078	
Total assets	<u>\$ 1,539,095</u>	<u>\$ 1,461,649</u>
Liabilities:		
Accounts payable	\$ 325	\$ 3,520
Accrued wages	62,941	57,785
Deferred revenue:		
Property taxes	<u>773,041</u>	<u>743,220</u>
Total liabilities	<u>836,307</u>	<u>804,525</u>
Fund balances:		
Restricted for Programs	101,708	85,036
Restricted for Fund	<u>601,080</u>	<u>572,088</u>
Total fund balances	<u>702,788</u>	<u>657,124</u>
Total liabilities and fund balances	<u>\$ 1,539,095</u>	<u>\$ 1,461,649</u>

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Non K-12 Programs Fund
Nonmajor Special Revenue Fund
Year Ended June 30, 2010 with Comparative Totals for 2009

	2010		Variance with Final Budget - Positive (Negative)	2009
	Final Budgeted Amounts	Actual Amounts		Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 773,220	\$ 762,092	\$ (11,128)	\$ 757,283
Fees	20,400	19,019	(1,381)	13,579
Earnings on investments	12,000	5,493	(6,507)	14,933
Total local sources	805,620	786,604	(19,016)	785,795
State sources:				
Adult high school completion	71,146	71,146	-	43,657
Preschool	200,500	200,500	-	210,217
Total state sources	271,646	271,646	-	253,874
Federal sources:				
Special education preschool grant	60,359	41,018	(19,341)	29,892
Total federal sources	60,359	41,018	(19,341)	29,892
Other Financing Sources:	85,036		(85,036)	11,500
Total Other Sources	85,036	-	(85,036)	11,500
Total revenues	1,222,661	1,099,268	(123,393)	1,081,061
Expenditures:				
Current:				
Salaries	739,787	732,113	7,674	710,056
Employee benefits	310,247	301,281	8,966	287,081
Purchased services	31,384	9,228	22,156	1,326
Utilities	1,600	1,501	99	1,446
Supplies	138,745	8,881	129,864	54,150
Equipment			-	
Other	898	600	298	464
Total expenditures	1,222,661	1,053,604	169,057	1,054,523
Excess (deficiency) of revenues over (under) expenditures	-	45,664	45,664	26,538
Fund balances - beginning		657,124		630,586
Fund balances - ending		\$ 702,788		\$ 657,124

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Student Activities Fund
 June 30, 2010 with Comparative Totals for 2009

	<u>2010</u>	<u>2009</u>
Assets:		
Cash and investments	\$ 259,388	\$ 249,699
Total assets	<u>\$ 259,388</u>	<u>\$ 249,699</u>
Liabilities:		
Total liabilities	<u>-</u>	<u>-</u>
Fund balances:		
Restricted for Fund	<u>259,388</u>	<u>249,699</u>
Total fund balances	<u>259,388</u>	<u>249,699</u>
Total liabilities and fund balances	<u>\$ 259,388</u>	<u>\$ 249,699</u>

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Student Activities Fund
Nonmajor Special Revenue Fund
Year Ended June 30, 2010 with Comparative Totals for 2009

	2010			2009
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	Actual Amounts
Revenues:				
Local sources:				
Student Fees	\$ 175,000	\$ 173,777	\$ (1,223)	\$ 165,170
Vending Revenue	25,000	20,571	(4,429)	26,212
Fund Raisers	158,000	156,904	(1,096)	54,151
Other Fees / Revenues	200,000	160,473	(39,527)	260,230
Total local sources	<u>558,000</u>	<u>511,725</u>	<u>(46,275)</u>	<u>505,763</u>
Total revenues	<u>558,000</u>	<u>511,725</u>	<u>(46,275)</u>	<u>505,763</u>
Expenditures:				
Current:				
Purchased services	53,000	46,291	6,709	46,332
Travel	30,000	28,491	1,509	38,330
Supplies	350,000	317,452	32,548	276,068
Equipment	41,000	36,379	4,621	71,037
Dues / Fees	84,000	73,423	10,577	99,430
Total expenditures	<u>558,000</u>	<u>502,036</u>	<u>55,964</u>	<u>531,197</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	9,689	<u>9,689</u>	(25,434)
Fund balances - beginning		249,699		275,133
Fund balances - ending		<u>\$ 259,388</u>		<u>\$ 249,699</u>

EMERY COUNTY SCHOOL DISTRICT
Statement of Changes in Assets and Liabilities
Student Activities Agency Fund
Year Ended June 30, 2010

	<u>Balance at July 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2010</u>
Assets:				
Cash and investments	\$ 51,256	\$ 47,653	\$ 61,692	\$ 37,217
Liabilities:				
Due to student organizations:				
Elementary Schools:				
Bookcliff Elementary	\$ 3,123	\$ 872	\$ 607	\$ 3,388
Castle Dale Elementary	108	-		\$ 108
Cottonwood Elementary	-			\$ -
Ferron Elementary	11,244	6,101	9,774	\$ 7,571
Huntington Elementary	48			\$ 48
Total elementary schools	<u>14,523</u>	<u>6,973</u>	<u>10,381</u>	<u>11,115</u>
Junior High Schools:				
Canyon View	\$ 9,897	\$ 1,568	\$ 2,111	\$ 9,354
San Rafael	2,386	8,913	8,513	\$ 2,786
Total junior high schools	<u>12,283</u>	<u>10,481</u>	<u>10,624</u>	<u>12,140</u>
High Schools:				
Emery High	\$ 18,043	\$ 22,128	\$ 32,274	\$ 7,897
Green River High	6,407	8,071	8,413	\$ 6,065
Total high schools	<u>24,450</u>	<u>30,199</u>	<u>40,687</u>	<u>13,962</u>
Total due to student organizations	<u>51,256</u>	<u>47,653</u>	<u>61,692</u>	<u>37,217</u>
Total liabilities	<u>\$ 51,256</u>	<u>\$ 47,653</u>	<u>\$ 61,692</u>	<u>\$ 37,217</u>

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Statistical Section

Section III: Unaudited

COMPREHENSIVE ANNUAL FINANCIAL REPORT

This section of the District's Comprehensive Annual Financial Report presents detailed information as a Context for understanding what the information in the financial statements, note disclosures, and required

	<u>Page</u>
Financial Trends: These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	61-67
Revenue Capacity: These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	68-72
Debt Capacity: These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	73-77
Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	78-80
Operating Information: These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	81-93

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. As a result of the District implementing GASB Statement 34, government-wide information includes information reported on or after June 30, 2003.*

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EMERY COUNTY SCHOOL DISTRICT
Comparative Statements of Net Assets
June 30, 2003 to 2010
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003		
Assets										
Cash and Investments	\$ 10,375,610	\$ 10,433,125	\$ 9,957,769	\$ 8,731,544	\$ 9,280,030	\$ 7,750,737	\$ 9,613,900	\$ 7,481,008		
Accounts Receivable:										
Property Taxes	\$ 10,063,712	\$ 9,608,027	\$ 9,096,399	\$ 8,586,025	\$ 8,624,129	\$ 8,396,993	\$ 8,669,105	\$ 8,352,400		
Other Governments	\$ 485,580	\$ 352,025	\$ 387,810	\$ 696,163	\$ 895,071	\$ 670,847	\$ 592,450	\$ 425,044		
Other Local	\$ 13,463	\$ 14,779	\$ 11,166	\$ 142,604	\$ 21,200	\$ 12,788	\$ 20,907	\$ 37,395		
Inventories	\$ 82,772	\$ 85,461	\$ 97,189	\$ 89,909	\$ 73,829	\$ 66,310	\$ 51,411	\$ 68,251		
Capital Assets										
Land, Construction in Progress, and Water Stock	\$ 886,785	\$ 886,785	\$ 843,785	\$ 561,992	\$ 561,992	\$ 561,992	\$ 561,992	\$ 561,992		
Other Capital Assets, Net of Depreciation	\$ 16,898,450	\$ 17,259,723	\$ 17,566,341	\$ 18,110,848	\$ 15,870,476	\$ 16,590,059	\$ 16,437,122	\$ 16,413,131		
TOTAL ASSETS	\$ 38,806,372	\$ 38,639,925	\$ 37,960,459	\$ 36,919,085	\$ 35,326,727	\$ 34,049,726	\$ 35,946,887	\$ 33,339,221		
Liabilities										
Current Liabilities										
Accounts Payable	\$ 313,446	\$ 429,116	\$ 563,555	\$ 1,072,920	\$ 623,746	\$ 231,672	\$ 683,967	\$ 420,335		
Accrued Interest	\$ -	\$ 459	\$ 1,020	\$ 1,777	\$ 2,464	\$ 3,937	\$ 3,937	\$ 1,875		
Accrued Salaries & Payroll	\$ 1,627,587	\$ 1,685,885	\$ 1,498,519	\$ 1,437,075	\$ 1,314,271	\$ 1,314,025	\$ 2,052,125	\$ 1,276,392		
Deferred Revenue: Property Taxes	\$ 10,010,462	\$ 9,539,143	\$ 9,036,448	\$ 8,524,225	\$ 8,579,664	\$ 8,341,656	\$ 8,621,378	\$ 8,300,000		
Noncurrent Liabilities:										
Due Within One Year	\$ 158,020	\$ 782,700	\$ 794,102	\$ 954,420	\$ 881,284	\$ 983,938	\$ 1,030,509	\$ 1,097,594		
Due in More Than One Year	\$ 402,575	\$ 874,956	\$ 919,136	\$ 1,823,593	\$ 1,986,308	\$ 3,202,386	\$ 3,312,057	\$ 2,607,870		
TOTAL LIABILITIES	\$ 12,512,090	\$ 13,312,259	\$ 12,812,780	\$ 13,814,010	\$ 13,387,737	\$ 14,077,614	\$ 15,703,973	\$ 13,704,066		
Net Assets										
Invested in Capital Assets, Net of Related Debt	\$ 17,785,235	\$ 17,867,508	\$ 17,634,126	\$ 17,415,840	\$ 14,710,468	\$ 15,288,660	\$ 15,860,014	\$ 16,157,340		
Restricted for:										
General Fund Programs	\$ 1,523,015	\$ 1,910,564	\$ 1,974,403	\$ 1,707,189	\$ 1,549,785	\$ -	\$ -	\$ -		
Student Activity	\$ 259,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Non K-12 Programs	\$ 702,788	\$ 85,036	\$ 108,754	\$ 90,007	\$ 83,661	\$ 334,997	\$ 282,762	\$ 221,365		
Debt Service	\$ -	\$ 328,239	\$ 341,724	\$ 307,004	\$ 243,727	\$ 230,539	\$ 264,415	\$ 247,980		
Capital Projects, Committed	\$ 3,540,278	\$ 427,375	\$ 144,202	\$ 196,553	\$ 213,555	\$ 3,474,421	\$ 2,742,490	\$ 2,556,483		
School Lunch	\$ 292,052	\$ 246,946	\$ 66,827	\$ 71,015	\$ 56,085	\$ 104,959	\$ 136,005	\$ 166,361		
Unrestricted	\$ 2,191,526	\$ 4,461,998	\$ 4,877,643	\$ 3,317,467	\$ 5,081,709	\$ 538,536	\$ 957,228	\$ 285,626		
TOTAL NET ASSETS	\$ 26,294,282	\$ 25,327,666	\$ 25,147,679	\$ 23,105,075	\$ 21,938,990	\$ 19,972,112	\$ 20,242,914	\$ 19,635,155		
TOTAL LIABILITIES and NET ASSETS	\$ 38,806,372	\$ 38,639,925	\$ 37,960,459	\$ 36,919,085	\$ 35,326,727	\$ 34,049,726	\$ 35,946,887	\$ 33,339,221		

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

Fiscal Year 2003 was the first year the District became subject to GASB Statement No. 34 requirements which required the District to report both government-wide (accrual basis) and governmental fund (modified-accru financial performance. Less than ten years of data is reported due to the District not reporting net assets and activities under GASB #34 until fiscal year 2003.

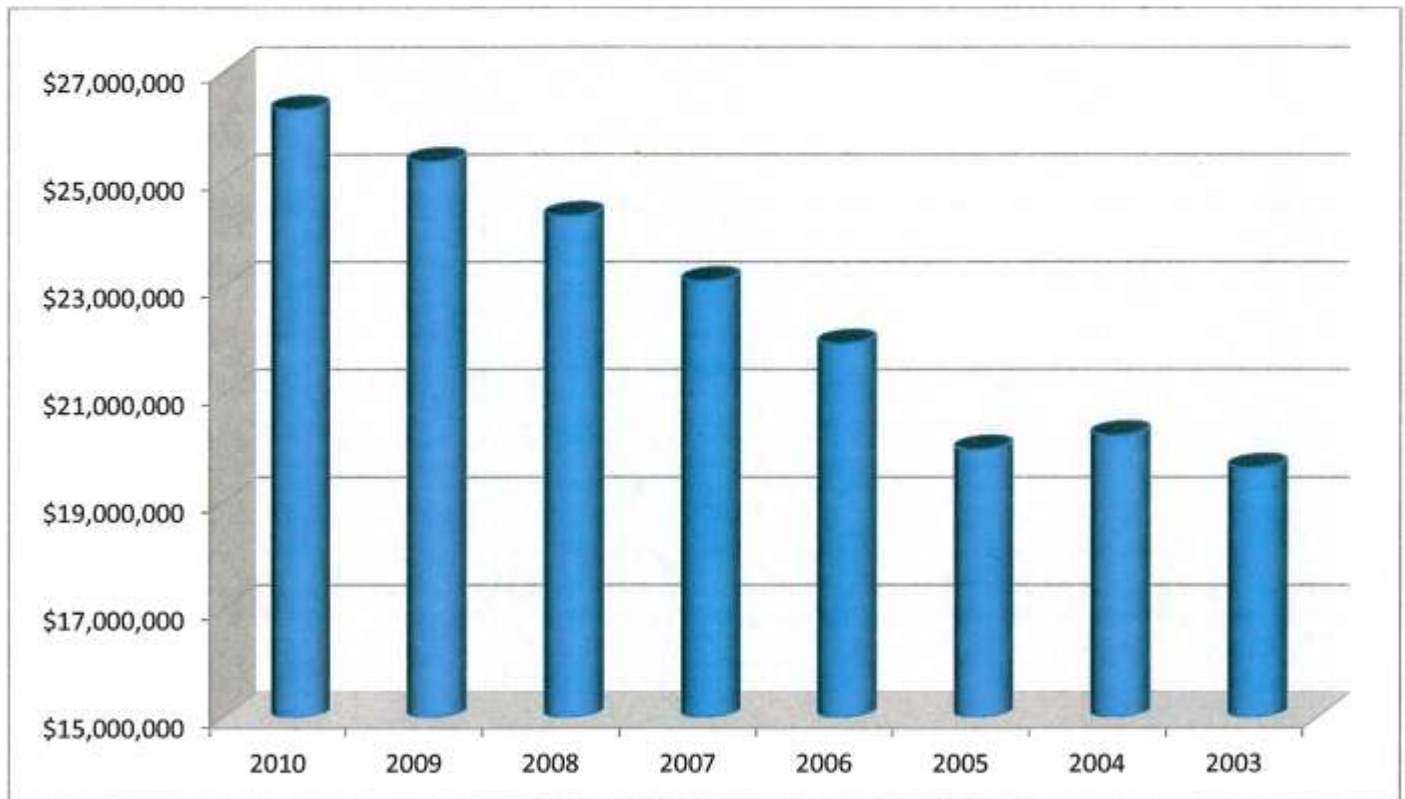
EMERY COUNTY SCHOOL DISTRICT

Net Assets By Component

Last Eight Fiscal Years

(Accrual Basis of Accounting)

Fiscal Year Ended June 30,	Invested in Capital Assets, Net of Related Debt	Restricted	Unrestricted	<i>Total Net Assets</i>
2010	\$17,785,235	\$6,317,521	\$2,191,526	<i>\$26,294,282</i>
2009	\$17,867,508	\$2,998,160	\$4,461,998	<i>\$25,327,666</i>
2008	\$17,634,126	\$2,666,272	\$4,014,438	<i>\$24,314,836</i>
2007	\$17,415,840	\$2,390,662	\$3,298,573	<i>\$23,105,075</i>
2006	\$14,710,468	\$2,146,813	\$5,081,709	<i>\$21,938,990</i>
2005	\$15,288,660	\$4,144,916	\$538,536	<i>\$19,972,112</i>
2004	\$15,860,014	\$3,425,672	\$957,228	<i>\$20,242,914</i>
2003	\$16,157,340	\$3,192,189	\$285,626	<i>\$19,635,155</i>



Fiscal Year 2003 was the first year the District became subject to GASB Statement No. 34 requirements which required the District to report both government-wide (accrual basis) and governmental fund (modified-accrual basis) financial performance. Less than ten years of data is reported due to the District not reporting net assets under GASB #34 until fiscal year 2003.

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Changes in Net Assets
Last Eight Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,							
	2010	2009	2008	2007	2006	2005	2004	2003
Expenses								
Instructional Services	\$ 15,059,008	\$ 15,572,891	\$ 15,870,533	\$ 13,736,508	\$ 12,153,189	\$ 14,024,717	\$ 13,780,260	\$ 14,591,054
Supporting Services:								
Students	\$ 428,005	\$ 425,282	\$ 446,529	\$ 440,002	\$ 392,265	\$ 457,717	\$ 432,837	\$ 376,591
Instructional Staff	\$ 389,327	\$ 359,631	\$ 334,617	\$ 332,410	\$ 318,722	\$ 345,853	\$ 294,542	\$ 264,018
District Administration	\$ 359,100	\$ 469,207	\$ 365,640	\$ 359,625	\$ 364,266	\$ 366,161	\$ 379,044	\$ 899,821
School Administration	\$ 1,472,803	\$ 1,580,641	\$ 1,661,371	\$ 1,668,200	\$ 1,371,892	\$ 1,617,463	\$ 1,489,285	\$ 1,552,456
Business	\$ 320,088	\$ 311,104	\$ 305,209	\$ 296,456	\$ 248,223	\$ 246,088	\$ 252,591	\$ 230,977
Operation & Maintenance	\$ 2,607,105	\$ 2,616,731	\$ 2,516,342	\$ 2,449,003	\$ 2,218,868	\$ 1,660,475	\$ 965,991	\$ 818,481
Transportation	\$ 1,145,681	\$ 1,052,445	\$ 1,013,377	\$ 946,786	\$ 951,160	\$ 992,914	\$ 923,224	\$ 842,038
School Food Service	\$ 998,750	\$ 979,696	\$ 880,487	\$ 903,664	\$ 870,734	\$ 935,268	\$ 897,261	\$ 814,813
Interest on Long-Term Liabilities	\$ 10,501	\$ 27,796	\$ 42,992	\$ 59,459	\$ 76,470	\$ 95,470	\$ 58,462	\$ 54,146
TOTAL EXPENSES	\$ 22,790,367	\$ 23,395,426	\$ 23,437,097	\$ 21,192,113	\$ 18,965,789	\$ 20,742,126	\$ 19,473,497	\$ 20,444,395
Program Revenues								
Charges for Services:								
Instruction	\$ 247,040	\$ 65,169	\$ 72,870	\$ 27,242	\$ 33,112	\$ 30,947	\$ 34,999	\$ 53,939
Supporting Services	\$ 9,261	\$ 24,170	\$ 2,536	\$ 2,535	\$ 4,379	\$ 5,556	\$ 5,556	\$ 4,078
School Food Service	\$ 301,473	\$ 298,251	\$ 286,764	\$ 301,851	\$ 271,632	\$ 262,513	\$ 234,984	\$ 240,086
Operating Grants & Contributions	\$ 5,427,449	\$ 6,144,620	\$ 5,066,928	\$ 4,157,523	\$ 3,680,311	\$ 3,703,541	\$ 3,169,969	\$ 3,674,889
TOTAL PROGRAM REVENUES	\$ 5,985,223	\$ 6,532,210	\$ 5,429,098	\$ 4,489,151	\$ 3,989,434	\$ 4,002,557	\$ 3,445,508	\$ 3,972,992
NET (EXPENSE) REVENUE	\$ (16,805,144)	\$ (16,863,216)	\$ (18,007,999)	\$ (16,702,962)	\$ (14,976,355)	\$ (16,739,569)	\$ (16,027,989)	\$ (16,471,403)
General Revenues								
Property Taxes	\$ 9,868,704	\$ 9,608,210	\$ 9,160,034	\$ 9,210,393	\$ 8,664,036	\$ 8,736,730	\$ 8,503,130	\$ 8,562,290
Federal & State Aid Not Restricted to Specific Purposes	\$ 7,136,267	\$ 7,197,881	\$ 8,460,844	\$ 7,775,017	\$ 7,648,163	\$ 7,412,301	\$ 7,708,735	\$ 7,442,153
Earnings on Investments	\$ 75,031	\$ 215,553	\$ 466,704	\$ 550,875	\$ 411,367	\$ 231,039	\$ 127,451	\$ 161,573
Miscellaneous	\$ 691,758	\$ 854,402	\$ 863,291	\$ 332,762	\$ 219,667	\$ 88,697	\$ 296,432	\$ 241,597
TOTAL GENERAL REVENUES	\$ 17,771,760	\$ 17,876,046	\$ 18,950,873	\$ 17,869,047	\$ 16,943,233	\$ 16,468,767	\$ 16,635,748	\$ 16,407,613
CHANGE IN NET ASSETS	\$ 966,616	\$ 1,012,830	\$ 942,874	\$ 1,166,085	\$ 1,966,878	\$ (270,802)	\$ 607,759	\$ (63,790)
NET ASSETS: BEGINNING	\$ 25,327,666	\$ 24,314,836	\$ 23,371,963 *	\$ 21,938,990	\$ 19,972,112	\$ 20,242,914	\$ 19,635,155	\$ 19,698,945
NET ASSETS: ENDING	\$ 26,294,282	\$ 25,327,666	\$ 24,314,837	\$ 23,105,075	\$ 21,938,990	\$ 19,972,112	\$ 20,242,914	\$ 19,635,155
Revenue Per Pupil:								
Local	\$ 4,833	\$ 4,899	\$ 4,795	\$ 4,491	\$ 4,108	\$ 3,990	\$ 3,775	\$ 3,793
State	\$ 4,236	\$ 4,713	\$ 5,287	\$ 4,416	\$ 4,153	\$ 4,030	\$ 3,785	\$ 3,663
Federal	\$ 1,188	\$ 1,201	\$ 693	\$ 728	\$ 692	\$ 710	\$ 684	\$ 890
TOTAL REVENUE PER PUPIL	\$ 10,258	\$ 10,813	\$ 10,775	\$ 9,634	\$ 8,953	\$ 8,730	\$ 8,245	\$ 8,346
Expense Per Pupil:	\$ 9,840	\$ 10,370	\$ 10,361	\$ 9,135	\$ 8,112	\$ 8,845	\$ 8,001	\$ 8,372
Net Per Pupil:	\$ 417	\$ 443	\$ 414	\$ 500	\$ 841	\$ (115)	\$ 244	\$ (26)
Student Population:	2316	2256	2262	2320	2338	2345	2434	2442

Source: District Data

* The 2008 beginning net assets are higher than the 2007 ending net assets due to the inclusion of the Student Activities fund as a special revenue fund at the beginning of FY 2008. The inclusion of this fund added \$266,888 to the beginning net assets.

Fiscal Year 2003 was the first year the District became subject to GASB Statement No. 34 requirements which required the District to report both government-wide (accrual basis) and governmental fund (modified-accrual basis) financial performance. Less than 10 years of data is reported due to the District not reporting net assets under GASB #34 until fiscal year 2003.

EMERY COUNTY SCHOOL DISTRICT

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

General Fund by Component *

Fiscal Year Ended June 30,	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2010	\$ -	\$ 1,523,015	\$ -	\$ 261,222	\$ 2,230,855	\$ 4,015,092

All Other Governmental Funds by Component *

Fiscal Year Ended June 30,	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2010	\$ 82,772	\$ 4,794,506	\$ 130,918	\$ 46,354	\$ -	\$ 5,054,550

General Fund by Component (2009 and Prior) *

Fiscal Year Ended June 30,	Reserved	Unreserved	Total
2009	\$ 1,910,564	\$ 2,180,063	\$ 4,090,627
2008	\$ 1,974,403	\$ 2,276,705	\$ 4,251,108
2007	\$ 1,707,189	\$ 1,847,551	\$ 3,554,740
2006	\$ 1,549,785	\$ 1,310,290	\$ 2,860,075
2005	\$ 839,270	\$ 1,715,590	\$ 2,554,860
2004	\$ 495,340	\$ 2,204,454	\$ 2,699,794
2003	\$ 445,385	\$ 2,045,705	\$ 2,491,090
2002	\$ 256,668	\$ 1,788,148	\$ 2,044,816
2001	\$ -	\$ 1,760,654	\$ 1,760,654

All Other Governmental Funds by Component (2009 and Prior) *

Fiscal Year Ended June 30,	Reserved	Unreserved Special Revenue	Unreserved Capital Projects	Unreserved Debt Service	Total
2009	\$ 567,589	\$ 1,013,555	\$ 2,838,804	\$ 328,698	\$ 4,748,646
2008	\$ 350,145	\$ 930,573	\$ 2,577,241	\$ 342,744	\$ 4,200,703
2007	\$ 376,469	\$ 561,705	\$ 2,410,330	\$ 308,781	\$ 3,657,285
2006	\$ 2,472,986	\$ 389,070	\$ 2,654,447	\$ -	\$ 5,516,503
2005	\$ 766,758	\$ 360,446	\$ 3,328,258	\$ -	\$ 4,455,462
2004	\$ 1,815,791	\$ 332,228	\$ 2,742,490	\$ -	\$ 4,890,509
2003	\$ 1,395,414	\$ 294,998	\$ 2,185,869	\$ -	\$ 3,876,281
2002	\$ 288,097	\$ 216,866	\$ 3,195,170	\$ -	\$ 3,700,133
2001	\$ 323,239	\$ 132,385	\$ 1,871,380	\$ -	\$ 2,327,004

* GASB Statement 54 changed the required components of fund balance to: Nonspendable, Restricted, Committed, Assigned & Unassigned. Prior to GASB 54, the components of fund balance were: Reserved and Unreserved. Emery County School District implemented GASB 54 in the fiscal year ending June 30, 2010. Fiscal years prior to 2010 are presented in this report as they were originally presented, under the former components of fund balance. Readers interested in a summary of GASB 54 changes can go to the following website: www.gasb.org/st/summary/gstsm54.html

Source: District Data

EMERY COUNTY SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Revenues:										
Property Taxes	\$ 9,868,704	\$ 9,608,210	\$ 9,160,033	\$ 9,210,393	\$ 8,664,036	\$ 8,736,790	\$ 8,509,130	\$ 8,562,290	\$ 10,149,117	\$ 9,614,301
Earnings on Investments	\$ 75,031	\$ 215,553	\$ 466,704	\$ 550,875	\$ 411,367	\$ 231,039	\$ 127,451	\$ 161,573	\$ 162,011	\$ 427,035
School Food Service Sales	\$ 301,473	\$ 298,251	\$ 286,764	\$ 301,851	\$ 271,632	\$ 262,513	\$ 234,984	\$ 240,086	\$ 252,653	\$ 276,632
Other Local Sources	\$ 948,619	\$ 918,468	\$ 931,931	\$ 355,402	\$ 257,158	\$ 125,200	\$ 323,121	\$ 299,614	\$ 416,588	\$ 432,947
State Aid	\$ 9,811,358	\$ 10,632,949	\$ 11,959,416	\$ 10,244,303	\$ 9,709,579	\$ 9,449,940	\$ 9,213,585	\$ 8,944,160	\$ 9,895,278	\$ 9,431,773
Federal Aid	\$ 2,752,858	\$ 2,709,552	\$ 1,568,856	\$ 1,688,037	\$ 1,618,895	\$ 1,665,119	\$ 1,665,119	\$ 2,172,882	\$ 1,407,054	\$ 1,295,365
Other Financing Sources	\$ (560)	\$ 11,500	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 23,756,983	\$ 24,394,483	\$ 24,373,269	\$ 22,351,061	\$ 20,932,667	\$ 20,471,324	\$ 20,067,390	\$ 20,380,605	\$ 22,283,201	\$ 21,479,053
Expenditures:										
Current										
Instructional Services	\$ 14,422,381	\$ 14,173,687	\$ 13,694,925	\$ 11,912,474	\$ 10,892,455	\$ 11,154,327	\$ 11,161,067	\$ 11,376,489	\$ 11,355,199	\$ 10,894,620
Supporting Services										
Students	\$ 428,005	\$ 425,282	\$ 446,529	\$ 440,002	\$ 392,265	\$ 457,717	\$ 432,837	\$ 376,591	\$ 367,941	\$ 352,442
Instructional Staff	\$ 389,327	\$ 359,631	\$ 394,617	\$ 332,410	\$ 318,722	\$ 345,853	\$ 294,542	\$ 264,018	\$ 318,251	\$ 345,861
District Administration	\$ 310,432	\$ 410,728	\$ 311,482	\$ 303,385	\$ 299,726	\$ 299,942	\$ 313,552	\$ 825,117	\$ 1,002,711	\$ 254,696
School Administration	\$ 1,565,442	\$ 1,580,810	\$ 1,527,890	\$ 1,537,092	\$ 1,445,499	\$ 1,466,782	\$ 1,473,468	\$ 1,345,881	\$ 1,347,279	\$ 1,459,409
Business	\$ 310,354	\$ 299,408	\$ 294,377	\$ 285,208	\$ 237,466	\$ 235,051	\$ 241,676	\$ 220,305	\$ 256,725	\$ 247,715
Operation and Maintenance of Facilities	\$ 2,440,689	\$ 2,407,457	\$ 2,321,373	\$ 2,152,877	\$ 1,960,708	\$ 1,395,598	\$ 725,853	\$ 615,714	\$ 1,395,359	\$ 1,430,562
Transportation	\$ 1,097,013	\$ 1,005,662	\$ 970,051	\$ 901,794	\$ 897,377	\$ 937,731	\$ 879,562	\$ 799,350	\$ 834,562	\$ 834,265
School Food Service	\$ 959,816	\$ 932,913	\$ 847,992	\$ 858,672	\$ 827,707	\$ 891,122	\$ 853,600	\$ 772,125	\$ 785,540	\$ 809,823
Capital Outlay	\$ 1,313,195	\$ 1,899,859	\$ 2,134,898	\$ 4,283,691	\$ 1,777,996	\$ 3,346,002	\$ 3,536,832	\$ 2,866,794	\$ 2,215,106	\$ 1,751,912
Debt Service										
Principal Retirement	\$ 279,000	\$ 497,000	\$ 481,000	\$ 465,000	\$ 448,000	\$ 430,000	\$ 410,000	\$ 385,000	\$ 2,155,000	\$ 2,085,000
Interest and Fiscal Charges	\$ 10,960	\$ 28,357	\$ 43,749	\$ 60,146	\$ 77,943	\$ 95,469	\$ 56,400	\$ 78,481	\$ 121,951	\$ 211,007
TOTAL EXPENDITURES	\$ 23,526,614	\$ 24,020,794	\$ 23,408,893	\$ 23,532,751	\$ 19,575,864	\$ 21,055,594	\$ 20,380,389	\$ 19,925,785	\$ 22,158,688	\$ 20,657,412
Excess (Deficiency) of Revenues Over(Under) Expenditures	\$ 230,369	\$ 373,689	\$ 964,366	\$ (1,181,690)	\$ 1,356,803	\$ (584,270)	\$ (312,999)	\$ 454,820	\$ 1,244,513	\$ 820,641
Other Financing Sources (Uses):										
Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,510,000	\$ -	\$ 1,500,000	\$ -
Sale of Capital Assets	\$ -	\$ 13,773	\$ 8,512	\$ 17,137	\$ 9,453	\$ 4,289	\$ 12,065	\$ 10,817	\$ 9,770	\$ 21,653
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,866	\$ 156,787	\$ 23,008	\$ -
TOTAL OTHER FINANCING SOURCES	\$ -	\$ 13,773	\$ 8,512	\$ 17,137	\$ 9,453	\$ 4,289	\$ 1,535,931	\$ 167,604	\$ 1,532,778	\$ 21,653
CHANGE IN FUND BALANCES	\$ 230,369	\$ 387,462	\$ 972,898	\$ (1,164,551)	\$ 1,366,256	\$ (579,981)	\$ 1,222,932	\$ 622,424	\$ 1,657,291	\$ 842,294
FUND BALANCES: BEGINNING	\$ 8,839,273	\$ 8,451,811 *	\$ 7,478,913	\$ 8,376,578	\$ 7,010,322	\$ 7,590,303	\$ 6,367,371	\$ 5,744,947	\$ 4,087,658	\$ 3,245,364
FUND BALANCES: ENDING	\$ 9,069,642	\$ 8,839,273	\$ 8,451,811	\$ 7,212,025	\$ 8,376,578	\$ 7,010,322	\$ 7,590,303	\$ 6,367,371	\$ 5,744,949	\$ 4,087,658
Debt Service as a percentage of noncapital expenditures	1.27%	2.27%	2.83%	2.60%	2.74%	1.65%	1.42%	2.39%	10.95%	11.30%

Sources: Information taken from the District's audited financial statements. This summary itself has not been audited.
 * The 2008 Beginning Fund balance is higher than the 2007 ending due to the inclusion of the Student Activities Fund at the beginning of FY 2008. This inclusion added \$266,888 to the beginning fund balance.

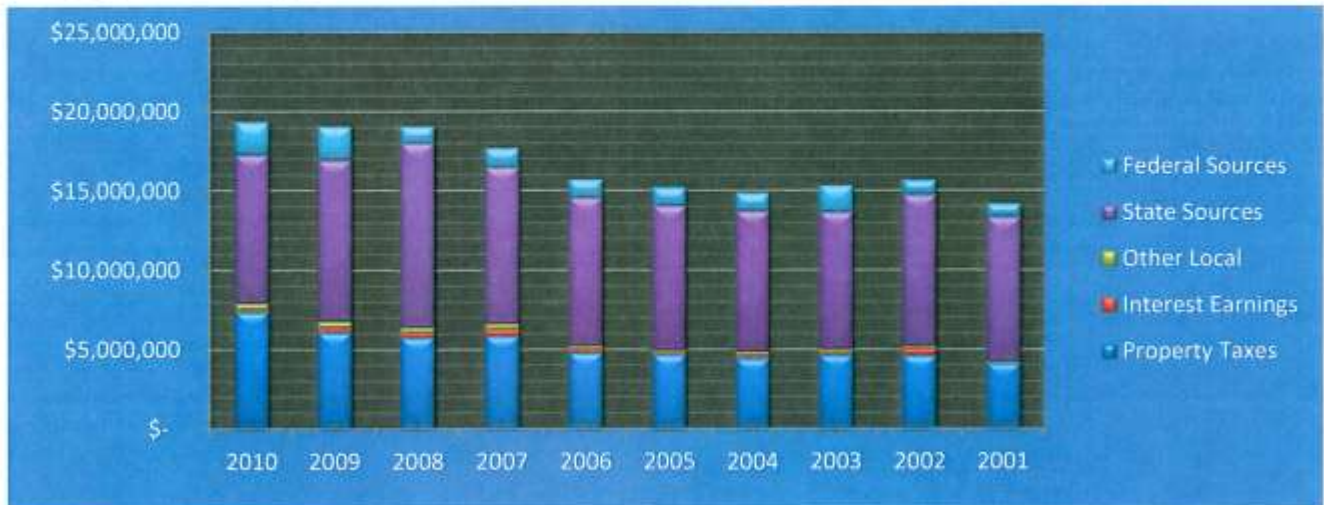
EMERY COUNTY SCHOOL DISTRICT

Revenues by Source General Fund Last Ten Fiscal Years

Year Ended June 30,	Property Taxes	Interest on Investments	Other Local	State Sources	Federal Sources	Total Revenues
2010	\$ 7,408,262	\$ 41,520	\$ 392,931	\$ 9,363,062	\$ 2,060,724	\$ 19,266,499
2009	\$ 6,106,559	\$ 126,616	\$ 389,824	\$ 10,159,844	\$ 2,119,848	\$ 18,902,691
2008	\$ 5,782,651	\$ 283,986	\$ 335,513	\$ 11,611,937	\$ 1,048,605	\$ 19,062,692
2007	\$ 5,877,557	\$ 278,938	\$ 343,881	\$ 9,873,949	\$ 1,169,206	\$ 17,543,531
2006	\$ 4,815,940	\$ 411,367	\$ 193,887	\$ 9,337,471	\$ 1,119,098	\$ 15,877,763
2005	\$ 4,696,260	\$ 231,039	\$ 116,467	\$ 9,127,844	\$ 1,132,131	\$ 15,303,741
2004	\$ 4,446,636	\$ 127,451	\$ 243,687	\$ 8,897,733	\$ 1,111,819	\$ 14,827,326
2003	\$ 4,676,463	\$ 161,573	\$ 193,525	\$ 8,635,044	\$ 1,660,515	\$ 15,327,120
2002	\$ 4,643,637	\$ 158,595	\$ 129,747	\$ 9,545,613	\$ 921,053	\$ 15,398,645
2001	\$ 4,132,482	\$ 427,035	\$ 101,533	\$ 9,127,089	\$ 818,349	\$ 14,606,488

Revenues by Source as a Percentage of Total Revenue

Year Ended June 30,	Property Taxes	Interest on Investments	Other Local	State Sources	Federal Sources	Total Revenues
2010	38.5%	0.2%	2.0%	48.6%	10.7%	100%
2009	32.3%	0.7%	2.1%	53.7%	11.2%	100%
2008	30.3%	1.5%	1.8%	60.9%	5.5%	100%
2007	33.5%	1.6%	2.0%	56.3%	6.7%	100%
2006	30.3%	2.6%	1.2%	58.8%	7.0%	100%
2005	30.7%	1.5%	0.8%	59.6%	7.4%	100%
2004	30.0%	0.9%	1.6%	60.0%	7.5%	100%
2003	30.5%	1.1%	1.3%	56.3%	10.8%	100%
2002	30.2%	1.0%	0.8%	62.0%	6.0%	100%
2001	28.3%	2.9%	0.7%	62.5%	5.6%	100%



EMERY SCHOOL DISTRICT
Expenditures by Function
General Fund
Last Ten Fiscal Years

Year Ended June 30,	Instruction	Students	Instructional Staff	District Administration	School Administration	Business	Operation & Maintenance	Transportation	Total
2010	\$ 12,868,242	\$ 428,005	\$ 389,327	\$ 310,432	\$ 1,565,442	\$ 310,354	\$ 2,439,188	\$ 1,097,013	\$ 19,408,003
2009	\$ 12,589,413	\$ 425,282	\$ 359,631	\$ 410,728	\$ 1,580,810	\$ 299,408	\$ 2,406,011	\$ 1,005,662	\$ 19,076,945
2008	\$ 12,168,551	\$ 446,529	\$ 334,617	\$ 311,482	\$ 1,527,890	\$ 294,377	\$ 2,319,527	\$ 970,051	\$ 18,373,024
2007	\$ 11,040,760	\$ 440,002	\$ 332,410	\$ 303,385	\$ 1,537,092	\$ 285,208	\$ 2,151,409	\$ 901,794	\$ 16,992,060
2006	\$ 10,022,430	\$ 392,265	\$ 318,722	\$ 299,942	\$ 1,445,499	\$ 237,466	\$ 1,959,063	\$ 897,377	\$ 15,572,548
2005	\$ 10,311,487	\$ 457,717	\$ 345,853	\$ 299,942	\$ 1,466,782	\$ 235,051	\$ 1,394,112	\$ 937,731	\$ 15,448,675
2004	\$ 10,257,132	\$ 432,837	\$ 294,542	\$ 313,552	\$ 1,473,468	\$ 241,676	\$ 725,853	\$ 879,562	\$ 14,618,622
2003	\$ 10,433,994	\$ 376,591	\$ 264,018	\$ 261,523	\$ 1,345,881	\$ 220,305	\$ 615,590	\$ 799,350	\$ 14,317,252
2002	\$ 10,455,545	\$ 365,498	\$ 276,423	\$ 255,893	\$ 1,347,279	\$ 215,112	\$ 614,627	\$ 837,626	\$ 14,368,003
2001	\$ 10,288,996	\$ 350,942	\$ 279,074	\$ 254,696	\$ 1,458,409	\$ 218,312	\$ 623,997	\$ 834,265	\$ 14,308,691

Expenditures by Function as a Percentage of Total Expenditures

Year Ended June 30,	Instruction	Students	Instructional Staff	District Administration	School Administration	Business	Operation & Maintenance	Transportation	Total
2010	66.30%	2.21%	2.01%	1.60%	8.07%	1.60%	12.57%	5.65%	100.00%
2009	65.99%	2.23%	1.89%	2.15%	8.29%	1.57%	12.61%	5.27%	100.00%
2008	66.23%	2.43%	1.82%	1.70%	8.32%	1.60%	12.62%	5.28%	100.00%
2007	64.98%	2.59%	1.96%	1.79%	9.05%	1.68%	12.66%	5.31%	100.00%
2006	64.36%	2.52%	2.05%	1.92%	9.28%	1.52%	12.58%	5.76%	100.00%
2005	66.75%	2.96%	2.24%	1.94%	9.49%	1.52%	9.02%	6.07%	100.00%
2004	70.16%	2.96%	2.01%	2.14%	10.08%	1.65%	4.97%	6.02%	100.00%
2003	72.88%	2.63%	1.84%	1.83%	9.40%	1.54%	4.30%	5.58%	100.00%
2002	72.77%	2.54%	1.92%	1.78%	9.38%	1.50%	4.28%	5.83%	100.00%
2001	71.91%	2.45%	1.95%	1.78%	10.19%	1.53%	4.36%	5.83%	100.00%

Source: District Data

EMERY SCHOOL DISTRICT
Property Tax Rates (Per \$1) - Direct and Overlapping Governments
Last Ten Tax (Calendar) Years

Emery School District		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Calendar Tax Year		2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Fiscal Year											
Basic Program	(1)	0.001433	0.001250	0.001311	0.001515	0.001720	0.001800	0.001825	0.001807	0.001785	0.001881
Voted Leeway	(2)	0.001600	0.001291	0.001311	0.001333	0.000800	0.000776	0.000800	0.000800	0.000415	0.000400
Board Leeway	(3)	0.000398	0.000393	0.000403	0.000415	0.000419	0.000420	0.000433	0.000437	0.000415	0.000400
Reading Initiative *	(4)	0.000062	0.000062	0.000063	0.000064	0.000065	0.000065	0.000000	0.000000	0.000000	0.000000
Special Transportation	(5)	0.000300	0.000300	0.000300	0.000300	0.000300	0.000153	0.000158	0.000160	0.000151	0.000146
Tort Liability	(6)	0.000022	0.000022	0.000022	0.000022	0.000022	0.000022	0.000023	0.000023	0.000022	0.000021
Judgment Recovery	(7)	0.000000	0.000069	0.000017	0.000000	0.000000	0.000000	0.000000	0.000335	0.000569	0.000000
Recreation	(8)	0.000430	0.000427	0.000433	0.000440	0.000444	0.000445	0.000459	0.000391	0.000372	0.000359
Capital Outlay	(9)	0.000691	0.000686	0.000696	0.000708	0.001234	0.001410	0.001520	0.001492	0.001495	0.001442
10% of Basic	(10)	0.000583	0.000579	0.000588	0.000598	0.000632	0.000634	0.000653	0.000782	0.000667	0.000643
Debt Service	(11)	0.000000	0.000282	0.000323	0.000354	0.000376	0.000345	0.000357	0.000390	0.001785	0.001713
Total Direct Rates:		0.005519	0.005361	0.005467	0.005749	0.006012	0.006070	0.006228	0.006617	0.007676	0.007005

Overlapping Rates		2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Calendar Tax Year		2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01
Fiscal Year											
Emery County		0.004525	0.004545	0.004412	0.004420	0.004416	0.004434	0.004558	0.004908	0.004754	0.004474
Castle Dale		0.001550	0.001624	0.001874	0.001778	0.001811	0.001809	0.001857	0.001864	0.001885	0.001843
Clawson		0.000563	0.000573	0.000631	0.000729	0.000772	0.000822	0.000847	0.000908	0.000839	0.000937
Cleveland		0.000905	0.000919	0.001085	0.001241	0.001257	0.001276	0.001309	0.001328	0.001361	0.001321
Elmo		0.002296	0.002519	0.001730	0.002054	0.002069	0.002145	0.002030	0.002250	0.002214	0.002152
Emery		0.001902	0.001736	0.001836	0.002047	0.002397	0.002407	0.002173	0.002223	0.002300	0.002393
Ferron		0.001532	0.001521	0.001817	0.002104	0.002283	0.002284	0.002267	0.002349	0.002392	0.002481
Green River		0.003873	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Huntington		0.001341	0.001332	0.001552	0.001717	0.001858	0.001872	0.001775	0.001859	0.001887	0.001753
Orangeville		0.001638	0.001635	0.001893	0.002164	0.002169	0.002188	0.002202	0.002140	0.002141	0.002103
Water Conservancy		0.000387	0.000390	0.000391	0.000396	0.000399	0.000400	0.000368	0.000395	0.000352	0.000341
Special Service		0.002142	0.001968	0.002091	0.002210	0.002265	0.002359	0.002380	0.002730	0.002247	0.002119

Limitations per Utah State Statute:

- (1) Rate Established Annually by the Utah State Legislature
- (2) Maximum Rate is 0.001600 and Must be Voted on by Public
- (3) Maximum Rate is 0.000400
- (4) Maximum Rate is 0.000121
- (5) Maximum Rate is 0.000300
- (6) Maximum Rate is 0.000100
- (7) Sufficient to Recover Property Taxes Repaid on Approved Tax Appeals
- (8) No Maximum Rate
- (9) Maximum Rate is 0.002400
- (10) Maximum Rate is Based on Formula and Changes Annually
- (11) No Maximum Rate, But Must Have Votor Approval for General Obligation Bonds Issued

* The District implemented a Reading Initiative Levy of .000065 which was established by the 2005 Legislature and this Levy does receive some revenue equalization from the Utah State Office of Education

The tax rates shown on this table represent the tax rates that are effective for each entity on the date the taxes are due to the County, which is 11/30 of each year

Source: Utah State Tax Commission, Property Tax Division

EMERY COUNTY SCHOOL DISTRICT

Property Tax Levies and Collections Last Ten Tax (Calendar) Years

Calendar Tax Year	Tax Rate	Taxable Value (1)	Taxes Levied	Collections Within Calendar Year of Levy	
				Taxes (2,3)	Percentage of Levy
2009	0.005519	\$ 1,765,041,597	\$ 9,741,265	\$ 9,319,620	95.67%
2008	0.005361	\$ 1,710,693,961	\$ 9,171,030	\$ 9,065,468	98.85%
2007	0.005467	\$ 1,582,172,459	\$ 8,649,737	\$ 8,536,200	98.69%
2006	0.005749	\$ 1,515,128,319	\$ 8,710,473	\$ 8,593,617	98.66%
2005	0.006012	\$ 1,370,590,975	\$ 8,239,993	\$ 8,093,375	98.22%
2004	0.006070	\$ 1,372,968,954	\$ 8,333,922	\$ 8,163,897	97.96%
2003	0.006228	\$ 1,305,104,744	\$ 8,128,192	\$ 7,899,506	97.19%
2002	0.006617	\$ 1,237,064,094	\$ 8,185,653	\$ 7,884,608	96.32%
2001	0.007676	\$ 1,301,504,454	\$ 9,990,348	\$ 9,620,860	96.30%
2000	0.007005	\$ 1,353,428,696	\$ 9,480,768	\$ 9,083,294	95.81%

Calendar Tax Year	Collections in Subsequent Years		Total Levy Collections		Other Non-Levy Collections
	Amount (2,3)	Percentage of Levy	Collections (2,3)	Percentage of Levy	Fee-in-Lieu and Other (2,3)
2009	\$ 125,690	1.29%	\$ 9,445,310	96.96%	\$ 367,346
2008	\$ 94,606	1.03%	\$ 9,160,074	99.88%	\$ 387,727
2007	\$ 102,176	1.18%	\$ 8,638,376	99.87%	\$ 442,260
2006	\$ 92,941	1.07%	\$ 8,686,558	99.73%	\$ 479,512
2005	\$ 64,211	0.78%	\$ 8,157,586	99.00%	\$ 461,077
2004	\$ 126,921	1.52%	\$ 8,290,818	99.48%	\$ 465,996
2003	\$ 93,983	1.16%	\$ 7,993,489	98.34%	\$ 497,938
2002	\$ 128,496	1.57%	\$ 8,013,104	97.89%	\$ 554,394
2001	\$ 101,948	1.02%	\$ 9,722,808	97.32%	\$ 625,578
2000	\$ 142,379	1.50%	\$ 9,225,673	97.31%	\$ 598,582

Sources:

- 1) Taxable Values are derived from the Final Values Sheet issued by the Utah Tax Commission, Property Tax Division
- 2) Emery County Tax Reports
- 3) District Data

EMERY COUNTY SCHOOL DISTRICT
 Taxable and Estimated Actual Value of Taxable Property
 Last Ten Tax (Calendar) Years

Calendar Tax Year	Locally Assessed										Estimated Actual Value **	Assessed Value as a Percentage of Actual Value
	Centrally Assessed Property	Real Property: Primary Residential	Real Property: Secondary Residential	Real Property: Commercial & Industrial	Real Property: Agricultural *	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Total Taxable Assessed Value	Total Direct Tax Rate		
2009	\$ 1,462,401,763	\$ 176,655,410	\$ 13,793,995	\$ 73,586,054	\$ 1,382,586	\$ 37,221,789	\$ 1,765,041,597	0.005519	\$ 1,909,577,842	0.005519	\$ 1,909,577,842	92.43%
2008	\$ 1,426,926,728	\$ 170,690,563	\$ 12,871,903	\$ 71,474,146	\$ 1,324,828	\$ 27,405,793	\$ 1,710,693,961	0.005361	\$ 1,850,349,876	0.005361	\$ 1,850,349,876	92.45%
2007	\$ 1,342,477,683	\$ 149,230,527	\$ 10,555,586	\$ 60,502,719	\$ 1,211,382	\$ 18,194,562	\$ 1,582,172,459	0.005467	\$ 1,704,270,163	0.005467	\$ 1,704,270,163	92.84%
2006	\$ 1,305,772,931	\$ 126,670,116	\$ 8,385,708	\$ 56,956,247	\$ 1,200,868	\$ 16,142,449	\$ 1,515,128,319	0.005749	\$ 1,618,767,505	0.005749	\$ 1,618,767,505	93.60%
2005	\$ 1,170,998,729	\$ 123,613,051	\$ 7,983,918	\$ 52,073,708	\$ 1,149,389	\$ 14,772,180	\$ 1,370,590,975	0.006012	\$ 1,471,728,926	0.006012	\$ 1,471,728,926	93.13%
2004	\$ 1,175,790,551	\$ 119,616,190	\$ 7,646,929	\$ 51,149,576	\$ 1,224,475	\$ 17,541,233	\$ 1,372,968,954	0.006070	\$ 1,470,836,746	0.006070	\$ 1,470,836,746	93.35%
2003	\$ 1,109,396,659	\$ 118,893,140	\$ 7,384,699	\$ 48,782,181	\$ 1,318,635	\$ 19,329,430	\$ 1,305,104,744	0.006228	\$ 1,402,380,949	0.006228	\$ 1,402,380,949	93.06%
2002	\$ 1,059,057,773	\$ 117,050,835	\$ 6,970,249	\$ 33,668,012	\$ 1,455,280	\$ 18,861,945	\$ 1,237,064,094	0.006617	\$ 1,332,832,959	0.006617	\$ 1,332,832,959	92.81%
2001	\$ 1,127,965,069	\$ 115,607,065	\$ 6,657,259	\$ 32,556,987	\$ 1,415,435	\$ 17,302,639	\$ 1,301,504,454	0.007676	\$ 1,396,092,053	0.007676	\$ 1,396,092,053	93.22%
2000	\$ 1,182,902,865	\$ 113,195,683	\$ 6,474,366	\$ 35,275,831	\$ -	\$ 15,579,951	\$ 1,353,428,696	0.007005	\$ 1,446,043,346	0.007005	\$ 1,446,043,346	93.60%

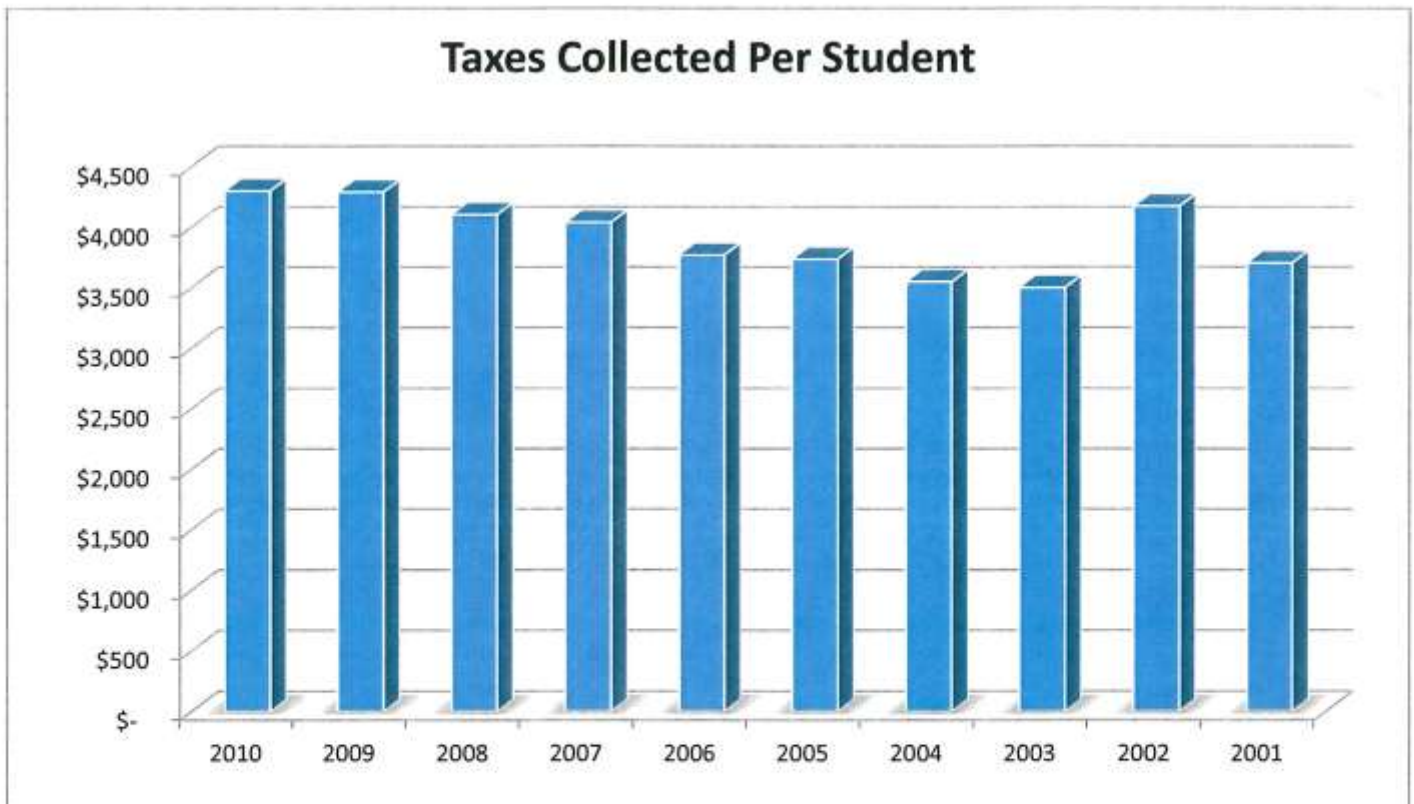
Source: Utah State Tax Commission, Property Tax Division

* Agricultural values were not reported prior to 2001

** The estimated actual value is calculated based on Utah Code which allows for a reduction in the taxable value on primary residential property in the amount of 45%.

EMERY COUNTY SCHOOL DISTRICT
Statement of Values and Collections Per Student
Last Ten Fiscal Years

Fiscal Year	Tax Year	Taxable Value (1)	Total Collections (2)	Average Membership (2)	Taxable Value Per Student	Taxes Collected Per Student
2010	2009	\$ 1,765,041,597	\$ 9,868,704	2294.03	\$ 769,407	\$ 4,302
2009	2008	\$ 1,710,693,961	\$ 9,608,210	2238.79	\$ 764,115	\$ 4,292
2008	2007	\$ 1,582,172,459	\$ 9,160,033	2231.62	\$ 708,979	\$ 4,105
2007	2006	\$ 1,515,128,319	\$ 9,210,392	2280.55	\$ 664,370	\$ 4,039
2006	2005	\$ 1,370,590,975	\$ 8,664,037	2297.89	\$ 596,456	\$ 3,770
2005	2004	\$ 1,372,968,954	\$ 8,739,829	2339.14	\$ 586,955	\$ 3,736
2004	2003	\$ 1,305,104,744	\$ 8,503,130	2395.97	\$ 544,708	\$ 3,549
2003	2002	\$ 1,237,064,094	\$ 8,540,950	2438.04	\$ 507,401	\$ 3,503
2002	2001	\$ 1,301,504,454	\$ 10,388,817	2489.05	\$ 522,892	\$ 4,174
2001	2000	\$ 1,353,428,696	\$ 9,861,312	2660.93	\$ 508,630	\$ 3,706



Sources:

- 1) Utah State Tax Commission, Property Tax Division
- 2) District Data, Includes levy generated taxes, fee-in-lieu, and motor vehicle taxes

EMERY COUNTY SCHOOL DISTRICT

Principal (Top Ten) Property Tax Payers
Current Tax (Calendar) Year and Seven Tax Years Prior

	2009 Tax Year		2002 Tax Year	
	Taxable Value	Percent of the District's Taxable Value	Taxable Value	Percent of the District's Taxable Value
Pacificorp (Utah Power)	\$ 1,131,973,724	64.13%	\$ 804,152,366	65.00%
Conocophillips Company	\$ 53,599,796	3.04%		
Deseret Generation and Transmission	\$ 46,354,754	2.63%	\$ 51,663,800	4.18%
Hiawatha Coal Company	\$ 41,873,082	2.37%	\$ 12,532,187	1.01%
Consolidation Coal	\$ 39,439,297	2.23%		
Anadarko Petroleum Corp.	\$ 33,687,747	1.91%	\$ 18,595,619	1.50%
XTO Energy, Inc.	\$ 31,171,292	1.77%		
UAMPS	\$ 20,788,100	1.18%	\$ 18,630,130	1.51%
Provo City Power	\$ 12,089,240	0.68%	\$ 10,834,280	0.88%
Genwal Resources, Inc.	\$ 10,555,602	0.60%	\$ 22,519,787	1.82%
Canyon Fuel, LLC			\$ 38,047,649	3.08%
Phillips Petroleum Company			\$ 27,474,890	2.22%
Texaco Exploration and Production			\$ 14,292,016	1.16%
Total	\$ 1,421,532,634	0.00%	\$ 1,018,742,724	82.35%

Source: Emery County Treasurer's Office

Data is only available back to tax year 2002. By tax year 2011, the District will be able to report the current year and nine years prior.

EMERY COUNTY SCHOOL DISTRICT

Ratios of Outstanding Debt Last Ten Fiscal Years

Year Ended June 30,	Outstanding General Obligation Bonds (1)	Less: Amount in Debt Service Fund (1)	Total Net Debt	Taxable Value (2)	Net General Bonded Debt as Percentage of Taxable Value	Estimated Actual Taxable Value *	Net General Bonded Debt as Percentage of Estimated Actual Taxable Value
2010	\$ -	\$ -	\$ -	\$ 1,765,041,597	0.000%	\$ 1,909,577,842	0.000%
2009	\$ 279,000	\$ 328,698	\$ (49,698)	\$ 1,710,693,961	-0.003%	\$ 1,850,349,876	-0.003%
2008	\$ 776,000	\$ 342,744	\$ 433,256	\$ 1,582,172,459	0.027%	\$ 1,704,270,163	0.025%
2007	\$ 1,257,000	\$ 308,781	\$ 948,219	\$ 1,515,128,319	0.063%	\$ 1,618,767,505	0.059%
2006	\$ 1,722,000	\$ 246,191	\$ 1,475,809	\$ 1,370,590,975	0.108%	\$ 1,471,728,976	0.100%
2005	\$ 2,170,000	\$ 234,476	\$ 1,935,524	\$ 1,372,968,954	0.141%	\$ 1,470,836,746	0.132%
2004	\$ 2,100,000	\$ 268,352	\$ 1,831,648	\$ 1,305,104,744	0.140%	\$ 1,402,380,949	0.131%
2003	\$ 2,600,000	\$ 249,855	\$ 2,350,145	\$ 1,237,064,094	0.190%	\$ 1,332,832,959	0.176%
2002	\$ 1,885,000	\$ 201,672	\$ 1,683,328	\$ 1,301,504,454	0.129%	\$ 1,396,092,053	0.121%
2001	\$ 2,540,000	\$ 95,496	\$ 2,444,504	\$ 1,353,428,696	0.181%	\$ 1,446,043,346	0.169%

Year Ended June 30,	Outstanding General Obligation Bonds	Total Personal Income (3) **	Net General Bonded Debt as Percentage of Total Personal Income	Emery County Estimated Population (4)	Net Bonded Debt Per Capita	Average Daily Membership (1)	Bonded Debt Per Student
2010	\$ -	n/a	0.00%	10848	\$ -	2294.03	\$ -
2009	\$ 279,000	\$ 265,360,000	-0.02%	10848	\$ 26	2238.79	\$ 125
2008	\$ 776,000	\$ 255,304,000	0.17%	10610	\$ 73	2231.62	\$ 348
2007	\$ 1,257,000	\$ 254,202,000	0.37%	10461	\$ 120	2280.55	\$ 551
2006	\$ 1,722,000	\$ 236,619,000	0.62%	10438	\$ 165	2297.89	\$ 749
2005	\$ 2,170,000	\$ 224,164,000	0.86%	10491	\$ 207	2339.14	\$ 928
2004	\$ 2,100,000	\$ 213,698,000	0.86%	10600	\$ 198	2395.97	\$ 876
2003	\$ 2,600,000	\$ 205,443,000	1.14%	10477	\$ 248	2438.04	\$ 1,066
2002	\$ 1,885,000	\$ 204,277,000	0.82%	10540	\$ 179	2489.05	\$ 757
2001	\$ 2,540,000	\$ 201,974,000	1.21%	10473	\$ 243	2660.93	\$ 955

Sources:

- 1) District Data
- 2) Utah State Tax Commission, Property Tax Division
- 3) U.S. Bureau of Economic Analysis
- 4) Utah Governor's Office of Planning and Budget

* The estimated actual value is calculated based on Utah Code which allows for a reduction in the taxable value on primary residential property in the amount of 45%.

** New estimates for 2008 and revisions for 1969-2007 were released on April 22, 2010. These estimates incorporate the results of the comprehensive revision to the state income accounts released in October 2009.

Note: Detail regarding the District's outstanding debt can be found in the notes to the financial statements

EMERY SCHOOL DISTRICT

General Obligation Legal Debt Limit and Estimated Additional Debt Incurring Capacity Last Ten Fiscal Years

Year Ended June 30,	Actual Taxable Value (1)	Fee-in-Lieu / Age Based Taxable Value (1)	Fair Market Value	Debt Limit (4% of Fair Market Value)	General Obligation Debt (2)	Additional Debt Incurring Capacity	Percentage of Debt to Debt Limit
2010	\$ 1,765,041,597	\$ 62,880,570	\$ 1,827,922,167	\$ 73,116,887	\$ -	\$ 73,116,887	0.00%
2009	\$ 1,710,693,961	\$ 62,563,380	\$ 1,773,257,341	\$ 70,930,294	\$ 279,000	\$ 70,651,294	0.39%
2008	\$ 1,582,172,459	\$ 62,536,667	\$ 1,644,709,126	\$ 65,788,365	\$ 776,000	\$ 65,012,365	1.19%
2007	\$ 1,515,128,319	\$ 62,701,266	\$ 1,577,829,585	\$ 62,701,266	\$ 1,257,000	\$ 61,444,266	2.05%
2006	\$ 1,370,590,975	\$ 57,295,077	\$ 1,427,886,052	\$ 57,295,077	\$ 1,722,000	\$ 55,573,077	3.10%
2005	\$ 1,372,968,954	\$ 58,718,143	\$ 1,431,687,097	\$ 58,718,143	\$ 2,170,000	\$ 56,548,143	3.84%
2004	\$ 1,305,104,744	\$ 69,459,028	\$ 1,374,563,772	\$ 54,982,551	\$ 2,100,000	\$ 52,882,551	3.97%
2003	\$ 1,237,064,094	\$ 57,984,800	\$ 1,295,048,894	\$ 51,801,956	\$ 2,600,000	\$ 49,201,956	5.28%
2002	\$ 1,301,504,454	\$ 51,586,246	\$ 1,353,090,700	\$ 54,123,628	\$ 1,885,000	\$ 52,238,628	3.61%
2001	\$ 1,353,428,696	\$ 26,895,600	\$ 1,380,324,296	\$ 55,212,972	\$ 2,540,000	\$ 52,672,972	4.82%

The general obligation indebtedness of the District is limited by Utah law to 4% of the fair market value of taxable property in the District.

Sources:

- 1) Utah State Tax Commission, Property Tax Division
- 2) District Data

EMERY COUNTY SCHOOL DISTRICT
Overlapping and Underlying General Obligation Debt
For Fiscal Year Ending June 30, 2010

Taxing Entity	2009 Taxable Value (1)	District's Estimated Portion of Taxable Value (1)	Estimated District Percentage	Entity's General Obligation Debt (2) (3)	District's Estimated Portion of Debt
Overlapping:					
State of Utah	\$ 212,422,991,861	\$ 1,827,922,167	0.86%	\$ 2,409,940,000	\$ 20,737,787
Total Overlapping					<u>\$ 20,737,787</u>
Underlying:					
Emery County	\$ 1,827,922,167	\$ 1,827,922,167	100.00%	\$ 4,500,000	\$ 4,500,000
Castle Dale City	\$ 56,152,973	\$ 56,152,973	100.00%	\$ -	\$ -
Clawson Town	\$ 4,370,845	\$ 4,370,845	100.00%	\$ -	\$ -
Cleveland Town	\$ 16,912,768	\$ 16,912,768	100.00%	\$ -	\$ -
Elmo Town	\$ 10,893,230	\$ 10,893,230	100.00%	\$ -	\$ -
Emery Town	\$ 9,499,094	\$ 9,499,094	100.00%	\$ -	\$ -
Ferron City	\$ 47,903,879	\$ 47,903,879	100.00%	\$ -	\$ -
Green River City	\$ 49,062,282	\$ 49,062,282	100.00%	\$ -	\$ -
Huntington City	\$ 67,775,277	\$ 67,775,277	100.00%	\$ -	\$ -
Orangeville City	\$ 40,870,316	\$ 40,870,316	100.00%	\$ -	\$ -
Emery W.C.D.	\$ 1,772,151,495	\$ 1,772,151,495	100.00%	\$ -	\$ -
Castle Valley S.S.D.	\$ 1,301,788,227	\$ 1,301,788,227	100.00%	\$ 8,810,000	\$ 8,810,000
Emery County S.S.D.	\$ 475,928,699	\$ 475,928,699	100.00%	\$ -	\$ -
Emery Recreation S.S.D.	\$ 1,827,922,167	\$ 1,827,922,167	100.00%	\$ -	\$ -
Emery Fire S.S.D.	\$ 1,827,922,167	\$ 1,827,922,167	100.00%	\$ -	\$ -
Total Underlying					<u>\$ 13,310,000</u>
Total Overlapping and Underlying General Obligation Debt					<u>\$ 34,047,787</u>
Total Overlapping General Obligation Debt (Excluding the State) *					\$ -
Total Direct General Obligation Bonded Indebtedness					\$ -
Total Direct and Overlapping General Obligation Debt (Excluding the State) *					<u>\$ -</u>
Total Underlying General Obligation Debt					<u>\$ 13,310,000</u>
Total Direct General Obligation Bonded Indebtedness					\$ -
Total Direct and Underlying General Obligation Debt					<u>\$ 13,310,000</u>
Total Overlapping and Underlying General Obligation Debt (Excluding the State) *					<u>\$ 13,310,000</u>
Total Direct General Obligation Bonded Indebtedness					\$ -
Total Direct, Overlapping, and Underlying General Obligation Debt (Excluding the State) *					<u>\$ 13,310,000</u>

* The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.

Sources:

- 1) Utah State Tax Commission, Property Tax Division
- 2) Utah State Division of Finance, Preliminary Financial Information Report for 2010
- 3) Individual Entity Annual Financial Reports, Utah State Auditor's Office

EMERY COUNTY SCHOOL DISTRICT
Schedule of Long-Term Debt Service
As of June 30, 2010

Summary of Long-Term Debt

As of June 30, 2010, Emery County School District has no long-term debt service obligations

EMERY SCHOOL DISTRICT
Ratio of Annual Debt Service to Total General Fund Expenditures
Last Ten Fiscal Years

Year Ended June 30,	Principal	Interest and Paying Agent Fees	Total Debt Service	Total General Fund Expenditures	Ratio of Debt Service to General Fund Expenditures
2010	\$ 279,000	\$ 10,960	\$ 289,960	\$ 19,408,003	1.49%
2009	\$ 497,000	\$ 28,357	\$ 525,357	\$ 19,076,945	2.75%
2008	\$ 481,000	\$ 43,748	\$ 524,748	\$ 18,373,024	2.86%
2007	\$ 465,000	\$ 60,147	\$ 525,147	\$ 16,992,060	3.09%
2006	\$ 448,000	\$ 77,942	\$ 525,942	\$ 15,572,548	3.38%
2005	\$ 430,000	\$ 95,469	\$ 525,469	\$ 15,448,675	3.40%
2004	\$ 410,000	\$ 56,400	\$ 466,400	\$ 14,618,622	3.19%
2003	\$ 385,000	\$ 78,481	\$ 463,481	\$ 14,317,252	3.24%
2002	\$ 2,155,000	\$ 121,951	\$ 2,276,951	\$ 14,368,003	15.85%
2001	\$ 2,065,000	\$ 212,007	\$ 2,277,007	\$ 14,308,691	15.91%

On June 25, 1996, the public voted to authorize the District to issue \$15,000,000 in general obligation bonds.

Series 1: August 1, 1996 for \$9,990,000. Final payment was made in June 2002.

Series 2: April 1, 1998 for \$2,000,000. Final payment was made in June 2003.

Series 3: May 1, 2002 for \$1,500,000. Final payment was made in June 2007.

Series 4: June 11, 2004 for \$1,510,000. Final payment is anticipated to be made in June 2010.

Total bond indebtedness as of June 30, 2010 is \$0

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Demographic and Economic Statistics

Last Ten Calendar Years

Year Ended Dec 31,	Labor Force (1)	Employed (1)	Unemployed (1)	Unemployment Rate (1)	Non-Farm Employment (1)	Average Monthly Nonfarm Wage (1)
2009 (p)	5243	4903	340	6.5%	3694	\$ 3,608
2008	5043	4843	200	4.0%	3787	\$ 3,318
2007	5114	4931	183	3.6%	3905	\$ 3,307
2006	5253	5067	186	3.5%	3937	\$ 3,302
2005	5170	4903	267	5.2%	3801	\$ 3,084
2004	5166	4808	358	6.9%	3739	\$ 2,883
2003	4910	4508	402	8.2%	3498	\$ 2,831
2002	4812	4464	348	7.2%	Not Available	Not Available
2001	4744	4429	315	6.6%	Not Available	Not Available
2000	4703	4477	226	4.8%	Not Available	Not Available

Year Ended Dec 31,	Emery County Estimated Population (2)	Total Personal Income (3)	Total Net Personal Earnings (3)	Per Capita Income	Per Capita Net Earnings	Mean Household Income from IRS Returns (4)
2009	10848	Not Available	Not Available	Not Available	Not Available	Not Available
2008	10610	\$ 265,360,000	\$ 183,798,000	\$ 25,010	\$ 17,323	\$ 82,732
2007	10461	\$ 255,304,000	\$ 180,128,000	\$ 24,405	\$ 17,219	\$ 77,927
2006	10438	\$ 254,202,000	\$ 182,182,000	\$ 24,354	\$ 17,454	\$ 77,336
2005	10491	\$ 236,619,000	\$ 165,181,000	\$ 22,554	\$ 15,745	\$ 46,461
2004	10600	\$ 224,164,000	\$ 155,427,000	\$ 21,148	\$ 14,663	\$ 41,781
2003	10477	\$ 213,698,000	\$ 145,997,000	\$ 20,397	\$ 13,935	\$ 40,656
2002	10540	\$ 205,443,000	\$ 139,624,000	\$ 19,492	\$ 13,247	\$ 40,581
2001	10473	\$ 204,277,000	\$ 139,188,000	\$ 19,505	\$ 13,290	\$ 40,561
2000	10782	\$ 201,974,000	\$ 140,267,000	\$ 18,733	\$ 13,009	\$ 38,675

p = preliminary

Sources:

(1) Utah Department of Workforce Services: jobs.utah.gov/jsp/wi/utalmis/default.do

(2) Utah Governors Office of Planning and Budget: www.governor.utah.gov/dea/default.html

(3) U.S. Bureau of Economic Analysis: www.bea.gov/regional/reis/

(4) Utah State Tax Commission: tax.utah.gov/esu/income/index.html / Federal Return Data / County AGI Means for Families

Years presented are limited to the data available

EMERY COUNTY SCHOOL DISTRICT

Demographic and Economic Statistics

Last Ten Calendar Years

Labor Force: Employment by Industry, Emery County (1)

Industry	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<i>Trades & Utilities</i>	950	973	992	1044	1048	1009	902	n/a	n/a	n/a
<i>Government</i>	912	893	865	862	860	890	858	n/a	n/a	n/a
<i>Mining</i>	556	678	788	853	826	701	648	n/a	n/a	n/a
<i>Construction</i>	471	425	365	338	266	314	337	n/a	n/a	n/a
<i>Leisure & Hospitality</i>	265	289	269	278	284	281	169	n/a	n/a	n/a
<i>Other Services</i>	137	131	162	155	157	152	165	n/a	n/a	n/a
<i>Information</i>	127	125	138	132	139	152	154	n/a	n/a	n/a
<i>Professional & Business</i>	101	105	180	141	83	87	90	n/a	n/a	n/a
<i>Health & Social Services</i>	79	73	67	58	58	65	87	n/a	n/a	n/a
<i>Financial Activities</i>	73	70	60	58	56	60	55	n/a	n/a	n/a
<i>Manufacturing</i>	24	26	19	17	22	29	35	n/a	n/a	n/a

Sales and Building Indicators

Year Ended Dec 31,	Gross Taxable Sales (2)	Permit Authorized Construction (3)	New Residential Building Permits (3)	Residential Building Permits Value (3)	Non-residential Building Permits Value (3)
2009	\$ 173,845,000	\$ 7,006,000	25	\$ 3,717,000	\$ 2,048,000
2008	\$ 159,334,000	\$ 9,424,000	44	\$ 5,717,000	\$ 3,100,000
2007	\$ 167,446,000	\$ 11,806,000	40	\$ 6,147,000	\$ 4,159,000
2006	\$ 182,236,000	\$ 13,544,000	43	\$ 5,268,000	\$ 7,498,000
2005	\$ 138,623,000	\$ 9,352,000	29	\$ 3,666,000	\$ 3,856,000
2004	\$ 128,438,000	\$ 6,153,000	28	\$ 2,854,000	\$ 2,158,000
2003	\$ 104,310,000	\$ 4,832,000	36	\$ 2,769,000	\$ 1,271,000
2002	\$ 106,343,000	\$ 8,784,000	36	\$ 2,114,000	\$ 5,540,000
2001	\$ 102,774,000	\$ 9,015,000	32	\$ 2,268,000	\$ 6,329,000
2000	\$ 77,233,000	\$ 6,876,000	50	\$ 3,440,000	\$ 1,801,000

Sources:

(1) Utah Department of Workforce Services: jobs.utah.gov/jsp/wi/, Emery County Facts Sheet

(2) Utah State Tax Commission: tax.utah.gov/esu/

(3) Utah Bureau of Economic & Business Research: www.bebr.utah.edu/CIDB.html

Years presented are limited to the data available

EMERY COUNTY SCHOOL DISTRICT

Principal Employers

Current Year and Two Years Ago *

As of December 31, 2009			As of December 31, 2007		
Employer	Approximate Number of Employees	Approximate Percent of Total Employment	Employer	Approximate Number of Employees	Approximate Percent of Total Employment
<i>PacifiCorp</i>	250-499	7.65%	<i>PacifiCorp</i>	250-499	7.60%
<i>Energy West</i>	250-499	7.65%	<i>Energy West</i>	250-499	7.60%
<i>Emery County School District</i>	250-499	7.65%	<i>Emery County School District</i>	250-499	7.60%
<i>Nielson Construction</i>	250-499	7.65%	<i>Nielson Construction</i>	250-499	7.60%
<i>Emery County</i>	100-249	3.57%	<i>Consolidated Coal</i>	100-249	3.55%
<i>Consolidated Coal</i>	100-249	3.57%	<i>Emery Telcom</i>	100-249	3.55%
<i>Power Source Services</i>	50-99	3.57%	<i>C.W. Mining</i>	100-249	3.55%
<i>Emery County Nursing Home</i>	50-99	1.53%	<i>Emery County</i>	100-249	3.55%
<i>Billings Distribution</i>	50-99	1.53%	<i>Billings Distribution</i>	50-99	1.52%
<i>State of Utah</i>	50-99	1.53%	<i>State of Utah</i>	50-99	1.52%
<i>West Winds Truck Stop</i>	50-99	1.53%	<i>Power Source Services</i>	50-99	1.52%
		47.42%	<i>Emery County Nursing Home</i>	50-99	1.52%
			<i>Genwal Resources</i>	50-99	1.52%
					52.22%

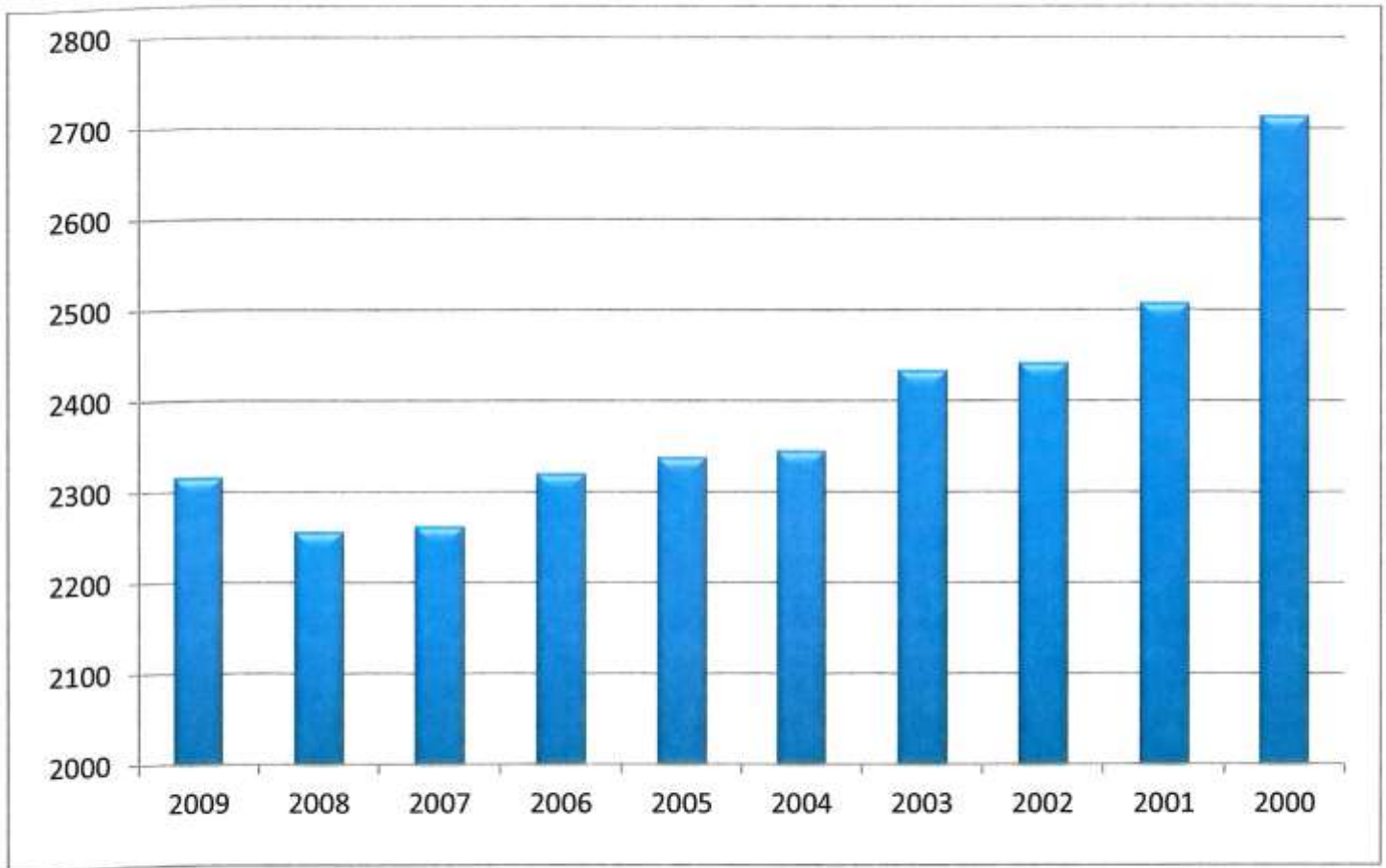
The middle of the identified range is used to calculate the percent of total employment.

* Years presented are limited to the data available. In 2017 the District will be able to show the current year and nine years prior.

Source: Utah Department of Workforce Services: <http://jobs.utah.gov/openccms/wi/regions/eastern/emery/emeryme.pdf>

EMERY COUNTY SCHOOL DISTRICT
Total Student Enrollment as of October 1
Last Ten Fiscal Years

<u>As of October 1,</u>	<u>Enrollment</u>	<u>Prior Year Enrollment</u>	<u>Change from Prior Year</u>	<u>10 Years Prior Enrollment</u>	<u>Change from 10 Years Prior</u>
2009	2316	2256	2.59%	2973	-28.37%
2008	2256	2262	-0.27%	3101	-37.46%
2007	2262	2320	-2.56%	3228	-42.71%
2006	2320	2338	-0.78%	3313	-42.80%
2005	2338	2345	-0.30%	3332	-42.51%
2004	2345	2434	-3.80%	3347	-42.73%
2003	2434	2442	-0.33%	3429	-40.88%
2002	2442	2508	-2.70%	3400	-39.23%
2001	2508	2714	-8.21%	3484	-38.92%
2000	2714	2973	-9.54%	3525	-29.88%



Source: District Data

Emery County School District
Student Enrollment by School, as of October 1
Last Ten Fiscal Years

School	School Enrollment as of October 1,										Change 2000-2009	% Change 2000-2009
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000		
Book Cliff Elementary	144	137	116	117	122	144	155	161	138	153	-9	-5.88%
Castle Dale Elementary	189	183	176	170	158	161	169	167	175	208	-19	-9.13%
Cleveland Elementary	187	170	149	151	132	138	140	128	139	146	41	28.08%
Cottonwood Elementary	185	192	183	182	194	203	190	213	210	210	-25	-11.90%
Ferron Elementary	278	271	271	231	227	199	230	218	241	263	15	5.70%
Huntington Elementary	320	331	356	365	354	346	359	322	321	363	-43	-11.85%
Canyon View Jr High	207	172	181	213	224	235	229	235	227	250	-43	-17.20%
San Rafael Jr High	240	219	239	254	274	304	312	336	325	345	-105	-30.43%
Green River High	119	112	110	120	127	114	105	97	112	100	19	19.00%
Emery High	447	469	481	517	526	522	545	565	620	676	-229	-33.88%
Total	2,316	2,256	2,262	2,320	2,338	2,366	2,434	2,442	2,508	2,714	-398	-14.66%

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Student Aggregate Daily Membership By School, As Reported in S-3 Report (unaudited)
Last Ten Fiscal Years

SCHOOL	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
ELEMENTARY SCHOOLS										
Huntington	323.29	323.77	342.34	367.74	351.75	345.53	349.04	337.54	330.45	349.83
Ferron	274.63	270.69	267.83	231.32	227.57	204.37	223.53	221.21	237.22	259.58
Castle Dale	191.54	188.57	180.12	171.68	157.81	161.31	169.21	165.54	174.45	204.94
Cleveland	187.51	172.03	148.06	146.27	127.93	136.61	140.31	127.68	137.13	147.41
Cottonwood	182.17	190.00	183.18	180.11	190.10	203.50	194.67	210.75	217.07	209.91
Book Cliff	142.97	138.07	116.14	116.08	121.61	138.58	153.88	160.60	140.37	151.37
Total Elementary Schools	1159.14	1145.06	1121.53	1097.12	1055.16	1051.32	1076.76	1062.72	1096.32	1171.67
JUNIOR HIGH SCHOOLS										
San Rafael	240.40	219.96	238.37	251.05	269.28	305.30	309.73	336.86	326.72	342.29
Canyon View	207.17	173.19	177.96	204.93	221.78	237.02	228.37	234.83	227.81	245.94
Total Junior High Schools	447.57	393.15	416.33	455.98	491.06	542.32	538.10	571.69	554.53	588.23
HIGH SCHOOLS										
Emery	430.84	454.43	465.44	494.67	507.23	496.73	523.99	544.47	590.11	650.90
Green River	113.51	108.08	112.18	116.68	122.81	110.19	103.24	98.56	107.72	98.76
Total High Schools	544.35	562.51	577.62	611.35	630.04	606.92	627.23	643.03	697.83	749.66
TOTAL	2294.03	2238.79	2231.62	2280.53	2297.87	2339.14	2395.97	2438.04	2489.05	2660.93

The State of Utah requires student average daily membership to be audited by an independent auditor at the end of each school year. The State uses average daily membership as a major component in determining many of the funds it allocates to public school districts in the subsequent year.

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Student Aggregate Daily Membership By Grade, As Reported in S-3 Report (unaudited)
Last Ten Fiscal Years

SCHOOL	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
ELEMENTARY SCHOOLS										
Kindergarten	187.96	199.73	185.92	180.85	159.01	165.29	195.95	190.00	134.00	158.00
Grade 1	203.03	178.67	190.16	172.41	171.11	195.07	185.08	143.00	155.00	152.00
Grade 2	188.97	180.13	170.71	170.59	194.22	184.30	139.87	160.00	150.00	195.00
Grade 3	172.34	171.66	172.05	181.12	186.11	134.13	163.76	155.00	189.00	208.00
Grade 4	169.79	170.18	174.79	181.85	138.89	172.67	143.03	178.00	199.00	180.00
Grade 5	176.74	175.01	181.87	143.44	165.21	140.28	175.59	201.00	180.00	211.00
Grade 6	174.78	186.27	141.16	159.35	142.16	183.62	205.98	182.00	216.00	204.00
Total Elementary Schools	1273.61	1261.65	1216.65	1189.61	1156.71	1175.36	1209.27	1209.00	1223.00	1308.00
JUNIOR HIGH SCHOOLS										
Grade 7	190.23	142.01	154.34	141.51	179.12	207.66	174.71	210.00	204.00	219.00
Grade 8	150.04	156.91	134.26	180.04	200.89	174.08	209.12	209.00	207.00	199.00
Grade 9	164.54	138.26	184.53	190.48	177.42	212.15	198.26	204.00	205.00	221.00
Total Junior High Schools	504.81	437.17	473.13	512.03	557.43	593.88	582.09	623.00	616.00	639.00
HIGH SCHOOLS										
Grade 10	142.68	176.86	175.52	174.19	211.60	189.47	192.81	201.00	216.00	216.00
Grade 11	178.36	181.93	164.67	202.51	181.98	195.03	189.76	199.00	201.00	245.00
Grade 12	154.25	147.11	173.58	170.38	164.50	164.86	176.47	178.00	208.00	221.00
Total High Schools	475.29	505.90	513.78	547.08	558.08	549.36	559.03	578.00	625.00	682.00
SELF CONTAINED	40.33	34.08	28.07	31.82	25.66	20.53	45.59	28.04	25.05	31.93
TOTAL	2294.03	2238.79	2231.63	2280.53	2297.87	2339.14	2395.97	2438.04	2489.05	2660.93

The State of Utah requires student average daily membership to be audited by an independent auditor at the end of each school year. The State uses average daily membership as a major component in determining many of the funds it allocates to public school districts in the subsequent year.

Source: District Data

EMERY COUNTY SCHOOL DISTRICT
District Staffing Levels By Full-Time Equivalency (FTE)
Last Ten Fiscal Years

FTE's	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
TEACHERS										
Castle Dale Elementary	9.50	9.50	8.50	8.00	7.50	8.50	8.00	9.00	10.00	10.50
Cleveland Elementary	9.50	9.50	7.50	6.50	6.50	7.50	8.50	7.50	7.50	8.00
Ferron Elementary	16.00	15.50	14.00	12.00	12.00	12.50	14.00	14.00	14.00	17.00
Book Cliff Elementary	9.50	8.50	8.50	8.00	8.00	8.00	8.00	8.00	9.50	9.00
Huntington Elementary	18.64	20.64	20.14	19.64	19.64	20.07	18.00	18.00	19.00	20.00
Cottonwood Elementary	8.50	9.21	8.50	10.00	10.00	11.00	12.00	12.00	12.00	12.00
Canyon View Junior High	12.37	13.57	13.57	14.00	14.00	14.00	14.00	13.58	14.93	15.50
San Rafael Junior High	13.16	14.16	13.93	13.93	14.51	16.07	17.58	17.22	19.22	18.15
Green River High	8.50	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Emery High	22.50	24.98	24.21	23.39	23.39	26.45	27.88	27.36	30.86	31.86
TOTAL TEACHERS	128.17	134.56	127.85	124.46	124.54	133.09	136.96	135.66	146.01	151.01
CLASSIFIED STAFF										
Educational Assistants	46.07	46.66	43.69	41.25	37.56	39.53	54.30	56.61	59.57	58.81
Secretaries	12.88	13.38	11.32	11.32	11.32	11.32	11.32	11.32	11.38	12.07
Business Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Custodians	21.00	23.00	23.00	23.00	23.00	23.50	23.00	24.00	24.13	24.63
Maintenance	10.75	11.75	10.75	9.60	10.60	10.40	9.00	10.00	11.00	11.00
Transportation	10.97	10.23	10.96	10.62	10.62	11.91	18.29	17.34	18.89	20.05
Child Nutrition	13.13	13.00	12.51	15.28	14.59	14.60	17.92	18.34	18.84	22.75
TOTAL CLASSIFIED STAFF	116.80	120.02	114.23	113.07	109.69	113.26	135.83	139.61	145.81	151.31
ADMINISTRATION										
Principals	9.50	9.50	9.70	9.70	9.70	9.70	9.70	9.70	9.70	9.70
District Office	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50
TOTAL ADMINISTRATION	15.00	15.00	15.20	15.20	15.20	15.20	15.20	15.20	15.20	15.20
TOTAL STAFFING FTE'S	259.97	269.58	257.28	252.73	249.43	261.55	287.99	290.47	307.02	317.52

PERCENTAGES	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
TEACHERS										
Castle Dale Elementary	3.65%	3.52%	3.30%	3.17%	3.01%	3.25%	2.78%	3.10%	3.26%	3.31%
Cleveland Elementary	3.65%	3.52%	2.92%	2.57%	2.61%	2.87%	2.95%	2.58%	2.44%	2.52%
Ferron Elementary	6.15%	5.75%	5.44%	4.75%	4.81%	4.78%	4.86%	4.82%	4.56%	5.35%
Book Cliff Elementary	3.65%	3.15%	3.30%	3.17%	3.21%	3.06%	2.78%	2.75%	3.09%	2.83%
Huntington Elementary	7.17%	7.66%	7.83%	7.77%	7.87%	7.67%	6.25%	6.20%	6.19%	6.30%
Cottonwood Elementary	3.27%	3.42%	3.30%	3.96%	4.01%	4.21%	4.17%	4.13%	3.91%	3.78%
Canyon View Junior High	4.76%	5.03%	5.27%	5.54%	5.61%	5.35%	4.86%	4.68%	4.86%	4.88%
San Rafael Junior High	5.06%	5.25%	5.41%	5.51%	5.82%	6.14%	6.10%	5.93%	6.26%	5.72%
Green River High	3.27%	3.34%	3.50%	3.56%	3.61%	3.44%	3.13%	3.10%	2.93%	2.83%
Emery High	8.65%	9.27%	9.41%	9.25%	9.38%	10.11%	9.68%	9.42%	10.05%	10.03%
TOTAL TEACHERS	49.30%	49.91%	49.69%	49.25%	49.93%	50.89%	47.56%	46.70%	47.56%	47.56%
CLASSIFIED STAFF										
Educational Assistants	17.72%	17.31%	16.98%	16.32%	15.06%	15.11%	18.85%	19.49%	19.40%	18.52%
Secretaries	4.95%	4.96%	4.40%	4.48%	4.54%	4.33%	3.93%	3.90%	3.71%	3.80%
Business Office	0.77%	0.74%	0.78%	0.79%	0.80%	0.76%	0.69%	0.69%	0.65%	0.63%
Custodians	8.08%	8.53%	8.94%	9.10%	9.22%	8.98%	7.99%	8.26%	7.86%	7.76%
Maintenance	4.14%	4.36%	4.18%	3.80%	4.25%	3.98%	3.13%	3.44%	3.58%	3.46%
Transportation	4.22%	3.79%	4.26%	4.20%	4.26%	4.55%	6.35%	5.97%	6.15%	6.31%
Child Nutrition	5.05%	4.82%	4.86%	6.05%	5.85%	5.58%	6.22%	6.31%	6.14%	7.16%
TOTAL CLASSIFIED	44.93%	44.52%	44.40%	44.74%	43.98%	43.30%	47.16%	48.06%	47.49%	47.65%
ADMINISTRATION										
Principals	3.65%	3.52%	3.77%	3.84%	3.89%	3.71%	3.37%	3.34%	3.16%	3.05%
District Office	2.12%	2.04%	2.14%	2.18%	2.21%	2.10%	1.91%	1.89%	1.79%	1.73%
TOTAL ADMINISTRATION	5.77%	5.56%	5.91%	6.01%	6.09%	5.81%	5.28%	5.23%	4.95%	4.79%

Source: District Data

EMERY COUNTY SCHOOL DISTRICT
School Food Service: Facts and Figures
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
SCHOOLS PARTICIPATING IN:										
Lunch	10	10	10	10	10	10	10	10	10	10
Breakfast	10	9	9	9	9	9	9	9	9	9
STUDENT LUNCHES SERVED:										
Free	93,449	78,738	80,188	77,154	85,523	96,111	99,070	92,748	96,356	94,203
Reduced	50,490	49,109	47,902	53,581	52,112	54,487	51,398	54,266	48,093	52,194
Fully Paid	114,034	118,811	117,487	118,858	118,318	114,451	109,201	114,729	128,733	140,949
Total	257,973	246,658	245,577	249,593	255,953	265,049	259,669	261,743	273,182	287,346
ADULT LUNCHES SERVED:										
	4,296	4,100	3,225	4,084	3,822	4,488	17,501	18,696	18,048	16,544
STUDENT BREAKFASTS SERVED:										
Free	56,040	45,332	47,438	48,154	48,363	51,284	55,616	48,020	51,680	46,192
Reduced	19,408	19,295	19,383	20,197	17,577	15,155	11,301	13,707	10,700	9,867
Fully Paid	18,042	22,586	23,090	19,323	15,665	12,200	10,302	11,056	12,344	12,838
Total	93,490	87,213	89,911	87,674	81,605	78,639	77,219	72,783	74,724	68,897
ADULT BREAKFASTS SERVED:										
	192	111	80	34	37	17	60	118	105	88
NUMBER OF SERVING DAYS:										
	173	173	173	173	173	173	173	173	173	173
AVERAGE DAILY PARTICIPATION										
Student Lunch	1,491	1,426	1,420	1,443	1,479	1,532	1,501	1,513	1,579	1,661
Adult Lunch	25	24	19	24	22	26	101	108	104	96
Student Breakfast	540	504	520	507	472	455	446	421	432	398
Adult Breakfast	1	1	0	0	0	0	0	1	1	1
	<u>2,056</u>	<u>1,954</u>	<u>1,958</u>	<u>1,973</u>	<u>1,973</u>	<u>2,013</u>	<u>2,048</u>	<u>2,042</u>	<u>2,115</u>	<u>2,155</u>
AVG DAILY MEMBERSHIP										
	2,106	2,039	2,046	2,100	2,139	2,174	2,200	2,248	2,355	2,503
PERCENTAGE OF STUDENTS EATING SCHOOL LUNCH										
	70.81%	69.92%	69.38%	68.70%	69.17%	70.47%	68.23%	67.30%	67.05%	66.36%
STUDENTS ON FREE LUNCH										
	719	656	679	609	656	743	784	743	747	726
STUDENTS ON REDUCED LUNCH										
	400	375	445	429	403	407	383	432	373	392
PERCENTAGE OF STUDENTS ON:										
Free Lunch	34.14%	32.17%	33.19%	29.00%	30.67%	34.18%	35.64%	33.05%	31.72%	29.01%
Reduced Lunch	18.99%	18.39%	21.75%	20.43%	18.84%	18.72%	17.41%	19.22%	15.84%	15.66%
Total	53.13%	50.56%	54.94%	49.43%	49.51%	52.90%	53.05%	52.27%	47.56%	44.67%
SUMMER FOOD SERVICE PROGRAM:										
Child (0-18) Lunches Served:	11,847	6709 *	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Adult Lunches Served:	232	92 *	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

* Includes lunches served during June 2009 summer lunch. Lunches served in July 2009 will be reported in 2010

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Capital Asset Information

June 30, 2010

	Grades Housed	Square Feet	Total Classrooms	Site Acres	Year Built
ELEMENTARY SCHOOLS					
<i>Book Cliff</i>	K-6	30,194	9	8	1976
<i>Castle Dale</i>	K-6	36,444	15	15	1976
<i>Cleveland</i>	K-6	32,126	12	8	1976
<i>Cottonwood</i>	K-6	35,035	17	7	1962
<i>Ferron</i>	K-6	41,502	18	7	1962
<i>Huntington</i>	K-6	38,231	22	4	1962
JUNIOR HIGH SCHOOLS					
<i>Canyon View</i>	7-9	48,600	19	20	1976
<i>San Rafael</i>	7-9	52,494	20	20	1976
HIGH SCHOOLS					
<i>Emery</i>	10-12	279,992	39	26	1962-1999
<i>Green River</i>	7-12	69,960	14	10	1981-2006
SUPPORT FACILITIES					
<i>District Office</i>	n/a	3,402	n/a	1	1961
<i>Maintenance</i>	n/a	4,000	n/a	2	1975
<i>Transportation</i>	n/a	10,000	n/a	2	1985
<i>Child Nutrition</i>	n/a	9,600	n/a	1	2003
		<u>691,580</u>	<u>185</u>	<u>131</u>	

Source: District Data

EMERY COUNTY SCHOOL DISTRICT
Schedule of Insurance in Force
June 30, 2010

Type	Expiration Date	Details of Coverage	Limits	Annual Premium
Property, Fidelity & Boiler	Until Cancelled	\$1,000 Deductible	\$1,000,000 for Employees	\$ 114,659
Worker's Compensation	Until Cancelled		Lost Wages	\$ 96,452
Public Treasurer's Bond	Until Cancelled	\$1,000 Deductible	\$1,000,000 Each Occurrence	\$ 1,000
General Liability	Until Cancelled	As Listed in Statement of Values	\$10,000,000 Each Occurrence	\$ 25,929
Automotive Liability	Until Cancelled	As Listed in Statement of Values	\$10,000,000 Each Occurrence	Included
Person Injury Liability	Until Cancelled	As Listed in Statement of Values	\$10,000,000 Each Occurrence	Included
Errors & Omissions Liability	Until Cancelled	As Listed in Statement of Values	\$10,000,000 Each Occurrence	Included
Malpractice Liability	Until Cancelled	As Listed in Statement of Values	\$10,000,000 Each Occurrence	Included
Vehicle Property	Until Cancelled	\$1,000 Deductible	Vehicle Value	\$ 5,150
Total Cost of Insurance in Force				<u>\$ 243,190</u>
Self-Inspection Liability Credit				\$ 3,889
Self-Inspection Property Credit				\$ 17,199
Total Credits				<u>\$ 21,088</u>
Net Cost of Insurance in Force				<u>\$ 222,102</u>

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Licensed Employee Salary Schedule

2010 Fiscal Year

STEP	INDEX	B.S.	B.S.+30	B.S.+55	M.S.	M.S.+30	M.S.+60 Ph.D.
BASE NUMBERS		27100	27640	28460	29810	30490	31170
1	100	31300	31840	32660	34010	34690	35370
2	104	32380	32950	33800	35200	35910	36620
3	107	33200	33770	34650	36100	36820	37550
4	111	34280	34880	35790	37290	38040	38800
5	116	35640	36260	37210	38780	39570	40360
6	121	36990	37640	38640	40270	41090	41920
7	126	38350	39030	40060	41760	42620	43470
8	131	39700	40410	41480	43250	44140	45030
9	136	41060	41790	42910	44740	45670	46590
10	142	42680	43450	44610	46530	47500	48460
11	148	44310	45110	46320	48320	49330	50330
12	154	45930	46770	48030	50110	51150	52200
13	160	47560	48420	49740	51900	52980	54070
18	163	48370	49250	50590	52790	53900	55010
23	166	49190	50080	51440	53680	54810	55940
28	169	50000	50910	52300	54580	55730	56880

Footnote 1: Legislative Educator Salary Adjustments are \$2,500 for 2007-08 and \$1,700 for 2008-09 per qualifying FTE and have been added onto each step of the regular schedule and are therefore also reflected in the combined schedule. To qualify, an employee must: 1) be licensed, 2) be hired into a qualifying position, and 3) have received a satisfactory or above rating in his/her most recent evaluation. Qualifying positions are: classroom teacher, speech pathologist, librarian or media specialist (licensed positions only), preschool teacher, mentor teacher, teacher specialist, teacher leader, guidance counselor, audiologist, psychologist, or social worker, as defined in 53A-17a-153.

Footnote 2: Pursuant to Utah Code 53A-17a-156, qualifying teachers may have up to \$4,100 added to their base salary through the math and science salary supplement program. The exact amount is determined by program requirements and is not included on the regular or combined schedules. The base salary of qualifying teachers will be calculated on an individual basis.

**EMERY COUNTY SCHOOL DISTRICT
LEEWAY SCHEDULE**

STEP	INDEX	B.S.	B.S.+30	B.S.+55	M.S.	M.S.+30	M.S.+60 Ph.D.
1	100	1940	1960	1980	2000	2010	2020
2	103	2000	2020	2040	2060	2070	2080
3	106	2060	2080	2100	2120	2130	2140
4	109	2110	2140	2160	2180	2190	2200
5	112	2170	2200	2220	2240	2250	2260
6	116	2250	2270	2300	2320	2330	2340
7	116	2250	2270	2300	2320	2330	2340
8	116	2250	2270	2300	2320	2330	2340
9	116	2250	2270	2300	2320	2330	2340
10	116	2250	2270	2300	2320	2330	2340
11	116	2250	2270	2300	2320	2330	2340
12	116	2250	2270	2300	2320	2330	2340
13	116	2250	2270	2300	2320	2330	2340
18	116	2250	2270	2300	2320	2330	2340
23	116	2250	2270	2300	2320	2330	2340
28	116	2250	2270	2300	2320	2330	2340

**EMERY COUNTY SCHOOL DISTRICT
COMBINED SCHEDULE**

STEP	INDEX	B.S.	B.S.+30	B.S.+55	M.S.	M.S.+30	M.S.+60 Ph.D.
1		33240	33800	34640	36010	36700	37390
2		34380	34970	35840	37260	37980	38700
3		35260	35850	36750	38220	38950	39690
4		36390	37020	37950	39470	40230	41000
5		37810	38460	39430	41020	41820	42620
6		39240	39910	40940	42590	43420	44260
7		40600	41300	42360	44080	44950	45810
8		41950	42680	43780	45570	46470	47370
9		43310	44060	45210	47060	48000	48930
10		44930	45720	46910	48850	49830	50800
11		46560	47380	48620	50640	51660	52670
12		48180	49040	50330	52430	53480	54540
13		49810	50690	52040	54220	55310	56410
18		50620	51520	52890	55110	56230	57350
23		51440	52350	53740	56000	57140	58280
28		52250	53180	54600	56900	58060	59220

EMERY COUNTY SCHOOL DISTRICT
Teacher Base Salaries
Last Ten Fiscal Years

Year Ended June 30,	Minimum Salary (1)	Maximum Salary (1)	Average District Salary (2)	Average State Salary (2)	% Over (Under) State Average
2010	\$ 33,240	\$ 59,220	\$ 49,423	\$ 45,264	9.19%
2009	\$ 33,240	\$ 59,220	\$ 52,890	\$ 45,923	15.17%
2008	\$ 31,220	\$ 56,890	\$ 50,640	\$ 44,339	14.21%
2007	\$ 28,460	\$ 52,970	\$ 44,731	\$ 41,156	8.69%
2006	\$ 27,080	\$ 50,620	\$ 42,400	\$ 40,007	5.98%
2005	\$ 26,350	\$ 48,660	\$ 42,460	\$ 38,789	9.46%
2004	\$ 26,110	\$ 47,930	\$ 41,377	\$ 37,851	9.32%
2003	\$ 26,110	\$ 46,820	\$ 41,099	\$ 38,040	8.04%
2002	\$ 26,110	\$ 46,820	\$ 41,147	\$ 38,139	7.89%
2001	\$ 24,850	\$ 44,500	\$ 38,045	\$ 36,441	4.40%

Sources:

- 1) *District Data*
- 2) *Utah State Office of Education*

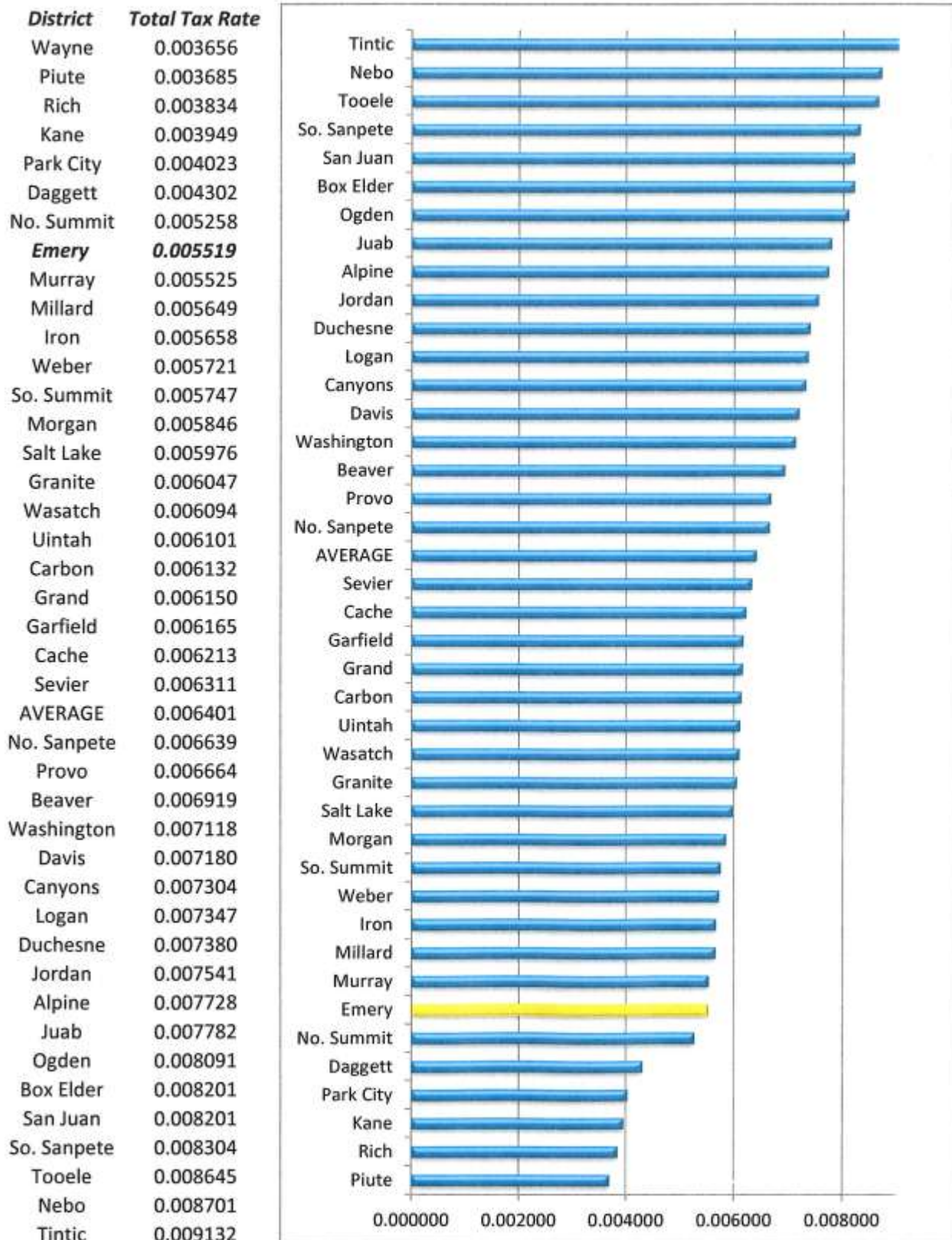
Amounts represent base salary and do not include additional amounts for extended days or fringe benefits such as health insurance, retirement, etc.

EMERY COUNTY SCHOOL DISTRICT
Expenditures by Function Per Pupil: General Fund
Last Ten Fiscal Years

FUNCTION	Fiscal Year Ended June 30,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Student Enrollment	2316	2256	2262	2320	2338	2345	2434	2442	2508	2714
Instruction	\$ 5,556	\$ 5,580	\$ 5,380	\$ 4,759	\$ 4,287	\$ 4,397	\$ 4,214	\$ 4,273	\$ 4,169	\$ 3,791
Supporting Services:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Students	\$ 185	\$ 189	\$ 197	\$ 190	\$ 168	\$ 195	\$ 178	\$ 154	\$ 146	\$ 129
Instructional Staff	\$ 168	\$ 159	\$ 148	\$ 143	\$ 136	\$ 147	\$ 121	\$ 108	\$ 110	\$ 103
District Administration	\$ 134	\$ 182	\$ 138	\$ 131	\$ 128	\$ 128	\$ 129	\$ 107	\$ 102	\$ 94
School Administration	\$ 676	\$ 701	\$ 675	\$ 663	\$ 618	\$ 625	\$ 605	\$ 551	\$ 537	\$ 537
Business	\$ 134	\$ 133	\$ 130	\$ 123	\$ 102	\$ 100	\$ 99	\$ 90	\$ 86	\$ 80
Operation & Maintenance	\$ 1,053	\$ 1,066	\$ 1,025	\$ 927	\$ 838	\$ 595	\$ 298	\$ 252	\$ 245	\$ 230
Student Transportation	\$ 474	\$ 446	\$ 429	\$ 389	\$ 384	\$ 400	\$ 361	\$ 327	\$ 334	\$ 307
TOTAL	\$ 8,380	\$ 8,456	\$ 8,122	\$ 7,324	\$ 6,661	\$ 6,588	\$ 6,006	\$ 5,863	\$ 5,729	\$ 5,272
PERCENTAGES	2008	2008	2008	2007	2006	2005	2004	2003	2002	2001
Instruction	66.30%	65.99%	66.23%	64.98%	64.36%	66.75%	70.16%	72.88%	72.77%	71.91%
Supporting Services:										
Students	2.21%	2.23%	2.43%	2.59%	2.52%	2.96%	2.96%	2.63%	2.54%	2.45%
Instructional Staff	2.01%	1.89%	1.82%	1.96%	2.05%	2.24%	2.01%	1.84%	1.92%	1.95%
District Administration	1.60%	2.15%	1.70%	1.79%	1.92%	1.94%	2.14%	1.83%	1.78%	1.78%
School Administration	8.07%	8.29%	8.32%	9.05%	9.28%	9.49%	10.08%	9.40%	9.38%	10.19%
Business	1.60%	1.57%	1.60%	1.68%	1.52%	1.52%	1.65%	1.54%	1.50%	1.53%
Operation & Maintenance	12.57%	12.61%	12.62%	12.66%	12.58%	9.02%	4.97%	4.30%	4.28%	4.36%
Student Transportation	5.65%	5.27%	5.28%	5.31%	5.76%	6.07%	6.02%	5.58%	5.83%	5.83%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: District Data

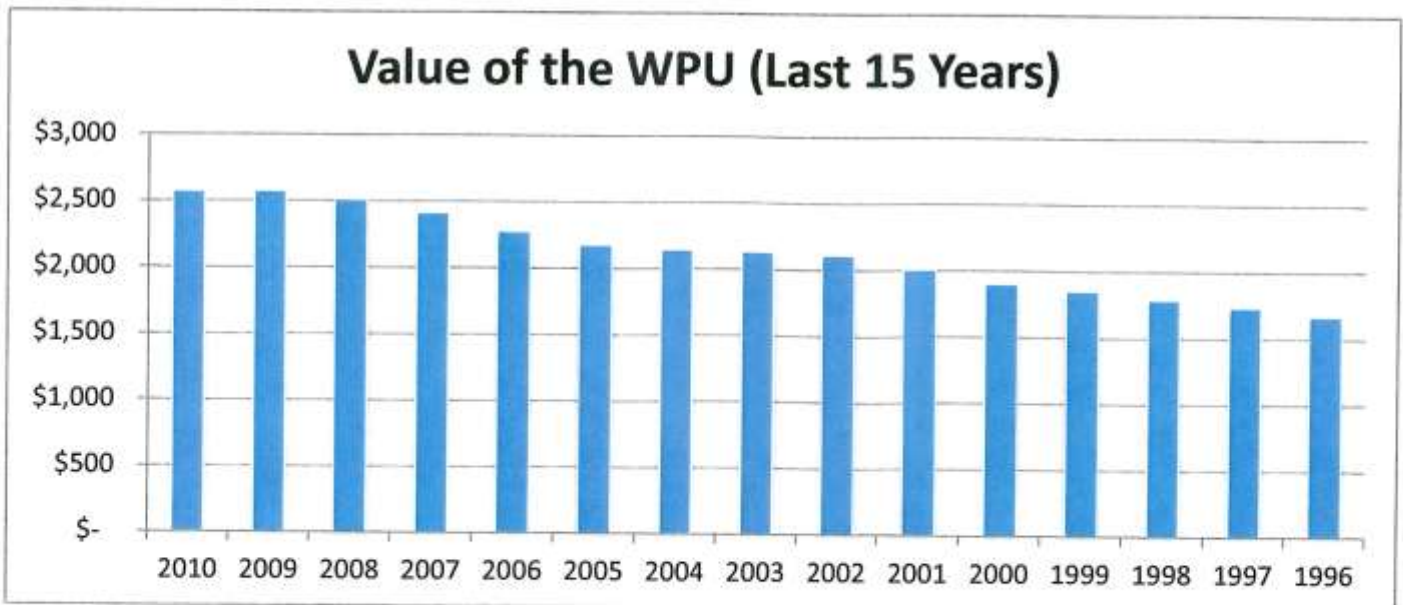
EMERY COUNTY SCHOOL DISTRICT
Comparison of Tax Rates of Utah School Districts
2009 Tax (Calendar) Year



Source: Utah State Office of Education

EMERY COUNTY SCHOOL DISTRICT
History of the Value of the Weighted Pupil Unit (WPU)
Utah Legislative Funding Method
Last Thirty Fiscal Years

Fiscal Year	WPU Value	Dollar Change	Percent Change	Fiscal Year	WPU Value	Dollar Change	Percent Change
2010	\$ 2,577	\$ -	0.00%	1995	\$ 1,608	\$ 69	4.48%
2009	\$ 2,577	\$ 63	2.51%	1994	\$ 1,539	\$ 49	3.29%
2008	\$ 2,514	\$ 97	4.01%	1993	\$ 1,490	\$ 82	5.82%
2007	\$ 2,417	\$ 137	6.01%	1992	\$ 1,408	\$ 62	4.61%
2006	\$ 2,280	\$ 98	4.49%	1991	\$ 1,346	\$ 106	8.55%
2005	\$ 2,182	\$ 32	1.49%	1990	\$ 1,240	\$ 36	2.99%
2004	\$ 2,150	\$ 18	0.84%	1989	\$ 1,204	\$ -	0.00%
2003	\$ 2,132	\$ 19	0.90%	1988	\$ 1,204	\$ -	0.00%
2002	\$ 2,113	\$ 107	5.33%	1987	\$ 1,204	\$ 24	2.03%
2001	\$ 2,006	\$ 105	5.52%	1986	\$ 1,180	\$ 56	4.98%
2000	\$ 1,901	\$ 47	2.54%	1985	\$ 1,124	\$ 21	1.90%
1999	\$ 1,854	\$ 63	3.52%	1984	\$ 1,103	\$ -	0.00%
1998	\$ 1,791	\$ 52	2.99%	1983	\$ 1,103	\$ 100	9.97%
1997	\$ 1,739	\$ 67	4.01%	1982	\$ 1,003	\$ 57	6.03%
1996	\$ 1,672	\$ 64	3.98%	1981	\$ 946	\$ 94	11.03%



Source: Utah State Office of Education

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Compliance Section

Section IV: Audited

COMPREHENSIVE ANNUAL FINANCIAL REPORT

This section of the District's Comprehensive Annual Financial Report presents information required by the Single Audit Act and the OMB Circular A-133 Compliance Supplement.

	<u>Page</u>
Independent Auditor's Report on Internal Control: This report describes the auditor's consideration of internal controls in the District.	94-5
Independent Auditor's Report on Compliance with OMB Circular A-133: This report describes the auditor's review of the District's compliance with the standards required by the <i>Circular A-133 Compliance Supplement</i> issued by the United States Office of management and budget.	96-7
Schedule of Findings and Questioned Costs: This schedule summarizes the auditor's opinions related to single audit compliance.	98
Schedule of Expenditures of Federal Awards: This schedule provides detailed categorical information regarding each Federal award expended during the fiscal year.	99
Notes to Schedule of Expenditures of Federal Awards: These notes provide clarifying explanations to the schedule of federal awards.	100
Schedule of Prior Audit Findings: This schedule reviews prior audit findings and the measures taken to correct the findings.	101
Independent Auditor's Report on State Legal Compliance: This report describes the auditor's consideration of compliance with State of Utah Guidelines regarding both major and non-major State funded programs.	102-3

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

Emery County School Board
Emery County School District
Huntington, Utah 84528

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Emery County School District as and for the year ended June 30, 2010, which collectively comprise Emery County School District's basic financial statements and have issued our report thereon dated September 14, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Emery County School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Emery County School District's internal control over financial reporting. Accordingly, we do not express opinions on the effectiveness of Emery County School District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency or combination of control deficiencies, that adversely affects Emery County School District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Emery County School District's financial statements that is more than inconsequential will not be prevented or detected by Emery County School District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Emery County School District's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the audit committee, management, school board, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


KIMBALL & ROBERTS, P. C.
Certified Public Accountants

September 14, 2010
Richfield, Utah

Kimball & Roberts

Certified Public Accountants

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Emery County School Board
Emery County School District
Huntington, Utah 84528

Compliance

We have audited the compliance of Emery County School District with the types of compliance requirements described in the *U. S. Office of Management of and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. Emery County School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Emery County School District's management. Our responsibility is to express an opinion on Emery County School District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Emery County School District's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Emery County School District's compliance with those requirements.

In our opinion, Emery County School District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance


The management of the Emery County School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Emery County School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Emery County School District's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than a inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the audit committee, management, school board, others within the entity, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


KIMBALL & ROBERTS, P. C.
Certified Public Accountants

September 14, 2010
Richfield, Utah

**EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Fiscal Year Ended June 30, 2010**

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- * Material weakness identified? ___ Yes X No
- * Significant deficiency identified that is not considered to be a material weakness? ___ Yes X No

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal Control over major programs:

- * Material weaknesses identified? ___ Yes X No
- * Significant deficiencies identified that are not considered to be material weaknesses? ___ Yes X None Reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of circular A-133? ___ Yes X No

Identification of major programs.

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
10.666	Schools and Roads - Grants to Counties
84.027	IDEA Part B Flow Through - Cluster
84.173	IDEA Preschool Flow Through - Cluster
84.391	ARRA - Special Education Grants to States, Recovery Act
84.392	ARRA - Special Education Preschool Grants

Dollar threshold used to distinguish between Type A and Type B programs. \$300,000

Auditee qualified as low-risk auditee? X Yes ___ No

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

No significant matters were noted.

C. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No significant matters were noted.

**EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2010**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements or Expenditures
Direct Assistance:			
U.S. Department of Agriculture			
Impact Aide - PL-874 Title VIII	84.041	n/a	\$ 15,785
Total Department of Education			<u>15,785</u>
Total Direct Assistance			<u>\$ 15,785</u>
Indirect Assistance:			
U.S. Department of Agriculture			
Passed Through Utah State Department of Education			
Federal School Lunch - Breakfast Program	10.553	09-44	\$ 130,148
Federal School Lunch - Lunch Reimbursement Section 4	10.555	09-42	64,492
Federal School Lunch - Free & Reduced Section 11	10.555	09-43	329,576
Federal Summer Food Service Program for Children	10.559	09-42	31,750
Food Distribution - Commodities	10.565	n/a	83,508
Passed Through Emery County			
Schools & Roads - Grants to Counties	* 10.666	n/a	179,723
Total U.S. Department of Agriculture			<u>\$ 819,197</u>
U.S. Department of Education			
Passed Through Utah State Department of Education			
Title I - ESEA Flow Through	84.010	09-08	\$ 252,205
IDEA Part B Flow Through	* 84.027	09-19	526,752
Fed VoEd Carl Perkins	84.048	09-21	64,272
IDEA Preschool Flow Through	* 84.173	09-52	39,998
Fund for the Improvement of Education	84.215	08-74	2,106
Drug Free Schools	84.186	09-09	3,432
Educational Technology	84.318	07-07	2,071
Title IIA - Science Endorsement	84.367	09-74	45,000
Title IIA - Math Endorsement	84.367	09-74	22,269
Class Size Reduction	84.367	09-74	111,603
Total U.S. Department of Education			<u>\$ 1,069,708</u>
U.S. Department of Health and Human Services			
Passed Through State Jordan School District			
Administrative Outreach	93.779	n/a	\$ 11,773
Total Department of Health and Human Services			<u>\$ 11,773</u>
American Recovery Reinvestment Act			
U.S. Department of Agriculture			
Passed Through Utah State Department of Education			
ARRA - Child Nutrition Equipment	10.579	n/a	14,622
Total U.S. Department of Agriculture			<u>14,622</u>
U.S. Department of Education			
Passed Through Utah State Department of Education			
ARRA - Stabilization	84.394	n/a	569,400
ARRA - Title One	84.389		52,570
ARRA - IDEA	* 84.391		169,816
ARRA - Preschool	* 84.392		10,604
Title IA, LEA	84.387		10,586
Total ARRA Funds			<u>\$ 812,976</u>
Total U.S. Department of Education for ARRA			<u>\$ 827,596</u>
Total Indirect Assistance			\$ 2,728,276
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,744,061</u>
* MAJOR FEDERAL PROGRAMS			

**EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF FEDERAL AWARDS EXPENDED
For The Fiscal Year Ended June 30, 2010**

NOTES TO THE SCHEDULE OF FEDERAL AWARDS EXPENDED

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

General:

The accompanying Schedule of Federal Awards Expended presents the activity of all federal financial assistance programs of Emery County School District. The reporting entity, Emery County School District, is defined in Note 1 to Emery County School District's basic financial statements. Federal awards received directly from federal agencies as well as federal awards passed-through other government agencies are included on the Schedule of Federal Awards Expended. Most of the awards are reimbursement based, therefore, as expenditures of federal funds are made revenue is recognized.

Basis of Accounting:

The accompanying Schedule of Federal Awards Expended is presented using the modified accrual basis of accounting for assistance received by governmental fund types, which is described in Note 1 to Emery County School District's basic financial statements.

NOTE B - NONCASH FEDERAL FINANCIAL ASSISTANCE

Noncash federal awards are received from commodities consumed during the year, expressed at market value. School districts participating in the USDA Food Distribution Program during the 2009 - 2010 year were sent a monthly report by the state detailing market value of USDA goods received for the month. Noncash federal awards are based on these reports and estimates.

NOTE C - ACCOUNTS RECEIVABLE

The basic financial statements include accounts receivable from federal programs. These receivables are accrued according to the same basis of accounting as the basic financial statements. The receivables reflect federal awards that have been expended by year end and not yet reimbursed.

**EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF PRIOR AUDIT FINDINGS
For The Fiscal Year Ended June 30, 2010**

There were no prior audit findings.

Kimball & Roberts

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Phone 896-6488

AUDITOR'S REPORT ON STATE LEGAL COMPLIANCE

Emery County School Board
Emery County School District
Huntington, Utah 84528

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Emery County School District, for the year ended June 30, 2010, and have issued our report thereon dated September 14, 2010. As part of our audit, we have audited Emery County School District's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions as applicable to each of its major State assistance programs as required by the State of Utah's Legal Compliance Audit Guide for the year ended June 30, 2010. The District received the following major State assistance programs from the State of Utah:

Minimum School Programs (State Office of Education)
State Liquor Control Tax - Child Nutrition (State Office of Education)
ARRA Stabilization (State Office of Education)

The District also received the following nonmajor grants, which are not required to be audited for specific compliance requirements: (However, these programs were subject to testwork as part of the audit of Emery County School District's financial statements):

Drivers Education (State Office of Education)
Professional Development (State Office of Education)
UPASS (State Office of Education)
MSP (State Office of Education)

Our audit also included testwork on the District's compliance with those general compliance requirements identified in the Compliance Manual for audits of Local Governments in Utah including:

Public Debt
Cash Management
Purchasing Requirements
Budgetary Compliance
Property Tax
Other Compliance Requirements

The management of Emery County School District is responsible for the District's compliance with all compliance requirements identified above. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

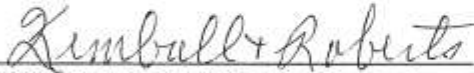
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

Our audit does not provide a legal determination on the District's compliance with these requirements.

The results of our audit procedures disclosed no instances of noncompliance with the requirements referred to above.

In our opinion, Emery County School District, complied, in all material respects, with the general compliance requirement identified above and the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; and special tests and provisions that are applicable to each of its major State assistance program for the fiscal year ended June 30, 2010.

This report is intended solely for the information and use of management of the District and is not intended to be and should not be used by anyone other than the specified parties. However, the report is a matter of public record and its distribution is not limited.


KIMBALL & ROBERTS, P. C.
Certified Public Accountants

September 14, 2010
Richfield, Utah

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END OF REPORT