



Comprehensive Annual Financial Report of the Emery County School District

120 North Main Street
Huntington, Utah 84528

Laurel Johansen.....President of the Board
Larry W. Davis.....Superintendent
Jared Black.....Business Administrator

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

For the Fiscal Year Ended June 30, 2017



EMERY SCHOOL DISTRICT

1. INTRODUCTORY SECTION:	<u>Page</u>
Letter of Transmittal	1
Organizational Chart	8
GFOA Certificate of Achievement for Excellence in Financial Reporting	9
ASBO Certificate of Excellence in Financial Reporting	10
Elected and Appointed Officials	11
Precincts of the Board of Education	12
 2. FINANCIAL SECTION:	
Independent Auditor’s Report	13
Management’s Discussion and Analysis	16
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	27
Statement of Activities	28
Fund Financial Statements:	
Balance Sheet—Governmental Funds	29
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in Fund Balances—Governmental Funds	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Statement of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual— <i>General Fund</i>	33
Statement of Fiduciary Assets and Liabilities— <i>Agency Fund</i>	34
Notes to the Basic Financial Statements: <i>Integral Part of the Basic Financial Statements</i>	35
Required Supplementary Information:	
Schedule of the Proportionate Share of the Net Pension Liability	54
Schedule of Contributions	56
Notes to the Required Supplementary Information	58
Combining and Individual Fund Statements and Schedules:	
Major Funds:	
Comparative Balance Sheet— <i>General Fund</i>	59
Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual— <i>General Fund</i>	60
Comparative Balance Sheet— <i>Capital Projects Fund</i>	61
Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual— <i>Capital Projects Fund</i>	62
Comparative Balance Sheet— <i>Non K-12 Programs Fund</i>	63
Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual— <i>Non K-12 Programs Fund</i>	64

FINANCIAL SECTION (Continued):Page**Combining and Individual Fund Statements and Schedules (Continued):**

Nonmajor Special Revenue Funds:

Combining Balance Sheet—Nonmajor Governmental Funds	65
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances— Nonmajor Governmental Funds	66
Comparative Balance Sheet— <i>School Food Services</i> —Special Revenue Fund	67
Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual— <i>School Food Services</i> , Nonmajor Special Revenue Fund	68
Comparative Balance Sheet— <i>Student Activities</i> —Special Revenue Fund	69
Schedule of Revenues, Expenditures, and Changes in Fund Balances—Budget and Actual— <i>Student Activities</i> —Nonmajor Special Revenue Fund	70

Fiduciary Funds (Agency Funds):

Statement of Changes in Assets and Liabilities— <i>Student Activities Agency Fund</i>	71
---------------------------------------------------------------------------------------	----

3. STATISTICAL SECTION (Unaudited):**Financial Trends:**

Comparative Statements of Net Position	72
Net Position by Component	74
Changes in Net Position	75
Changes in Fund Balances—Governmental Funds	76
Comparative Balance Sheets—General Fund	78
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance—General Fund	80
Fund Balances of Governmental Funds	82
Revenues by Source—General Fund	83

Revenue Capacity:

Direct and Overlapping Property Tax Rates	84
Property Tax Levies and Collections	85
Assessed Value and Estimated Actual Value of Taxable Property	86
Statement of Values and Collections Per Student	88
Principal Property Taxpayers	89

Debt Capacity:

Ratios of Outstanding Debt	90
General Obligation Legal Debt Limit and Estimated Additional Debt Incurring Capacity	91
Overlapping and Underlying General Obligation Debt	92
Debt Service Schedule of Outstanding General Obligation Bonds	93
Ratio of Annual Debt Service to Total General Fund Expenditures	94

STATISTICAL SECTION (Continued) (Unaudited):	<u>Page</u>
Demographic and Economic Information:	
Demographic and Economic Statistics—Emery County	95
Principal Employers	97
Operating Information:	
Total Student Enrollment as of October 1	98
Student Enrollment by School, as of October 1	99
Student Aggregate Daily Membership by School, as Reported in S-3 Report	100
Student Aggregate Daily Membership by Grade, as Reported in S-3 Report	101
District Staffing Levels by Full-Time Equivalency (FTE)	102
School Food Services—Facts and Figures	103
Capital Asset Information	104
Schedule of Insurance in Force	105
Licensed Employee Salary Schedule	106
Teacher Base Salaries	107
Expenditures by Function—General Fund	108
Expenditures by Function Per Pupil—General Fund	110
Comparison of Tax Rates of Utah School Districts	112
History of the Value of the Weighted Pupil Unit (WPU)	113

4. COMPLIANCE SECTION:

Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	114
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by The Uniform Guidance	116
Schedule of Findings and Questioned Costs	119
Schedule of Expenditures of Federal Awards	120
Notes to the Schedule of Expenditures of Federal Awards	121
Schedule of Prior Federal Audit Findings	122
Independent Auditor’s Report On Compliance and Report On Internal Control Over Compliance As Required by the <i>State Compliance Audit Guide</i>	123
Schedule of Prior State Compliance Audit Findings	126

This Page Left Intentionally Blank



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.

	<u>Page</u>
Letter of Transmittal: This executive letter is a narrative introduction to the report. The letter describes the profile of the District, major initiatives and long-term financial planning issues, the local economy, and relevant financial policies.	1-7
Organization Chart: This chart provides a general view of the overall District organizational structure.	8
Certificate of Achievement for Excellence in Financial Reporting: Government Finance Officers Association	9
Certificate of Excellence in Financial Reporting: Association of School Business Officials	10
Elected and Appointed Officials This list provides the names, positions and terms of elected and appointed officials within the District.	11
Precincts of the Board of Education This map provides the boundaries and precinct numbers of the five precincts for members of the Board of Education in the District.	12

This Page Left Intentionally Blank





BOARD MEMBERS

Laurel Johansen,
President

Tracey Johnson,
Vice President

McKenzi Guymon
Royd Hatt
Marie Johnson

ADMINISTRATION

Larry W. Davis,
Superintendent

Jared Black,
Business
Administrator

Ryan Maughan,
Director of
Student Services

Jed Jensen,
Supervisor of
Secondary Education

Ralph Worthen,
Supervisor of
Elementary Education

Doug Johnson,
Supervisor of
Instructional Technology

Jeneane Warren,
Supervisor of
School Nutrition

Roger Swenson,
Supervisor of
Transportation

Kerry Lake,
Supervisor of
Buildings and Grounds

October 15, 2017

To Members of the Emery County School District Board of Education, and 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, 2017. 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.

Utah 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* of this report.

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 are 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, 2017, 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 unmodified (“clean”) opinion that the District’s financial statements for the year ended June 30, 2017, 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 report.

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 *Title 2 of the U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, 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. Student enrollment for the 2016-17 school year was 2,174. The 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 June 2017, 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.

Utah has many charter schools however there is no charter school within the geographic boundaries of the District. The closest charter school is Pinnacle Canyon Academy (PCA) in Price, Utah. Approximately 15-20 students from Emery County choose to attend PCA each year. State funding for these students is transferred to PCA.

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 12. 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 over 300 employees working in a variety of professions, including:

▪ 140+ Teachers / Counselors / Specialists	▪ 70+ Educational Assistants
▪ 20 Custodians	▪ 20 Child Nutrition Workers
▪ 20 Bus Drivers	▪ 15 Secretaries
▪ 11 School Administrators	▪ 6 Maintenance Workers
▪ 8 District Administrators or Supervisors	▪ 4 Technology Specialists
▪ 2 Accounting Specialists	▪ 1 Mechanic

ECONOMIC INDICATORS

State Economy: The Utah Governor’s Office of Management and Budget has recently reported the following information: Utah continues to fare better than the nation and has been a leader in the U.S. as economic recovery continues to strengthen. Overall employment grew 3.1% between June 2016 and June 2017, outpacing the national growth rate of 1.6%. The unemployment rate was 3.4% in June 2017, the same rate when compared to June 2016. The State continues to significantly outperform the nation as the U.S. unemployment rate in June 2017 was 4.4%. Utah has experienced 25.0% job growth since 2010, the strongest growth in the nation.

The United States Census Bureau estimates Utah’s 2017 population at 3,123,607. This represents a 2.25% increase from 2016. The 2010 census data showed Utah’s population at 2,763,885, an increase of 23.8% from the 2000 census. Utah’s population is projected to reach 3.3 million in 2020, 3.9 million in 2030, 4.5 million in 2040, 5 million in 2050, and 5.5 million in 2060.

Personal income in Utah reached \$127.7 billion in the first quarter of 2017, a 4.7% increase from the prior year. Per capita personal income is expected to continue increasing through 2017.

On October 1, 2016, there were an estimated 644,476 students in Utah’s public education system; an increase of 11,078 students, or 1.8%, over October 1, 2015. It is noteworthy that in many years, additional students have been integrated into the Utah public school system with little to no real 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. One major mine in Emery County closed operations in 2015, impacting many local residents.

Emery County had an estimated population of 10,216 at the end of 2016, reflecting a recent and significant population decline. The 2010 census population was 10,971. Population in the county has remained relatively flat over the last few years, with the population in the 2000 census being 10,860, a difference of only 116 from the 2010 census. 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 generally has a slightly higher rate of unemployment than the State of Utah average. For example, the latest data show that in June of 2017, the County saw an unemployment rate of 5.6%, 2.1% higher than the State rate of 3.5%. There was a significant increase in construction jobs. Employment opportunities in the mining and construction industries decreased dramatically. The County also saw decreased job opportunities in the trades & utilities sectors. County unemployment trends slightly above the national average. Historically, unemployment in the County peaked at 9.6% in January of 2003, and as recently as January of 2007, was at 3.2%.

STUDENT ENROLLMENT

Emery County School District experienced consistent and significant declining enrollment between 1993 and 2009. Enrollment in 1993 reached a high of nearly 3,400 students and by 2009, the enrollment was 2,256. Since 2009, enrollment has remained relatively level, but has shown a slight trend downward due mainly to employment reductions in the mining and power generation industries. Based on birth rate numbers and the current sizes of classes in the District, it is anticipated that over the next several years, enrollment numbers will remain level or experience a small decrease. Projected enrollment for the next four years does not show a significant increase or decrease from the current enrollment of 2,174.

REVENUES

The District is dependent upon State aid, providing 41.8% of government-wide revenues and 45.3% of the general fund revenues. As a percentage of total revenue, State aid has significantly declined over the last few years. To illustrate this, as recently as 2008, State aid provided 50.3% of government-wide revenues and 60.9% of general fund revenues. Overall, government-wide State aid to the District increased from 2016 to 2017 by \$237,919. In the current year, the District received 10.1% less in State revenues than in 2008.

The State's fiscal year 2017 school finance program is designed to provide every Utah school district with a basic operation program of \$3,184 per weighted pupil unit (WPU). This amount increased from \$3,092 in 2015, \$2,972 in 2015, \$2,899 in 2014, \$2,842 in 2013, and \$2,816 in 2012. The Utah State Uniform School Fund was constitutionally established in 1938 and is used to allocate funding for statewide public education programs. Since 1947, all Utah 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.

Locally generated property taxes comprised 46.0% of government-wide revenues and 48.2% of general fund revenues. Local taxable property values decreased for the first time since 2002—5.11% lower than the previous tax year. This decrease reflects a general decline in the local economic outlook. Local tax revenues have increased by \$1,964,444 in the last seven 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 levy to a maximum of 0.001600, which also accounts for some of the increase in local revenues.

Federal funding accounted for 6.5% of government-wide revenues and 4.2% of general fund revenues, representing a slight decline from the prior year.

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 will exceed the certified tax rate, a 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

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. Procurements above \$50,000 are also approved by the Board of Education as required by State law and District policy. Major projects completed in the last year include:

- HVAC upgrades at Book Cliff elementary school
- A rebuilt baseball infield at Green River high school
- Carbon Monoxide alarm systems at Book Cliff, Ferron, and Castle Dale elementary, San Rafael junior high, and Green River high schools
- Flooring upgrades at Cottonwood elementary, San Rafael junior high and Green River high schools
- Lighting upgrades at Castle Dale, Cottonwood and Ferron elementary schools
- Significant concrete work at Book Cliff and Ferron elementary and Emery high schools
- Door and lock replacements at Castle Dale elementary and Canyon View and San Rafael Junior High schools
- Two new portable classroom units at Emery high school

The last major building construction project was the completion of a new gymnasium at Green River High School in June of 2007. The District has worked with VCBO Architecture to perform a comprehensive facilities assessment. This assessment is completed. The District is currently using the data from this assessment to develop a strategic master plan for facilities.

LONG TERM FINANCIAL PLANNING

The District has been successful in planning for and implementing significant budget decreases, which have occurred over the past five years. We do not expect revenues to increase significantly 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 has formed a building committee, made up of representatives from schools throughout the District as well as a community expert in architecture and engineering. The committee may be expanded as needed to include public representatives from 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. Significant updates were recently made to several District financial policies, including the policies related to Receipts, Disbursements, Fundraising, Donations, Purchasing Ethics and the District Audit Committee.

AWARDS & ACKNOWLEDGEMENTS

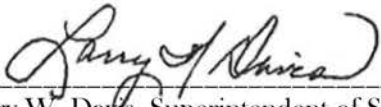
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Emery County School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. To be awarded a Certificate of Achievement, an entity must 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 ninth year that the District 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, 2016. 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 ninth 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 a 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,



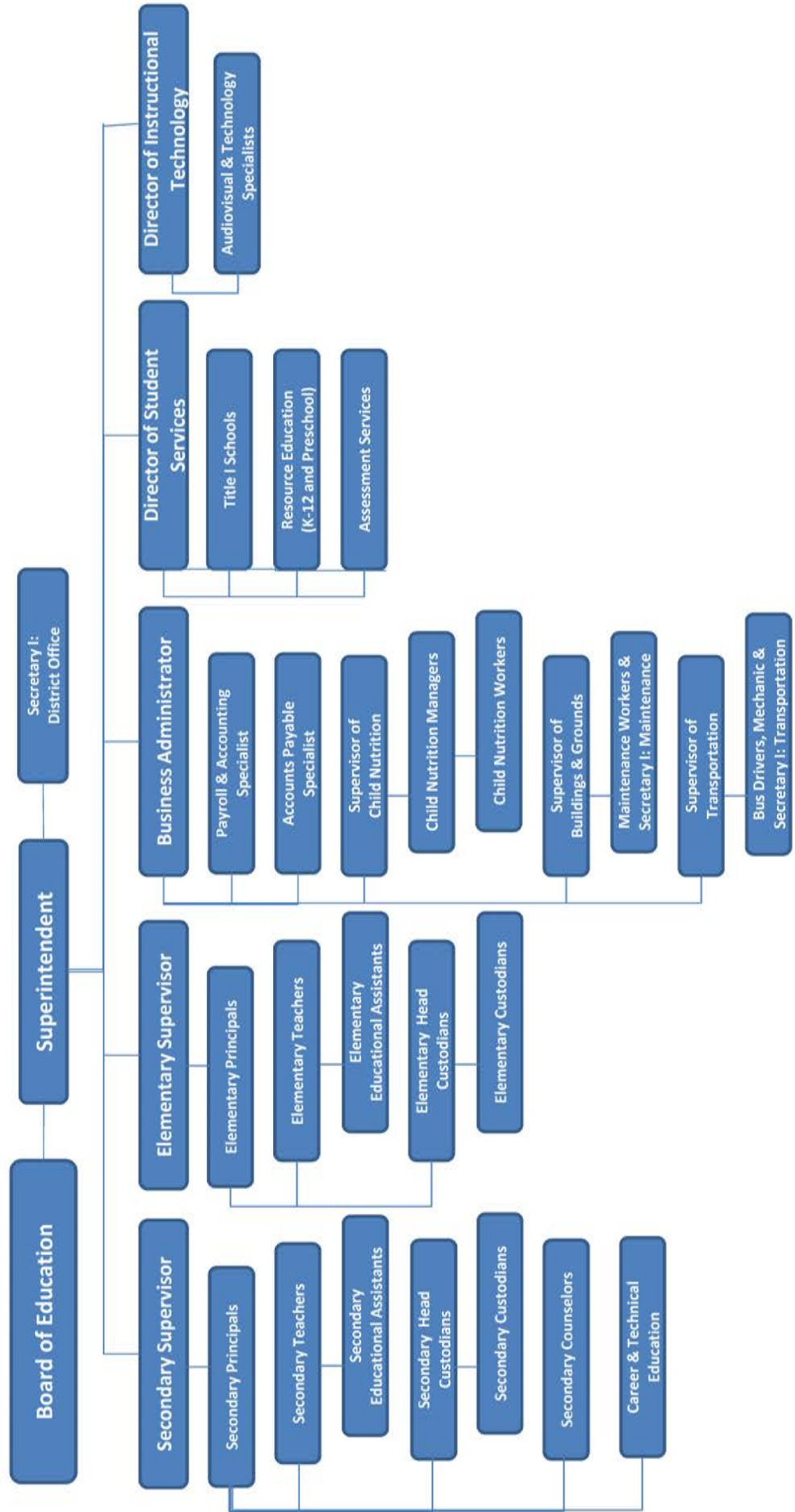
Larry W. Davis, Superintendent of Schools



J. Jared Black, Business Administrator



ORGANIZATION CHART FOR EMERY COUNTY SCHOOL DISTRICT





Government Finance Officers Association

**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, 2016

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The 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, 2016.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

Emery County School District
Elected and Appointed Officials
June 30, 2017

Elected Officials

<u>Members of the Board of Education</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
McKenzi Guymon Precinct I	January 2, 2017	January 4, 2021	January 2017
Tracey Johnson <i>Vice President of the Board</i> Precinct II	January 2, 2017	January 4, 2021	January 2017
Laurel Johansen <i>President of the Board</i> Precinct III	January 2, 2017	January 4, 2021	January 1997
Marie Johnson Precinct IV	January 5, 2015	January 7, 2019	November 1990
Royd Hatt Precinct V	January 5, 2015	January 7, 2019	July 1989




Appointed Officials

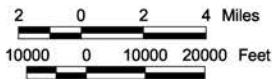
Larry Davis Superintendent (Incoming)	July 2016	July 2018	July 2016
Jared Black Business Administrator	January 2017	January 2019	January 2007

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

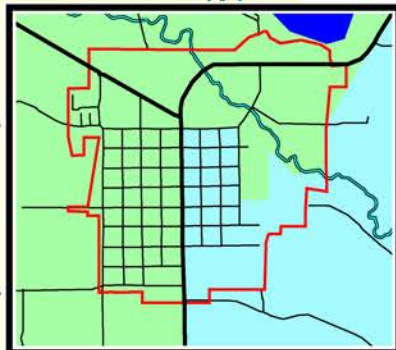
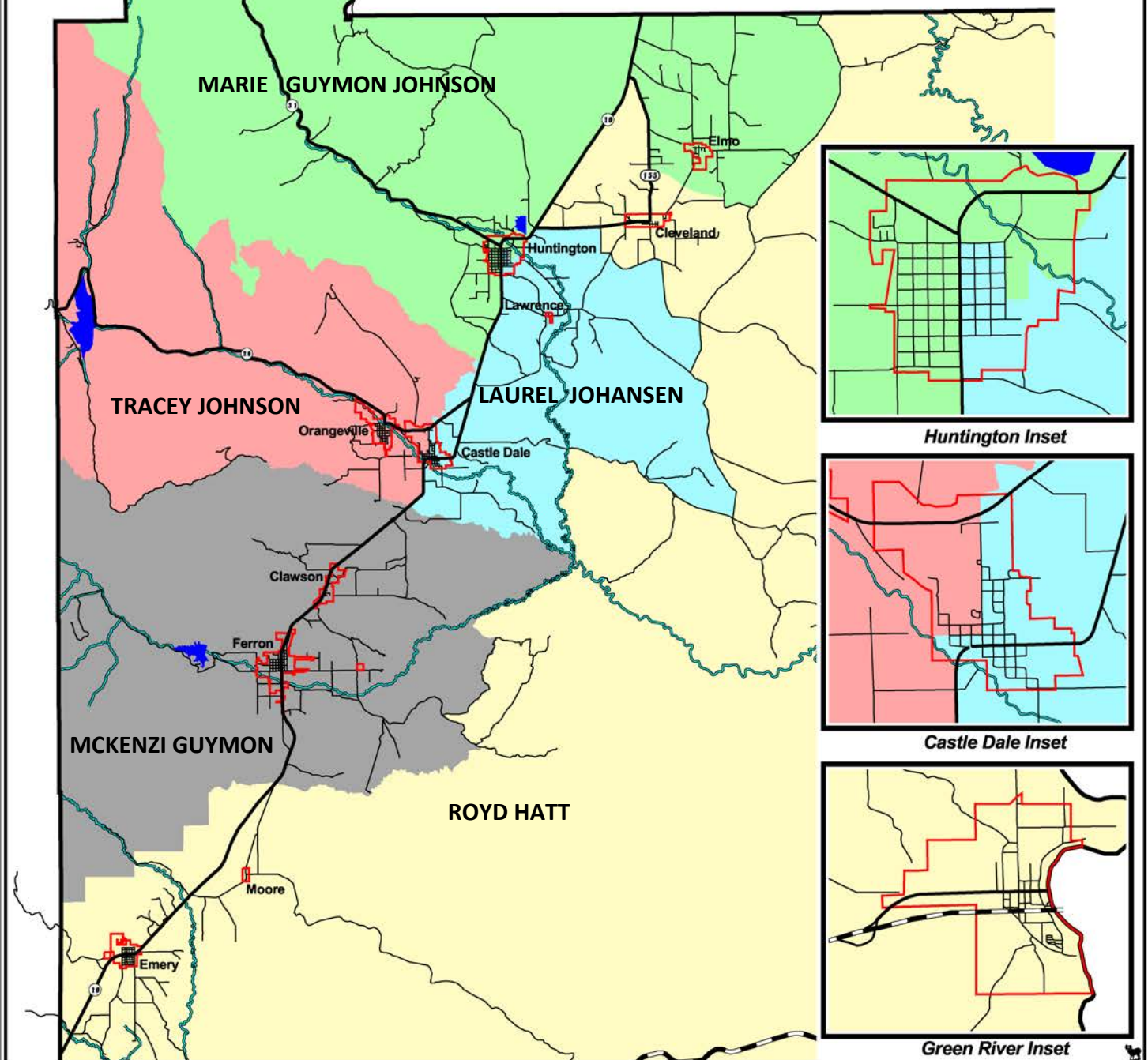
The term of office of the Superintendent and Business Administrator is two years.

Emery County School Districts

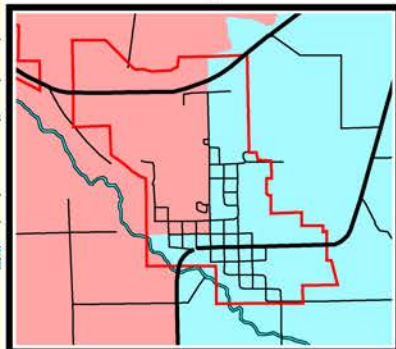
-  Interstate
-  Highway
-  B Class Road
-  City Boundary
-  Rivers
-  School District #1
-  School District #2
-  School District #3
-  School District #4
-  School District #5



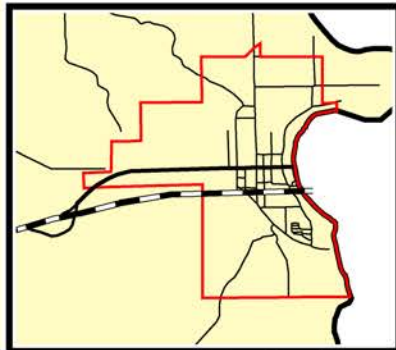
EMERY
COUNTY
GIS DEPARTMENT



Huntington Inset



Castle Dale Inset



Green River Inset

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).

	<u>Page</u>
Independent Auditor's Report: The independent auditor's report describes the audit, the nature and scope of the audit, and the auditor's opinion.	13-15
Management's Discussion and Analysis: This information provides management's explanations regarding the District's overall financial performance through the fiscal year and its financial position.	16-26
The Basic Financial Statements: These financial statements provide required detailed information regarding the District's financial performance and position.	27-34
<i>Notes to the Basic Financial Statements:</i> detailed explanations to further clarify Information contained in the basic financial statements.	35-53
Required Supplementary Information These schedules help to place certain information from the basic financial statements in an appropriate operational, economic, or historical context.	54-57
<i>Notes to the Required Supplementary Information:</i> additional information related to the required supplementary information.	58
Combining and Individual Fund Financial Statements and Schedules: These financial statements and schedules are supplementary information intended to clarify the information presented in the basic financial statements.	59-71

This Page Left Intentionally Blank



Kimball & Roberts

A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Emery County School District (District) as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Emery County School District as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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 nonmajor 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 of Emery County School District. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 19, 2017, on our consideration of Emery County School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Emery County School District's internal control over financial reporting and compliance.

Kimball & Roberts, PC

Certified Public Accountants

September 19, 2017
Richfield, Utah

As management of the Emery County School District (District), we offer readers of the District's financial statements this narrative overview of District financial activities for the fiscal year ended June 30, 2017.

FINANCIAL HIGHLIGHTS

The financial position of the District decreased. 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, 2017.

- **Government-Wide Assets:** The District's total net assets exceeded liabilities by \$15.8 million at the close of this fiscal year. This represents a decrease in total net position of 1% from the previous year.
- **Government-Wide Financial Progress:** During the year, government-wide expenses reported were \$188,458 more than the \$25.72 million generated in taxes and other revenues for governmental activities.
- **Governmental Fund Financial Progress:** With a decrease in funding, the combined fund balance decreased by \$527,886, or 6%. This amount represents fund balance stabilization in the General Fund of \$1,585 increase, decrease in the Capital Projects Fund of \$671,850, an increase in School Food Service Fund of \$100,716, and an increase of \$41,663 in the Student Activities Fund. For comparison, the combined fund balance in the prior year increased by \$535,649.

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 required and other supplementary information in addition to the basic financial statements themselves.

A. Government-Wide Financial Statements (found on pages 27-28 of this report)

- The *Government-wide Financial Statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.
- The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the

underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in 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 sick leave).

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 compliance with finance-related legal requirements. All funds of the District can be divided into two categories: governmental funds and fiduciary funds.

- *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, Governmental Fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on balances of spendable resource available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of Governmental Funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the Government-wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Fund Balance Sheet and the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains five 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*, the *Capital Projects Fund*, and the *Student Activities Fund*; all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual data for each of these governmental funds is found in the *Combining and Individual Fund Statements and Schedules* elsewhere in this report.

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 29-33 of this report.

- *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 34 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 35-53 of this report.

D. Supplementary Information.

Required Supplementary Information (RSI) includes schedules related to GASB 68, Accounting and Financial Reporting for Pensions. These schedules, along with the Notes to RSI, can be found immediately following the Notes to the Basic Financial Statements, on pages 54-58. The combining and individual fund financial statements and schedules referred to earlier in connection with non-major governmental funds are presented following the Required Supplementary Information, on pages 59-70. 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 position 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 position, as well as changes in net position from the prior year.

A. Net Position – Governmental Activities

For the fiscal year ended June 30, 2017, District assets exceeded liabilities and deferred inflows and outflows of resources by \$15.83 million.

	Governmental Activities		
	2017	2016	Difference
Current and other assets	\$ 23,784,375	\$ 24,528,279	\$ (743,904)
Capital assets	16,403,018	16,073,009	330,009
Total assets	<u>40,187,393</u>	<u>40,601,288</u>	<u>(413,895)</u>
Pension deferred outflows	4,850,688	4,508,092	342,596
Total deferred outflows	<u>4,850,688</u>	<u>4,508,092</u>	<u>342,596</u>
Long-term liabilities outstanding	12,389,834	12,586,084	(196,250)
Other liabilities	3,360,833	3,339,259	21,574
Total liabilities	<u>15,750,667</u>	<u>15,925,343</u>	<u>(174,676)</u>
Property taxes - unavailable	11,405,836	11,675,997	(270,161)
Pension deferred inflows	2,048,233	1,486,237	561,996
Total deferred inflows	<u>13,454,069</u>	<u>13,162,234</u>	<u>(270,161)</u>
Net position:			
Net investment in capital assets	16,403,018	16,073,009	330,009
Restricted	3,778,568	4,192,712	(414,144)
Unrestricted	(4,348,241)	(4,243,918)	(104,323)
Total net position	<u>\$ 15,833,345</u>	<u>\$ 16,021,803</u>	<u>\$ (188,458)</u>

**EMERY COUNTY SCHOOL DISTRICT'S Net Position
June 30, 2017 and 2016**

Notable information related to net position includes the following:

- The largest portion of the District's net position 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. 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.
- With reporting the Pension Assets and Liabilities, the net position decreased \$188,458, showing the *Unrestricted* portion with a negative \$4,348,241. For comparison, the previous year *Unrestricted* portion was negative \$4,243,918 showing a loss for this year of \$104,323.
- An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

At the end of the current fiscal year, the District shows fluctuation in all areas of the Net Position. The increase in *Net Investment in Capital Assets* and the decrease in *Restricted* are both due to a higher than normal number of capital outlay projects—subsequently increasing the value of the District's buildings—however, these amounts also including the depreciation for all assets and increased expenses. The increases in the Pension related items are for Deferred Outflows and Inflows that apply to a future period.

B. Changes in Net Position – Governmental Activities

- The District's total net position decreased during the 2017 fiscal year by \$188,458. The following discussion and analysis focuses on this increase – see chart on the following page:

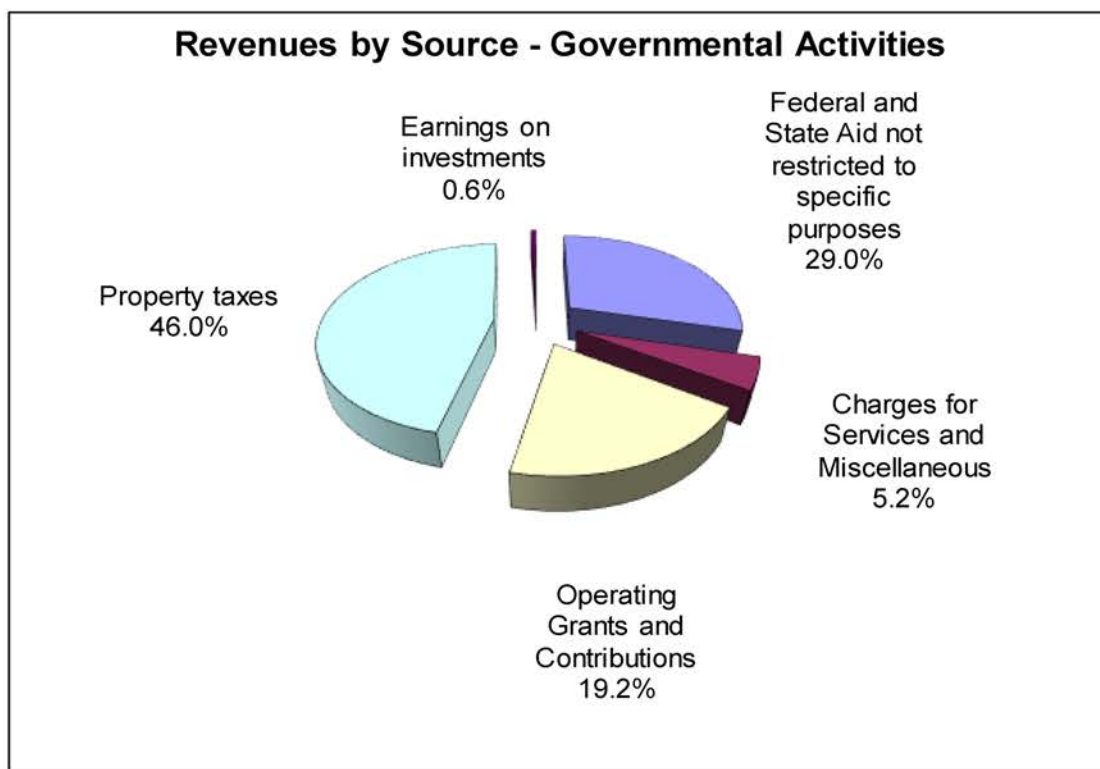
**Changes in Net Position
June 30, 2017 and 2016**

	Governmental activities		Increase (Decrease)
	2017	2016	from Fiscal 2016
Revenues:			
Program revenues:			
Charges for services	\$ 565,113	\$ 578,168	\$ (13,055)
Operating grants and contributions	4,943,690	5,241,426	(297,736)
General revenues:			
Property taxes	11,833,148	12,767,892	(934,744)
Federal and state aid not restricted to specific purposes	7,470,959	7,018,852	452,107
Earnings on investments	152,305	119,399	32,906
Miscellaneous	756,958	767,715	(10,757)
Total revenues	<u>25,722,173</u>	<u>26,493,452</u>	<u>(771,279)</u>
Expenses:			
Instructional services	15,698,776	15,864,377	(165,601)
Supporting services:			-
Students	598,594	588,468	10,126
Instructional staff	405,079	411,133	(6,054)
District administration	423,949	567,161	(143,212)
School administration	2,128,705	2,123,175	5,530
Business	462,011	471,433	(9,422)
Operation and maintenance of facilities	4,004,495	3,894,218	110,277
Transportation	1,200,968	1,167,525	33,443
School Food services	988,054	1,120,307	(132,253)
Interest on long-term liabilities		-	-
Total expenses	<u>25,910,631</u>	<u>26,207,797</u>	<u>(297,166)</u>
Increase (decrease) in net position	(188,458)	285,655	(474,113)
Net position - beginning	16,021,803	15,736,148	15,736,148
Net position - ending	<u>\$ 15,833,345</u>	<u>\$ 16,021,803</u>	<u>\$ 15,262,035</u>
Revenue per pupil:			
Local	\$ 6,121	\$ 6,187	\$ (66)
State	4,944	4,771	173
Federal	767	819	(52)
Total revenue per pupil	<u>\$ 11,832</u>	<u>\$ 11,777</u>	<u>\$ 55</u>
Expense per pupil	<u>\$ 11,918</u>	<u>\$ 11,805</u>	<u>\$ 113</u>
Student population	2,174	2,220	(46)

Management's Discussion and Analysis

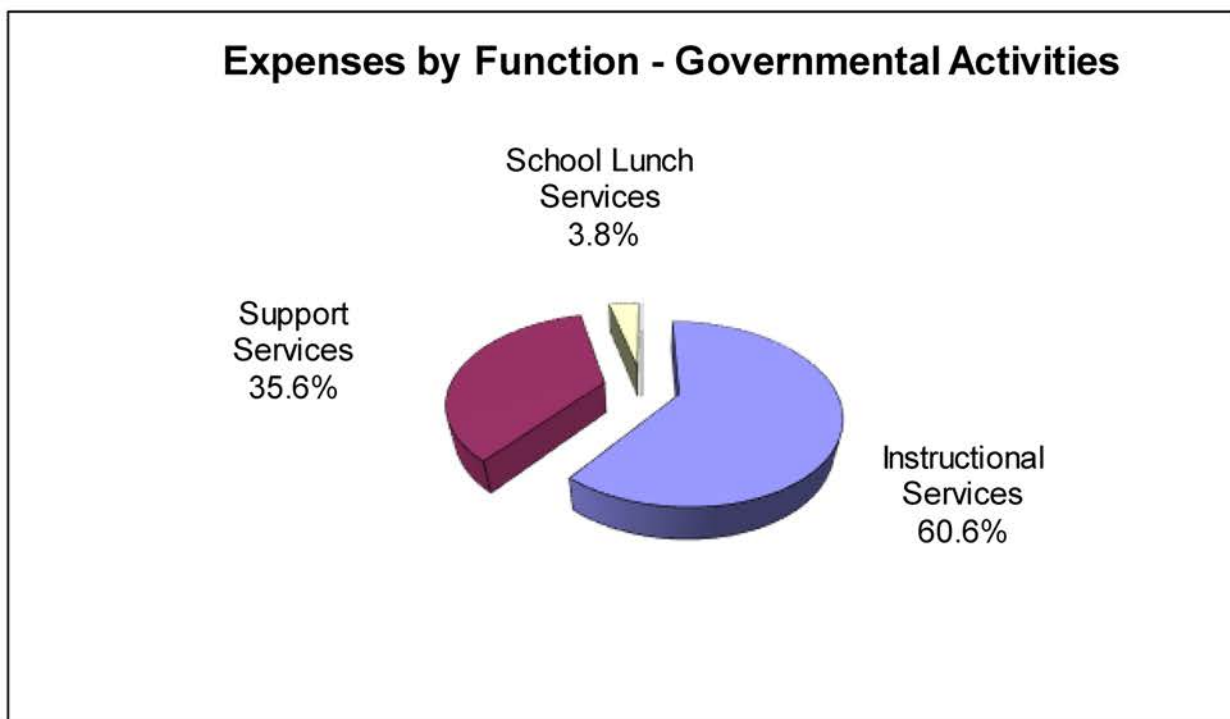
REVENUES

- Total revenues decreased by 2.9% or \$771,279, with current year revenues at \$25.72 million compared to prior year revenues at \$26.49 million. The leading cause of the decline is from a reduction in property tax revenues equal to \$934,744 less than the prior year. Approximately \$550,000 of owed property taxes were not collected due to a disputed valuation from a centrally assessed business. Combined Federal and State aid equaled 29.0% of the District's revenues while property taxes generated 46.0% of total District revenues. The remainder of revenues came from other locally generated sources.
- Federal aid decreased by 4.8% with a \$83,548 reduction from the prior year.
- State aid shows an increase of \$237,919. State aid is based primarily on weighted pupil units (WPU) and other programmatic appropriations. If a student is in school membership for the full 180 days of the academic year, 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 increased from \$3,092 in FY16 to \$3,184 in FY17. The District had lower student enrollment which did offset some of the increase in state funding but the increase still reflected \$521,473. Other programs such as Career and Technical Education, Class Size Reduction, Flexible Allocation, and Educator Salary Adjustment showed decreased revenues.
- Revenue from local sources decreased by \$925,650. Property taxes decreased by \$934,744, reflecting the \$550,000 reduction in tax revenues mentioned above (58.8% of the decline) as well as the absence of a judgment levy, which generated \$125,016 in the prior year. The decline in miscellaneous revenue reflects the absence in FY17 of a refund received from our medical insurance company in FY16 for \$132,657.



EXPENSES

- Overall expenses decreased by \$297,167 or 1.13%, with Instructional Services, District Administration and School Food Services showing decreases.
- Salary schedule amounts were increased by 1.5% and qualifying employees received step increases as well. Retirement rates remained firm at 23.69% of earned wages for the majority of the District's employees who are on the Tier 1 retirement system.
- The District's health insurance plan remained a high-deductible plan, accompanied by a health savings account (HSA) for each eligible employee. The District contributes to the HSA. The District participates in a health insurance pool with ten other comparable districts or public organizations. Despite 14.5% rate increases experienced by the insurance pool, the change to the higher deductible plan held the District's overall increase to 9.4%.
- Staffing at the Instructional level remained consistent with replacements of all retiring or terminating instructors.
- Depreciation expenses of \$1,256,104 were allocated to the appropriate functions according to percent of total expenses, with the largest being Instructional Services.



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.

Governmental Funds: The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into non-spendable, restricted, and unrestricted portions. *Non-spendable* includes inventories and prepaid expenditures that are not expected to be converted to cash. *Restricted* includes net fund resources of the District that are subject to external constraints due to State or Federal laws, or externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes, such as debt service or capital projects.

The unrestricted fund balance, is, in turn, subdivided between committed, assigned, and unassigned portions. *Committed* balances reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. *Assigned* balances in the General Fund and other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes. *Unassigned* balances in the General Fund are all other available net fund resources. 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.

At June 30, 2017, the District's combined governmental fund balance is \$9,017,706 (\$148,425 in non-spendable, \$3,642,477 in restricted, \$275,590 in construction commitments, \$1,000,000 in Economic Stabilization, \$660,956 in assigned and \$3,290,258 in unassigned fund balances). This amount represents a decrease of \$527,886 from the previous year. The primary factors of this decrease mirror those highlighted in the analysis of governmental activities. In addition, the following changes should be noted:

A. General Fund

- The *General Fund* is the chief operating fund of the District. At the end of this fiscal year, the unassigned fund balance was \$3,290,258 (an increase of \$30,289) while the total fund balance was \$4,585,537. The total fund balance increased by \$1,585, or 0.03%.
- Expenditures for general District purposes totaled \$22.6 million, a decrease of \$291,032 or 1.3% over the prior fiscal year. Decreases were due to personnel salaries remaining stable, with benefits increasing (medical with a 9.4% rate increase). However, the District did not have a judgment levy expense in FY17 whereas the year before was \$122,655. Other decreases included the reduction of the textbook adoption purchases of \$68,644.
- As allowed by state law, the District has established an undistributed reserve within the General Fund; this amount is set aside for contingencies or possible reductions in state funding and is not to be used in the negotiation or settlement of contract salaries. As of June 30, 2017, \$1,000,000 or 4.26% is committed for this purpose.

- *General Fund* salaries totaled \$12.55 million. The cost of associated employee benefits including retirement, social security, and insurance (health, dental, accident, industrial, and unemployment) was \$6.75 million. Combined, salaries and benefits in the general fund accounted for \$19.3 million, or 85.25% of total *General Fund* expenditures.

B. Other Major Funds

- At year end, the *Capital Projects Fund* has a total fund balance of \$3,728,387, representing a decrease of \$671,850 from FY16. This fund is used for the acquisition of capital assets and the purchase of supplies and related expenditures. The District's assets are aging and a facilities assessment has been conducted with district administration, maintenance staff, and a consulting architect. The District has committed to purchasing 2 portable classrooms for Emery High, totaling an expense of \$176,335. Other projects include HVAC upgrades at Bookcliff Elementary and carbon monoxide system installations in 5 schools. Also included are flooring, lighting, concrete work, sprinkler systems, fencing, and auditorium ceiling repairs for schools district-wide. Over one-half of the encumbrances for these projects were expended by year end, leaving a commitment of \$275,590 out of the \$570,171 of awarded contracts. Fund balance amounts will go toward remodeling existing buildings and the purchase of newer additions.
- The *Non K-12 Programs Fund* shows an ending fund balance of \$0. The programs accounted for in this fund are Preschool and Adult Education. However, because of the deferred revenue in the Preschool program, the liability for this fund qualifies it be over 10% (10.6%) of all liabilities.

C. Non-Major Funds

The *Other Governmental Funds* category consists of the Student Activities Fund and the School Food Service Fund.

- The *Student Activities Fund* reflects monies spent at the school level for instruction. The ending fund balance of \$378,011 was an increase from prior year of \$41,663, or 12.4%. Revenues and expenditures both increased from FY16 to FY17.
- The *School Food Service Fund* has an ending fund balance of \$325,771. This amount includes \$136,091 in inventory. This is an increase in fund balance from the prior year of \$100,716, or 44.75%. For comparison from FY16, salaries decreased by \$49,003, benefits decreased by \$25,694 as well as food by \$59,962. Revenues followed with a decrease of \$35,120 with fewer students enrolled and therefore fewer eating lunch and breakfast.

GENERAL FUND BUDGETARY ADJUSTMENTS AND HIGHLIGHTS

During the year, the Board revised the District's budget. Budget amendments were made to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$889,771 in total general fund revenues. The most significant budgetary adjustments may be summarized as follows:

Management's Discussion and Analysis

- When FY16 amounts were finalized and after the FY17 original budget was passed, carry-forward and deferred revenue balances for designated programs were added to the FY17 budget in the amount of \$531,806. This alone accounts for 60% of the increase in budgeted revenue as stated above. Other increases were spread out over state funding based on Weighted Pupil Units, the Necessary Existent Small Schools program, the Landtrust program, and other various local programs. On the expenditure side, this carry-forward and state funding was added primarily to budgets in the instructional services category.
- Actual expenditures were \$1,679,617 below the final amended budgeted amounts. The most significant positive variance was \$1,236,398 in instructional services. This is the result of an intentional effort by the District to conserve monies and is reflected in the deferred revenue and assigned fund balances. Included in this is the construction program being repealed and showing no expenses.
- Actual revenues were \$1,678,032 below the final amended budgeted amount. Several factors account for the majority of this difference. First, the final budget includes use of fund balance of \$449,775. This fund balance revenue is used solely for budgeting purposes and accounts for 26.8% of the stated revenue difference. Additional, there is a significant decrease in property taxes collected in all funds. This rare occurrence is from one of the county's centrally assessed coal mines not paying their tax liability within the fiscal year in the amount of approximately \$550,000. Finally, there is a noticeable difference in budget to actual in the State revenues. This difference is the result of revenues being moved to deferred liabilities which will be used at the start of the next fiscal year.

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, 2017 and 2016 are outlined below:

	Capital Assets (Net of Accumulated Depreciation)	
	Governmental activities	
	2017	2016
Land	\$ 678,405	\$ 678,405
Water Stock	201,945	201,945
Buildings and improvements	13,484,148	13,251,269
Furniture and equipment	943,373	887,294
Vehicles	1,095,147	1,054,096
Total capital assets, net of depreciation	\$ 16,403,018	\$ 16,073,009

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

B. Debt Administration

As of June 30, 2010, the District's bonded indebtedness was eliminated with all bonds 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, 2017 is \$80.379 million. Net general obligation debt at June 30, 2017 is \$0, thus not reducing the full debt-incurring capacity.

Additional information on the District's long-term debt can be found in Note 8 to the basic financial statements and in the statistical section of this report.

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 information should be addressed to the Business Administrator, Emery County School District, PO Box 120, Huntington, UT 84528.

EMERY COUNTY SCHOOL DISTRICT
Statement of Net Position
June 30, 2017

	Governmental Activities 2017
Assets:	
Cash and investments	\$ 11,318,167
Receivables	
Property taxes	11,455,403
Other governments	860,335
Other	2,045
Inventories	148,425
Capital assets:	
Land, construction in progress, and water stock	880,350
Other capital assets, net of accumulated depreciation	15,522,668
Net pension asset	-
Total assets	40,187,393
Deferred outflows of resources:	
Related to pension	4,850,688
Liabilities:	
Current Liabilities:	
Accounts and contracts payable	267,489
Accrued salaries	1,173,963
Accrued payroll liabilities	1,107,625
Unearned revenue - other governments	811,756
Noncurrent Liabilities:	
Leave, retirement, and longevity liability due within one year	30,876
Leave and retirement liability due in more than one year	277,879
Net pension liability	12,081,079
Total liabilities	15,750,667
Deferred inflows of resources:	
Property taxes levied for future year	11,405,836
Related to pension	2,048,233
Total deferred inflows of resources	13,454,069
Net position:	
Net investment in capital assets	16,403,018
Restricted for:	
School food services	325,771
Capital projects	3,452,797
Unrestricted	(4,348,241)
Total net position	\$ 15,833,345

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

EMERY COUNTY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2017

	<u>Major Funds</u>			<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Capital Projects</u>	<u>Non K-12 Programs</u>		
Assets:					
Cash and investments	\$ 6,705,089	\$ 3,773,903	\$ 324,629	\$ 514,546	\$ 11,318,167
Receivables:					
Property taxes	10,531,089	924,314		-	11,455,403
Other governments	753,710	-	31,878	74,747	860,335
Other local	2,045	-		-	2,045
Inventories	12,334	-		136,091	148,425
Total assets	<u>\$ 18,004,267</u>	<u>\$ 4,698,217</u>	<u>\$ 356,507</u>	<u>\$ 725,384</u>	<u>\$ 23,784,375</u>
Liabilities, deferred inflows of resources, and fund balances:					
Liabilities:					
Accounts payable	\$ 218,037	\$ 48,394	\$ 132	\$ 926	\$ 267,489
Accrued salaries	1,122,701	-	30,586	20,676	1,173,963
Accrued payroll benefits	1,107,625	-		-	1,107,625
Unearned revenue - other governments	485,967	-	325,789	-	811,756
Total liabilities	<u>2,934,330</u>	<u>48,394</u>	<u>356,507</u>	<u>21,602</u>	<u>3,360,833</u>
Deferred inflows of resources:					
Property taxes levied for future year	10,484,400	921,436		-	11,405,836
Total Deferred Inflows of Resources	<u>10,484,400</u>	<u>921,436</u>		<u>-</u>	<u>11,405,836</u>
Fund Balances:					
Nonspendable inventories	12,334	-		136,091	148,425
Restricted for fund	-	3,452,797	-	189,680	3,642,477
Committed to:					
Construction	-	275,590		-	275,590
Economic stabilization	1,000,000	-		-	1,000,000
Assigned by LEA to school budgets	282,945	-		378,011	660,956
Unassigned	3,290,258	-		-	3,290,258
Total fund balances	<u>4,585,537</u>	<u>3,728,387</u>	<u>-</u>	<u>703,782</u>	<u>9,017,706</u>
Total liabilities, deferred resources, and fund balances	<u>\$ 18,004,267</u>	<u>\$ 4,698,217</u>	<u>\$ 356,507</u>	<u>\$ 725,384</u>	<u>\$ 23,784,375</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 Position
June 30, 2017

Total fund balances for governmental funds \$ 9,017,706

Total net position reported for governmental activities in the statement of net position 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	\$ 678,405	
Water stock	201,945	
Buildings and improvements, net	13,484,148	
Furniture and equipment, net	943,373	
Vehicles, net	1,095,147	
Net Pension, Asset	-	
		16,403,018

Deferred Outflows of resources, a consumption of net position that applies to future periods, is not shown in the fund statements. 4,850,688

Long-term liabilities that pertain to governmental funds 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 position. Balances at year-end are:

Accrued sick leave	(308,755)	
Net pension liability	(12,081,079)	
Deferred Inflows of Resources Related to Pensions	(2,048,233)	
		(14,438,067)

Total net position of governmental activities **\$ 15,833,345**

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, 2017

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General	Capital Projects	Non K-12 Programs		
Revenues:					
Student fees			\$ 19,295		\$ 19,295
Property taxes	\$ 10,906,278	\$ 926,870		\$ -	11,833,148
Earnings on investments	97,529	52,945		1,831	152,305
School food services sales	-	-		196,654	196,654
Other local sources	436,305	2,677		667,140	1,106,122
State sources	10,262,074	-	331,212	154,147	10,747,433
Federal sources	945,710	-	51,808	669,698	1,667,216
Total revenues	<u>22,647,896</u>	<u>982,492</u>	<u>402,315</u>	<u>1,689,470</u>	<u>25,722,173</u>
Expenditures:					
Current:					
Instructional services	13,905,095	-	401,866	609,281	14,916,242
Supporting services:					
Students	598,594	-		-	598,594
Instructional staff	405,079	-		-	405,079
District leadership	361,144	-		-	361,144
School leadership	2,044,461	-		-	2,044,461
Central	436,889	-		-	436,889
Operation and maintenance of facilities	3,744,325	-	449	-	3,744,774
Transportation	1,150,724	-		-	1,150,724
School food services	-	-		937,810	937,810
Capital projects	-	1,654,342		-	1,654,342
Total expenditures	<u>22,646,311</u>	<u>1,654,342</u>	<u>402,315</u>	<u>1,547,091</u>	<u>26,250,059</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,585</u>	<u>(671,850)</u>	<u>-</u>	<u>142,379</u>	<u>(527,886)</u>
Net change in fund balances	1,585	(671,850)	-	142,379	(527,886)
Fund balances - beginning	<u>4,583,952</u>	<u>4,400,237</u>	<u>-</u>	<u>561,403</u>	<u>9,545,592</u>
Fund balances - ending	<u>\$ 4,585,537</u>	<u>\$ 3,728,387</u>	<u>\$ -</u>	<u>\$ 703,782</u>	<u>\$ 9,017,706</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 Governmental Funds to the Statement of Activities
Year Ended June 30, 2017

Net change in fund balances-total governmental funds \$ (527,886)

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 are capitalized. The cost is allocated over the estimated useful life and reported as depreciation expense. This is the amount by which depreciation exceeded capital purchases in the current period.

Capital outlays	\$ 1,588,952	
Loss on disposal of capital assets	(2,839)	
Depreciation expense	<u>(1,256,104)</u>	330,009

In the Statement of Activities, certain operating expenses - compensated absences (sick leave), pension liability, 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, the following are those changes:

Accrued leave decreased		20,305
Adjusted Pension expense at measurement date		(12,748)
Reverse prior year contributions and current contributions		1,862

Change in net position of governmental activities \$ (188,458)

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, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 11,604,802	\$ 11,335,378	\$ 10,906,278	\$ (429,100)
Earnings on investments	60,000	110,000	97,529	(12,471)
Other local sources	521,254	628,626	436,305	(192,321)
State sources	10,271,896	10,848,945	10,262,074	(586,871)
Federal sources	886,205	953,204	945,710	(7,494)
Uses of fund balance	92,000	449,775	-	(449,775)
Total revenues	<u>23,436,157</u>	<u>24,325,928</u>	<u>22,647,896</u>	<u>(1,678,032)</u>
Expenditures:				
Current:				
Instructional services	14,574,968	15,141,493	13,905,095	1,236,398
Supporting services:				
Students	598,206	610,104	598,594	11,510
Instructional staff	414,838	438,062	405,079	32,983
District leadership	367,480	367,480	361,144	6,336
School leadership	2,021,440	2,098,387	2,044,461	53,926
Central	452,599	453,906	436,889	17,017
Operation and maintenance of facilities	3,791,506	3,954,332	3,744,325	210,007
Transportation	1,215,120	1,262,164	1,150,724	111,440
Total expenditures	<u>23,436,157</u>	<u>24,325,928</u>	<u>22,646,311</u>	<u>1,679,617</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>1,585</u>	<u>1,585</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>1,585</u>	<u>\$ 1,585</u>
Fund balances - beginning			<u>4,583,952</u>	
Fund balances - ending			<u>\$ 4,585,537</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, 2017

	<u>Student Activities Fund</u>
Assets:	
Cash and investments	\$ 42,023
Total assets	<u>42,023</u>
Liabilities	
Due to student groups	42,023
Total liabilities	<u>\$ 42,023</u>

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

EMERY COUNTY SCHOOL DISTRICT
Notes to Basic Financial Statements
Fiscal Year Ending June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Emery County School District (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 (Board), 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 Position and the Statement of Activities) 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 others 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.

Notes to Financial Statements

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.
3. *Non K-12 Programs Fund* – accounts for preschool and adult education activities.

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

4. *Student Activities Fund* – accounts for revenue and expenses generated at the school level for all instructional activity.
5. *School Food Service Fund* – accounts for preparation and serving of school lunches and breakfasts.

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

6. *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 and 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 is recognized 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 when 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, including the *Fiduciary Fund*, are reported using the accrual basis of accounting. 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 post-employment healthcare benefits and compensated absences, which are recognized as expenditures to the extent they have matured.

Notes to Financial Statements

Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital lease acquisitions 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, it is the District's procedure to use restricted resources first, then unrestricted resources, as they are needed.

E. Budgetary Data

Annual budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year-end. 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. Also included is a final budget for the current fiscal year, ending June 30.
2. Copies of the proposed budget are made available for public inspection and review by the patrons of the District by June 1.
3. If the District does not exceed the certified tax rate, a public hearing is held prior to June 22 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 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 expenditures during the year ended June 30, 2015 have been included in the final budget approved by the Board, as presented in the financial statements.
6. Expenditures may not legally exceed budgeted amounts at the fund level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is used to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Notes to Financial Statements

Negative variances in total revenues and the positive variances in total expenditures are largely a result of federal and state program revenues and related expenditures that do not have a direct impact on the fund balance. Budgets generally assume the expenditure of all available resources. Therefore, when the budget is prepared, it is assumed these funds will not have a carryover of revenue to a subsequent year. Program revenue received but not spent is deferred to the subsequent fiscal year. As a result, overall fund revenue variances will be negative, and overall fund expenditure variances will be positive.

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 valued at fair value at year-end. The Utah Public Treasurers' Investment Fund (PTIF) operates in accordance with appropriate Utah state laws. The fair value of the District's position in the PTIF investment pool is the same as the 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 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 "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, works of art, and similar items received in a service concession arrangement, are reported at

Notes to Financial Statements

acquisition value rather than fair value. 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. Up to 180 days of unused sick leave is reimbursed upon retirement at the rate of 50% of the licensed substitute pay rate per day. To qualify, the employee must have met the minimum retirement requirements set by Utah Retirement Systems (URS), as well as have 15 years of consecutive URS qualifying service with the District. Vacation leave can accrue to a maximum of 30 days while the employee is still employed with the District. There is not a payout for vacation days at 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 Position. Bond premiums and discounts 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 paid out of debt proceeds and are reported as expenditures.

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 Balance Classifications

The GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definition*, provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance* – amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- *Restricted fund balance* – amounts constrained to specific purposes by their providers (such as grantors, bondholders and higher levels of government), through constitutional provisions or by legislation.
- *Committed fund balance* – amounts constrained to specific purposes established by formal action (resolution) of the Board. Once reported as committed, amounts cannot be used for any other purpose unless the Board takes action through approval of a formal motion to remove or change the constraint. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

As allowed in Utah law (Utah Code 53A-19-103) the District can commit up to 5% of General Fund budgeted expenditures for economic stabilization. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity. As defined by State law, this commitment is not to be used in the negotiation or settlement of contract salaries for school district employees. At June 30, 2017, \$1,000,000 was reported as committed to economic stabilization. This amount has been established through formal School Board action. Any additional amount would be authorized through similar action.

- *Assigned fund balance* – amounts the District intends to use for a specific purpose. Under District policy DA, funds can be assigned by the Board, Superintendent and/or Business Administrator.
- *Unassigned fund balance* – amounts that are available for any purpose. Positive amounts are reported only in the General Fund. All other funds are restricted by the nature of the fund.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources. Of the unrestricted resources, committed resources will be used first, followed by assigned resources then unassigned resources.

Notes to Financial Statements

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.

O. Deferred Outflows / Inflows of Resources

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time.

P. Pensions

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

Q. Date of Subsequent Event Evaluation

Emery County School District's subsequent events have been evaluated through the day of the financial statement issuance of September 19, 2017.

2. DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2017, as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 472,186
Carrying amount of investments	<u>\$ 10,888,004</u>
Total cash and investments	<u>\$ 11,360,190</u>
Governmental funds cash and investments	\$ 11,318,167
Fiduciary funds cash and investments	<u>\$ 42,023</u>
Total cash and investments	<u>\$ 11,360,190</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. District funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the District to invest in

the Utah Public Treasurer's Investment Fund, certificates of deposit, US Treasury obligations, US agency issues, high-grade commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah.

The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District considers the actions of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

A. Deposits

At June 30, 2017, the District's carrying amount of deposits is \$472,186 and the bank balance is \$944,419. Of the bank balance, \$401,153 is covered by federal depository insurance and \$543,266 is uninsured and uncollateralized. No deposits are collateralized nor are they required to be by State statute.

- *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 does not have a formal deposit policy for custodial credit risk.

B. Investments

At June 30, 2017, the District has investments in the PTIF. The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with 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, which primarily consists of money market securities held by the Utah State Treasurer, including investment-grade corporate notes (77.03%), money market mutual funds (10.49%), top-rated commercial paper (9.34%), and certificates of deposit (0.89%). The portfolio has a weighted average maturity of 54.71 days. The PTIF is not rated. The fair value of the District's position in the PTIF investment pool is the District's pool balance multiplied by the pool's fair value per share factor, which for June 30, 2017 was 1.00471926.

The District also holds investments with banks, a credit union, and in corporate and government bonds through a broker. The District measures and records its investments at amortized cost, which approximates fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

Notes to Financial Statements

At June 30, 2017, the District had the following recurring fair value measurements:

Emery County School District		Fair Value Measurements Using		
Investment Type	30-Jun-17	Level 1	Level 2	Level 3
Utah PTIF	\$ 5,349,367	\$ -	\$ 5,349,367	\$ -
Money Market	\$ 133,421	\$ -	\$ 133,421	\$ -
Certificates of Deposit	\$ 13,192	\$ -	\$ 13,192	\$ -
Corporate Bonds	\$ 2,491,644	\$ 2,491,644	\$ -	\$ -
Government Bonds	\$ 2,900,380	\$ 2,900,380	\$ -	\$ -
Total Investments	\$ 10,888,004	\$ 5,392,024	\$ 5,495,980	\$ -

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Debt and equity securities classified in Level 2 are valued using the following approaches:

- Utah Public Treasurer's Investment Fund: application of the June 30, 2017 fair value factor, as calculated by the Utah State Treasurer, to the District's average daily balance in the Fund
- Money Market Funds: actual balances as of June 30, 2017
- Certificates of Deposit: actual balances as of June 30, 2017
- *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 interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments does not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity over two years. The District has no investment policy that would further limit its interest rate risk.

At June 30, 2017, the District has the following investments, summarized by type:

Emery County School District		Investment Maturities (In Years)	
Investment Type	Fair Value	Less than 1	1 to 5
Utah PTIF	\$ 5,349,367	\$ 5,349,367	\$ -
Money Market	\$ 133,421	\$ 133,421	\$ -
Certificates of Deposit	\$ 13,192	\$ 13,192	\$ -
Corporate Bonds	\$ 2,491,644	\$ 1,179,103	\$ 1,312,541
Government Bonds	\$ 2,900,380	\$ 201,193	\$ 2,699,187
Total Investments	\$ 10,888,004	\$ 6,876,276	\$ 4,011,728

Notes to Financial Statements

- Credit risk* is the risk that the issuer or other 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 Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by Standard and Poor's Corporation at the time of purchase. The District has no investment policy that would further limit its investment choices. As of June 30, 2017, the District has the following investments subject to credit risk:

Emery County School District		Credit Quality Ratings (As of June 30, 2017)		
Investment Type	Fair Value	A or Higher	Less than A	Unrated
Utah PTIF	\$ 5,349,367	\$ -	\$ -	\$ 5,349,637
Money Market	\$ 133,421	\$ -	\$ -	\$ 133,421
Certificates of Deposit	\$ 13,192	\$ -	\$ -	\$ 13,192
Corporate Bonds	\$ 2,491,644	\$ 2,238,022	\$ 253,622	\$ -
Government Bonds	\$ 2,900,380	\$ 2,900,380	\$ -	\$ -
Total Investments	\$ 10,888,004	\$ 5,138,402	\$ 253,622	\$ 5,496,250

- Concentration of credit risk* is the risk of loss attributed to the amount of a government's investment in a single issuer. The District's policy for managing this risk is to comply with the Act. The Act limits investments in commercial paper and or corporate obligations to 5% of the District's total portfolio with a single issuer. The District places no other limits on the amount it may invest in any one issuer.
- Custodial credit risk* for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District's policy for managing this risk is to comply with the Act and related rules. The District places no other limit on the amount of investments to be held by counterparties.

3. PROPERTY TAXES

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

Notes to Financial Statements

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.

Motor vehicles are subject to an “age-based” fee that is due each time a vehicle is registered. The age-based fee is for passenger type vehicles and ranges from \$10 to \$150 based on the age of the vehicle. The 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, 2017, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2017 or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period, after which time the County treasurer may force sale of property to collect the delinquent portion.

The property taxes receivable and deferred inflows of resources accounts at June 30, 2017 are summarized as follows:

	General	Capital Projects	Totals
Property Taxes - Receivable			
Levied for current and prior years	\$ 46,689	\$ 2,878	\$ 49,567
Levied for future years	10,484,400	921,436	11,405,836
	<u>\$ 10,531,089</u>	<u>\$ 924,314</u>	<u>\$ 11,455,403</u>
Property Taxes - Deferred Inflow			
Levied for future year and uncollected	\$ 10,484,400	\$ 921,436	\$ 11,405,836
	<u>\$ 10,484,400</u>	<u>\$ 921,436</u>	<u>\$ 11,405,836</u>

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 678,405	\$ -	\$ -	\$ 678,405
Water stock	201,945	-	-	201,945
Total capital assets, not being depreciated	880,350	-	-	880,350
Capital assets, being depreciated:				
Buildings and improvements	49,690,249	1,073,538	-	50,763,787
Furniture and equipment	2,885,822	219,298	(28,358)	3,076,762
Vehicles	3,900,129	296,116	(14,711)	4,181,534
Total capital assets, being depreciated	56,476,200	1,588,952	(43,069)	58,022,083
Accumulated depreciation for:				
Buildings and improvements	(36,438,980)	(840,659)	-	(37,279,639)
Furniture and equipment	(1,998,528)	(160,380)	25,519	(2,133,389)
Vehicles	(2,846,033)	(255,065)	14,711	(3,086,387)
Total accumulated depreciation	(41,283,541)	(1,256,104)	40,230	(42,499,415)
Total capital assets, being depreciated, net	15,192,659	332,848	(2,839)	15,522,668
Governmental activities capital assets, net	<u>\$ 16,073,009</u>	<u>\$ 332,848</u>	<u>\$ (2,839)</u>	<u>\$ 16,403,018</u>

Depreciation expense for year ended June 30, 2017, was charged to functions of the District as follows:

Governmental activities:	
Instructional services	\$ 703,418
Supporting services:	
District administration	62,805
School administration	100,488
Business	25,122
Operation and maintenance of facilities	263,782
Transportation	50,244
School lunch services	50,244
Total depreciation expense, governmental activities	<u>\$ 1,256,104</u>

Notes to Financial Statements

The District is obligated at June 30, 2017, under construction commitments as follows:

Project	Location	Vendor	Contract	Paid by June 30th	Costs to Complete
HVAC (Labor)	Book Cliff Elementary	Spring Glen Heating	\$ 32,160	\$ -	\$ 32,160
HVAC (Equipment)	Book Cliff Elementary	Contractors Heating & Cooling	22,618	22,399	219
HVAC (Controls)	Book Cliff Elementary	Atkinson Electronics	11,185	-	11,185
Bleacher Repair	Green River High	Partners Construction	5,600	5,600	-
Carbon Monoxide	Book Cliff Elementary	Honeywell International	16,309	-	16,309
Carbon Monoxide	Green River High	Honeywell International	8,477	-	8,477
Carbon Monoxide	San Rafael Junior High	Honeywell International	19,459	-	19,459
Carbon Monoxide	Ferron Elementary	Honeywell International	9,518	-	9,518
Carbon Monoxide	Castle Dale Elementary	Honeywell International	19,865	-	19,865
Door Work	Canyon View Junior High	Robert I. Merrill Doors	9,996	-	9,996
Door Work	San Rafael Junior High	Robert I. Merrill Doors	3,729	-	3,729
Door Work	Castle Dale Elementary	Robert I. Merrill Doors	2,805	-	2,805
Flooring	San Rafael, Cottonwood, Green River	Wise Flooring & Design	26,890	-	26,890
Lighting	Castle Dale Elementary	Divi Energy	3,213	3,213	-
Lighting	Ferron Elementary	Divi Energy	4,795	4,795	-
Lighting	Cottonwood Elementary	Kay Electric	37,992	-	37,992
Painting	Green River High	B&T Builders & Supply	2,864	2,864	-
Hydroseed	Huntington Elementary	Ward Landscapes	4,095	4,095	-
Hydroseed	Canyon View Junior High	Ward Landscapes	9,735	9,735	-
Concrete & Dirt Work	Emery High	B. Hansen Construction	16,780	16,780	-
Concrete & Fence	Ferron Elementary	B. Hansen Construction	4,515	4,515	-
Concrete & Dirt Work	Book Cliff Elementary	High Desert Excavating	4,500	4,500	-
Painting & Soffit	Cleveland Elementary	Arrowhead Construction	28,440	-	28,440
Baseball Field	Green River High	TSJ Construction	23,946	-	23,946
Hallway Ceiling	Emery High	Arrowhead Construction	17,700	-	17,700
Sprinkler System	Cottonwood Elementary	Ward Landscapes	4,800	-	4,800
Sprinkler System	Canyon View Junior High	Ward Landscapes	2,100	-	2,100
Sprinkler System	Huntington Elementary	Ward Landscapes	5,600	5,600	-
Sprinkler System	San Rafael Junior High	Arrowhead Construction	18,470	18,470	-
Bleacher Fencing	Emery High	Arrowhead Construction	4,780	4,780	-
Portable Classrooms	Emery High	Specialty Modular	176,335	176,335	-
Trophy Case	Green River High	Ty's Cabinets	10,900	10,900	-
			<u>\$ 570,171</u>	<u>\$ 294,581</u>	<u>\$ 275,590</u>

5. RETIREMENT PLANS

A. General Information about the Pension Plan

Plan description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. The Utah Retirement Systems are comprised of the following Pension Trust Funds:

- Public Employees Noncontributory Retirement System (Noncontributory System);
- Public Employees Contributory Retirement System (Contributory System); are multiple employer, cost sharing, public employees, retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System); is a multiple employer, cost sharing, public employees, retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by

Notes to Financial Statements

the Utah State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. URS is a component unit of the State of Utah. Title 49 grants authority to establish and amend the benefit terms.

URS issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E 200 S, Salt Lake City, Utah 84102 or visiting the website: www.urs.org. Benefits provided: URS provides retirement, disability, and death benefits. Retirement benefits include:

System	Final Average Salary	Years of Service Required and/or Age Eligible for Benefits	Benefit Percent per Year of Service	COLA**
Noncontributory	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2% per year all years	Up to 4%
Contributory	Highest 5 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4%
Tier 2 Public Employees System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%

*with actuarial reductions

**All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Contributions: As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the URS Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. Contribution rates as of June 30, 2017 are as follows:

	Employee	Employer	Employer 401(k)
Contributory System:			
12 State School Div - Tier 1	6.00	17.70	N/A
112 State School Div - Tier 2	N/A	18.24	1.78
Noncontributory System			
16 State School Div - Tier1	N/A	22.19	1.50
Tier 2 DC Only			
212 State and School	N/A	10.02	10.00

Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

Notes to Financial Statements

For the fiscal year ended June 30, 2017, employer and employee contributions to the System were as follows:

System	Employer Contributions		Employee Contributions	
Noncontributory System	\$	2,253,870		N/A
contributory System		12,342		697
Tier 2 Public Employees System		258,603		-
Tier 2 DC Only System		7,834		N/A
Total Contributions	\$	2,532,649	\$	697

Contributions reported are the URS Board approved required contributions by the System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, we reported a net pension asset of \$0 and a net pension liability of \$12,081,078.

(Measurement Date): December 31, 2016

	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2015	Change (Decrease)
Noncontributory System	\$ -	\$ 11,918,478	0.3677502%	0.3852401%	-0.0174899%
Contributory System	\$ -	145,150	0.2648923%	0.3007010%	-0.0358087%
Tier 2 Public Employees System	\$ -	17,450	0.1564368%	0.1543201%	0.0021167%
Total Net Pension Asset/Liability	\$ -	\$ 12,081,078			

The net pension asset and liability is as of December 31, 2016, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2015 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year. For the year ended June 30, 2017, the District recognized pension expense of \$2,542,218. At June 30, 2017, we reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 657,446
Changes in Assumptions	1,274,972	149,415
Net difference between projected and actual earnings on pension plan investments	2,314,271	664,078
Changes in proportion and differences between contributions	12,507	577,294
Contributions subsequent to the measurement date	1,248,938	-
Total	\$ 4,850,688	\$ 2,048,233

\$1,248,938 reported as deferred outflows of resources related to pensions results from contributions made by us prior to our fiscal year end, but subsequent to the measurement date of December 31, 2016. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Notes to Financial Statements

<u>Year Ended December 31,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2017	\$ 445,429
2018	\$ 476,548
2019	\$ 737,264
2020	\$ (111,521)
2021	\$ 483
Thereafter	\$ 5,314

Actuarial assumptions: The total pension liability in the December 31, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.6 Percent
Salary Increases	3.35 - 10.35 Percent, Average, including Inflation
Investment Rate of Return	7.20 Percent, net of pension plan investment expense, including inflation

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries. The actuarial assumptions used in the December 31, 2016 valuation were based on the results of an actuarial experience study for the five-year period ending December 31, 2013.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Expected Return Arithmetic Basis</u>		
	<u>Target Asset Allocation</u>	<u>Real Return Arithmetic Basis</u>	<u>Long-Term Expected Portfolio Real Rate of Return</u>
Equity Securities	40%	7.06%	2.82%
Debt Securities	20%	0.80%	0.16%
Real Assets	13%	5.10%	0.66%
Private Equity	9%	11.30%	1.02%
Absolute Return	18%	3.15%	0.57%
Cash & Cash Equivalents	0%	0.00%	0.00%
Totals	100%		5.23%
	Inflation		2.60%
	Expected Arithmetic Nominal Return		7.83%

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.6% and a real return of 4.6% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the

Notes to Financial Statements

current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the URS Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 7.20 percent from 7.50 percent from the prior measurement period.

Sensitivity of the proportionate share of the net pension asset and liability to changes in the discount rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

System	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Noncontributory System	\$ 21,852,746	\$ 11,918,478	\$ 3,592,592
Contributory System	\$ 356,848	\$ 145,150	\$ (34,641)
Tier 2 Public Employees System	\$ 118,779	\$ 17,450	\$ (59,635)
Total	\$ 22,328,373	\$ 12,081,078	\$ 3,498,316

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

Defined Contribution Savings Plans

The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued URS financial report.

Emery School District participates in the following Defined Contribution Savings Plans with Utah Retirement Systems:

- 401(k) Plan
- 457 (b) Plan
- Roth IRA Plan
- Traditional IRA Plan

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for fiscal year ended June 30, 2017 were as follows:

Notes to Financial Statements

	2017	2016	2015
401(k) Plan			
Employer Contributions	\$ 252,118	\$ 226,503	\$ 257,759
Employee Contributions	\$ 180,759	\$ 201,221	\$ 212,022
457 Plan			
Employer Contributions	\$ -	\$ -	\$ -
Employee Contributions	\$ 38,542	\$ 34,685	\$ 29,973
Roth IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 32,200	\$ 24,400	\$ 21,600
Traditional IRA Plan			
Employer Contributions	N/A	N/A	N/A
Employee Contributions	\$ 12,000	\$ 9,000	\$ -

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 Fund). The District maintains insurance coverage for general, automobile, personal injury, errors and omissions, and malpractice liability through Fund policies. The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Fund.

The District pays premiums to this risk pool 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. Property physical damage is insured to replacement value with a \$1,000 deductible; automobile physical damage is insured to actual value with a \$500 deductible. Other liability is limited to the lesser of \$10 million or the statutory limit.

The District provides benefitted employees \$50,000 in term life insurance, \$10,000 for dependent life insurance, in addition to voluntary long-term disability coverage, that is also maintained on a premium basis. The District provides a death benefit equal to one month of salary, maintained on a self-insured basis.

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 LIABILITIES

A. Changes in Long-term Obligations

Long-term liability activity for the year ended June 30, 2017 is as follows:

Notes to Financial Statements

Governmental activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Accrued Sick Leave	329,060	4,333	(24,638)	308,755	30,876
Total governmental activity long-term liabilities	329,060	\$ 4,333	\$ (24,638)	\$ 308,755	\$ 30,876

Accrued sick leave payable represents a potential liability and is paid to an employee’s Longevity plan (either 401(k) or medical trust account) in a lump sum when the liability becomes due at retirement. This liability is liquidated using current revenues from the fund in which the employee worked, typically the General Fund.

B. General Obligation Bonds

Payments on previous general obligation bonds were made by the debt service fund from property taxes. As of June 30, 2010, all bond obligations had been paid in full. The District continues to be free of bond obligations as of June 30, 2017.

8. RESTRICTED POSITION AND FUND BALANCES

Non-General funds are restricted based upon the revenue source, as indicated in GASB Statement 54. The Government-Wide Statement of Net Position reports these same restricted balances of \$325,771 for the School Food Service Fund and \$3,452,797 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 the purchase of furniture, fixtures, or other property (except books) or for the construction or repair of schools, and exceeds \$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 \$1,275,590 and assigned funds of \$660,956 are shown on the fund financial statements.

Assigned funds of \$282,945 in the General Fund are carryover amounts for school-level supply and equipment budgets managed at the District level. Assigned funds of \$378,011 in the Student Activities Fund are carryover amounts for school-level budgets managed at the School level.

9. ENCUMBRANCES

At year end the amount of encumbrances expected to be honored upon performance by the vendor in the next year are as follows:

Capital projects fund	\$ 275,590
Total	\$ 275,590

EMERY COUNTY SCHOOL DISTRICT
Required Supplementary Information

Schedule of the Proportionate Share of the Net Pension Liability
Noncontributory, Contributory, & Tier 2 Public Employee Systems of the Utah Retirement Systems
Last Ten Calendar Years

Noncontributory System

	Calendar Year Ended December 31,			
	2016	2015	2014	2013
Proportion of Net Pension Liability (Asset)	0.3677502%	0.3852401%	0.3986642%	N/A
Proportionate Share of Net Pension Liability (Asset)	\$ 11,918,478	\$ 12,101,495	\$ 10,016,552	N/A
Covered Employee Payroll	\$ 10,326,200	\$ 10,756,244	\$ 11,263,409	N/A
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	115.42%	112.51%	88.9%	N/A
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.9%	84.5%	87.2%	N/A

Contributory System

	Calendar Year Ended December 31,			
	2016	2015	2014	2013
Proportion of Net Pension Liability (Asset)	0.2648923%	0.3007010%	0.2860911%	N/A
Proportionate Share of Net Pension Liability (Asset)	\$ 145,150	\$ 188,435	\$ 31,369	N/A
Covered Employee Payroll	\$ 71,009	\$ 95,256	\$ 105,086	N/A
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	204.41%	197.82%	29.9%	N/A
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	93.4%	92.4%	98.7%	N/A

Tier 2 Public Employee System

	Calendar Year Ended December 31,			
	2016	2015	2014	2013
Proportion of Net Pension Liability (Asset)	0.1564368%	0.1543201%	0.1510313%	N/A
Proportionate Share of Net Pension Liability (Asset)	\$ 17,450	\$ (377)	\$ (4,577)	N/A
Covered Employee Payroll	\$ 1,282,909	\$ 996,491	\$ 739,563	N/A
Proportionate Share of Net Pension Liability (Asset) as a Percentage of Covered Employee Payroll	1.36%	-0.03%	0.6%	N/A
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	95.1%	100.2%	103.5%	N/A

Note: ECSD implemented GASB Statement No. 68 in fiscal year 2015. Information on the District's portion of the plans' net pension liabilities (assets) is not available for periods prior to fiscal year 2015. Beginning in fiscal year 2015, this schedule will be built prospectively until 10 years of information is available.

Calendar Year Ended December 31,					
2012	2011	2010	2009	2008	2007
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

Calendar Year Ended December 31,					
2012	2011	2010	2009	2008	2007
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

Calendar Year Ended December 31,					
2012	2011	2010	2009	2008	2007
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

EMERY COUNTY SCHOOL DISTRICT
Required Supplementary Information

Schedule of Contributions
Noncontributory, Contributory, & Tier 2 Public Employee Systems of the Utah Retirement Systems
Last Ten Years *

Noncontributory System

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Covered Employee Payroll	\$ 10,166,737	\$ 10,481,704	\$ 11,042,739	\$ 11,403,417
Contributions as a Percentage of Covered-Employee Payroll	22.17%	21.93%	21.65%	19.95%
Actuarial Determined Contributions	\$ 2,253,870	\$ 2,298,283	\$ 2,390,850	\$ 2,275,462
Contributions in Relation to the Contractually Required Contribution	(2,253,870)	(2,298,283)	(2,390,850)	(2,275,462)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -

Contributory System

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Covered Employee Payroll	\$ 69,726	\$ 76,521	\$ 107,106	\$ 105,224
Contributions as a Percentage of Covered-Employee Payroll	17.70%	17.70%	17.44%	15.70%
Actuarial Determined Contributions	\$ 12,342	\$ 13,544	\$ 18,682	\$ 16,525
Contributions in Relation to the Contractually Required Contribution	(12,342)	(13,544)	(18,682)	(16,525)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -

Tier 2 Public Employees System

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Covered Employee Payroll	\$ 1,417,778	\$ 1,138,904	\$ 880,505	\$ 647,693
Contributions as a Percentage of Covered-Employee Payroll	18.24%	18.26%	18.10%	16.45%
Actuarial Determined Contributions	\$ 258,603	\$ 207,998	\$ 159,330	\$ 106,533
Contributions in Relation to the Contractually Required Contribution	(258,603)	(207,998)	(159,330)	(106,533)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -

Tier 2 Public Employees DC Only System

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Covered Employee Payroll	\$ 78,184	\$ 72,887	\$ 87,739	\$ 66,668
Contributions as a Percentage of Covered-Employee Payroll	10.02%	10.09%	9.78%	8.29%
Contractually Required Contribution	\$ 7,834	\$ 7,356	\$ 8,578	\$ 5,525
Contributions in Relation to the Contractually Required Contribution	(7,834)	(7,356)	(8,578)	(5,525)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -

* The Tier 2 Public Employees System was created in fiscal year 2011. Prior to the implementation of GASB Statement No. 68, Tier 2 information was as a part of the Contributory System and separated data is not available.

Fiscal Year Ended June 30,					
2013	2012	2011	2010	2009	2008
\$ 11,475,849	\$ 11,688,281	\$ 10,252,445	\$ 11,187,383	\$ 11,323,699	\$ 10,715,617
18.54%	16.54%	15.94%	14.22%	14.22%	14.22%
\$ 2,127,385	\$ 1,933,148	\$ 1,634,750	\$ 1,590,847	\$ 1,610,230	\$ 1,523,761
(2,127,385)	(1,933,148)	(1,634,750)	(1,590,847)	(1,610,230)	(1,523,761)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fiscal Year Ended June 30,					
2013 *	2012 *	2011 *	2010	2009	2008
\$ 714,755	\$ 341,067	\$ 163,977	\$ 180,906	\$ 180,411	\$ 172,389
9.31%	10.14%	11.46%	9.73%	9.73%	9.73%
\$ 66,523	\$ 34,591	\$ 18,798	\$ 17,602	\$ 17,554	\$ 16,773
(66,523)	(34,591)	(18,798)	(17,602)	(17,554)	(16,773)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Fiscal Year Ended June 30,					
2013	2012	2011	2010	2009	2008
*	*	*	N/A	N/A	N/A
*	*	*	N/A	N/A	N/A
*	*	*	N/A	N/A	N/A
*	*	*	N/A	N/A	N/A

Fiscal Year Ended June 30,					
2013	2012	2011	2010	2009	2008
*	*	*	N/A	N/A	N/A
*	*	*	N/A	N/A	N/A
*	*	*	N/A	N/A	N/A
*	*	*	N/A	N/A	N/A

EMERY COUNTY SCHOOL DISTRICT
Notes to Required Supplementary Information

Changes in Assumptions: Utah Retirement Systems - Amounts reported in plan year 2016 reflect the following assumption changed adopted January 1, 2016:

- * The investment return assumption (discount rate) was decreased from 7.50% to 7.20%.
- * The assumed inflation rate was decreased from 2.75% to 2.6%
- * The wage inflation assumption for all employee groups was decreased from 3.50% to 3.35%.
- * The payroll growth assumption was decreased from 3.25% to 3.10%.

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
General Fund
June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and investments	\$ 6,705,089	\$ 6,751,187
Receivables:		
Property taxes	10,531,089	10,810,103
Other governments	753,710	500,528
Other receivables	2,045	20,212
Inventories	12,334	28,990
Total assets	<u>\$ 18,004,267</u>	<u>\$ 18,111,020</u>
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts payable	\$ 218,037	\$ 294,627
Accrued salaries	1,122,701	1,121,617
Accrued payroll benefits	1,107,625	1,105,690
Unearned revenue - other governments	485,967	249,756
Total liabilities	<u>2,934,330</u>	<u>2,771,690</u>
Deferred inflows of resources:		
Property taxes levied for future year	10,484,400	10,755,378
Total deferred inflows of resources	<u>10,484,400</u>	<u>10,755,378</u>
Fund balances:		
Nonspendable	12,334	28,990
Committed	1,000,000	1,000,000
Assigned	282,945	294,993
Unassigned	3,290,258	3,259,969
Total fund balances	<u>4,585,537</u>	<u>4,583,952</u>
Total liabilities, deferred resources, and fund balances	<u>\$ 18,004,267</u>	<u>\$ 18,111,020</u>

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

Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 11,335,378	\$ 10,906,278	\$ (429,100)	\$ 11,800,928
Earnings on investments	110,000	97,529	(12,471)	74,081
Other local sources	628,626	436,305	(192,321)	500,487
State sources	10,848,945	10,262,074	(586,871)	10,000,885
Federal sources	953,204	945,710	(7,494)	1,040,063
Uses of fund balance	449,775	-	(449,775)	-
Total revenues	<u>24,325,928</u>	<u>22,647,896</u>	<u>(1,678,032)</u>	<u>23,416,444</u>
Expenditures:				
Current:				
Instructional services	15,141,493	13,905,095	1,236,398	14,181,159
Supporting services:				
Students	610,104	598,594	11,510	588,468
Instructional staff	438,062	405,079	32,983	411,133
District leadership	367,480	361,144	6,336	495,984
School leadership	2,098,387	2,044,461	53,926	2,016,742
Central	453,906	436,889	17,017	447,707
Operation and maintenance of facilities	3,954,332	3,744,325	210,007	3,676,076
Transportation	1,262,164	1,150,724	111,440	1,120,074
Total expenditures	<u>24,325,928</u>	<u>22,646,311</u>	<u>1,679,617</u>	<u>22,937,343</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>1,585</u>	<u>1,585</u>	<u>479,101</u>
Other financing sources (uses):				
Net increase (decrease) in FMV of investments	-	-	-	
Net change in fund balances	<u>\$ -</u>	<u>1,585</u>	<u>\$ 1,585</u>	<u>479,101</u>
Fund balances - beginning		<u>4,583,952</u>		<u>4,104,851</u>
Fund balances - ending		<u>\$ 4,585,537</u>		<u>\$ 4,583,952</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Capital Projects Fund
June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and investments	\$ 3,773,903	\$ 4,594,173
Receivables:		
Property taxes	924,314	923,923
Total assets	<u>\$ 4,698,217</u>	<u>\$ 5,518,096</u>
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts payable	\$ 48,394	\$ 197,240
Total liabilities	<u>48,394</u>	<u>197,240</u>
Deferred inflows of resources:		
Property taxes levied for future year	921,436	920,619
Total deferred inflows of resources	<u>921,436</u>	<u>920,619</u>
Fund balances:		
Restricted for fund	3,452,797	3,967,657
Committed for construction projects	275,590	432,580
Total fund balances	<u>3,728,387</u>	<u>4,400,237</u>
Total liabilities, deferred resources, and fund balances	<u>\$ 4,698,217</u>	<u>\$ 5,518,096</u>

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

Year Ended June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>			<u>2016</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Actual Amounts</u>
Revenues:				
Property taxes	\$ 975,619	\$ 926,870	\$ (48,749)	\$ 966,964
Earnings on investments	60,000	52,945	(7,055)	45,176
Other	5,000	2,677	(2,323)	6,125
Total local sources	<u>1,040,619</u>	<u>982,492</u>	<u>(58,127)</u>	<u>1,018,265</u>
State sources			-	-
Total state sources	-	-	-	-
Other Sources:				
Use of Fund Balance	<u>700,000</u>		<u>(700,000)</u>	-
Total Other sources	700,000	-	(700,000)	
Total revenues	<u>1,740,619</u>	<u>982,492</u>	<u>(758,127)</u>	<u>1,018,265</u>
Expenditures:				
Instruction	-	-	-	
Support services				
Operation and maintenance of facilities	1,720,619	1,647,941	72,678	938,749
Non-instructional services:				
School food services	<u>20,000</u>	<u>6,401</u>	<u>13,599</u>	<u>21,565</u>
Total expenditures	<u>1,740,619</u>	<u>1,654,342</u>	<u>86,277</u>	<u>960,314</u>
Excess of revenues over (under) expenditures	-	(671,850)	(671,850)	57,951
Other Financing Sources (Uses):				
Sale of capital assets		-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>(671,850)</u>	<u>\$ (671,850)</u>	57,951
Fund balance - beginning		<u>4,400,237</u>		<u>4,342,286</u>
Fund balance - ending		<u>\$ 3,728,387</u>		<u>\$ 4,400,237</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Non K-12 Programs Fund
June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and investments	\$ 324,629	\$ 290,336
Receivables:		
Other governments	31,878	20,717
Total assets	<u>\$ 356,507</u>	<u>\$ 311,053</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 132	\$ 333
Accrued wages	30,586	28,670
Unearned revenue - other governments	325,789	282,050
Total liabilities	<u>356,507</u>	<u>311,053</u>
Fund balances:		
Total fund balances	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 356,507</u>	<u>\$ 311,053</u>

EMERY COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Non K-12 Programs Fund
Major Special Revenue Fund
Year Ended June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>			<u>2016</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Actual Amounts</u>
Revenues:				
Local sources:				
Fees	\$ 20,400	\$ 19,295	\$ (1,105)	\$ 16,035
Other			-	300
Total local sources	<u>20,400</u>	<u>19,295</u>	<u>(1,105)</u>	<u>16,335</u>
State sources:				
Adult high school completion	42,031	28,138	(13,893)	20,790
Preschool	582,568	303,074	(279,494)	324,810
Total state sources	<u>624,599</u>	<u>331,212</u>	<u>(293,387)</u>	<u>345,600</u>
Federal sources:				
UPStart preschool program	59,736	22,350	(37,386)	20,963
Special education preschool grant	29,458	29,458	-	28,934
Total federal sources	<u>89,194</u>	<u>51,808</u>	<u>(37,386)</u>	<u>49,897</u>
Total revenues	<u>734,193</u>	<u>402,315</u>	<u>(331,878)</u>	<u>411,832</u>
Expenditures:				
Current:				
Salaries	271,693	267,862	3,831	252,205
Employee benefits	111,747	100,578	11,169	116,974
Purchased services	7,000	2,635	4,365	14,902
Utilities	500	449	51	1,729
Supplies	339,759	27,700	312,059	23,295
Other	3,494	3,091	403	2,727
Total expenditures	<u>734,193</u>	<u>402,315</u>	<u>331,878</u>	<u>411,832</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>-</u>
Fund balances - beginning		-		-
Fund balances - ending		<u>\$ -</u>		<u>\$ -</u>

EMERY COUNTY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	<u>Special Revenue</u>		Total Nonmajor Governmental Funds
	<u>School Food Services</u>	<u>Student Activities</u>	
Assets:			
Cash and investments	\$ 136,535	\$ 378,011	\$ 514,546
Receivables:			
Other governments	74,747	-	74,747
Inventories	136,091	-	136,091
Total assets	<u>\$ 347,373</u>	<u>\$ 378,011</u>	<u>\$ 725,384</u>
Liabilities and fund balances:			
Liabilities:			
Accounts payable	\$ 926	\$ -	\$ 926
Accrued wages	20,676	-	20,676
Unearned revenue - other governments	-	-	-
Total liabilities	<u>21,602</u>	<u>-</u>	<u>21,602</u>
Fund balances:			
Nonspendable	136,091	-	136,091
Restricted for:			
School food services	189,680	-	189,680
Assigned to:			
Schools	-	378,011	378,011
Total fund balances	<u>325,771</u>	<u>378,011</u>	<u>703,782</u>
Total liabilities and fund balances	<u>\$ 347,373</u>	<u>\$ 378,011</u>	<u>\$ 725,384</u>

EMERY COUNTY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2017

	<u>Special Revenue</u>		Total Nonmajor Governmental Funds
	<u>School Food Service</u>	<u>Student Activities</u>	
Revenues:			
Student fees	\$ -	\$ 650,944	\$ 650,944
School food services sales	196,654	-	196,654
Earnings on investments	1,831	-	1,831
Other local revenues	16,196	-	16,196
State sources	154,147	-	154,147
Federal sources	669,698	-	669,698
Total revenues	<u>1,038,526</u>	<u>650,944</u>	<u>1,689,470</u>
Expenditures:			
Current:			
Instructional services	-	609,281	609,281
Supporting services:			
Operation and maintenance of facilities	-	-	-
School food services	937,810	-	937,810
Total expenditures	<u>937,810</u>	<u>609,281</u>	<u>1,547,091</u>
Excess of revenues over (under) expenditures	<u>100,716</u>	<u>41,663</u>	<u>142,379</u>
Net change in fund balances	100,716	41,663	142,379
Fund balances - beginning	<u>225,055</u>	<u>336,348</u>	<u>561,403</u>
Fund balances - ending	<u>\$ 325,771</u>	<u>\$ 378,011</u>	<u>\$ 703,782</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
School Food Services Fund
June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and investments	\$ 136,535	\$ 42,165
Receivables:		
Other governments	74,747	87,806
Inventories	136,091	121,454
Total assets	<u>\$ 347,373</u>	<u>\$ 251,425</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 926	\$ 1,792
Accrued wages	20,676	24,578
Total liabilities	<u>21,602</u>	<u>26,370</u>
Fund balances:		
Nonspendable	136,091	120,976
Restricted for fund	189,680	104,079
Total fund balances	<u>325,771</u>	<u>225,055</u>
Total liabilities and fund balances	<u>\$ 347,373</u>	<u>\$ 251,425</u>

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
School Food Service Fund
Nonmajor Special Revenue Fund
Year Ended June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>			<u>2016</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Actual Amounts</u>
Revenues:				
Local sources:				
Lunch sales - students	\$ 254,000	\$ 196,654	\$ (57,346)	\$ 230,428
Lunch sales - other			-	4,710
Other local revenues	19,000	16,196	(2,804)	14,533
Earnings on investments	3,000	1,831	(1,169)	142
Total local sources	<u>276,000</u>	<u>214,681</u>	<u>(61,319)</u>	<u>249,813</u>
State sources:				
State lunch program	167,329	154,147	(13,182)	163,029
Total state sources	<u>167,329</u>	<u>154,147</u>	<u>(13,182)</u>	<u>163,029</u>
Federal sources:				
Federal lunch program	75,000	71,673	(3,327)	76,332
Free and reduced assistance	342,222	340,663	(1,559)	339,972
Breakfast program	130,000	127,298	(2,702)	150,385
Summer program	26,000	9,969	(16,031)	15,797
USDA commodities	125,000	120,095	(4,905)	78,318
Total federal sources	<u>698,222</u>	<u>669,698</u>	<u>(28,524)</u>	<u>660,804</u>
Other financing sources:				
Use of fund balance		-	-	-
Total other sources	-	-	-	-
Total revenues	<u>1,141,551</u>	<u>1,038,526</u>	<u>(103,025)</u>	<u>1,073,646</u>
Expenditures:				
Current:				
Salaries	338,763	333,160	5,603	382,163
Employee benefits	170,488	154,277	16,211	179,971
Purchased services	3,500	2,563	937	3,374
Supplies	10,000	7,739	2,261	6,118
Food	607,500	434,088	173,412	493,093
Maintenance	5,000	40	4,960	2,618
Equipment			-	-
Other	6,300	5,943	357	5,519
Total expenditures	<u>1,141,551</u>	<u>937,810</u>	<u>203,741</u>	<u>1,072,856</u>
Excess of revenues over (under) expenditures	<u>\$ -</u>	<u>100,716</u>	<u>\$ 100,716</u>	<u>790</u>
Fund balances - beginning		<u>225,055</u>		<u>224,265</u>
Fund balances - ending		<u>\$ 325,771</u>		<u>\$ 225,055</u>

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheet
Student Activities Fund
 June 30, 2017 with Comparative Totals for 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and investments	\$ 378,011	\$ 336,348
Total assets	<u>\$ 378,011</u>	<u>\$ 336,348</u>
Liabilities and fund balances:		
Liabilities:	<u>\$ -</u>	<u>\$ -</u>
Total liabilities	<u>-</u>	<u>-</u>
Fund balances:		
Restricted for fund	<u>378,011</u>	<u>336,348</u>
Total fund balances	<u>378,011</u>	<u>336,348</u>
Total liabilities and fund balances	<u>\$ 378,011</u>	<u>\$ 336,348</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, 2017 with Comparative Totals for 2016

	<u>2017</u>			<u>2016</u>
	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Actual Amounts</u>
Revenues:				
Local sources:				
Student fees	\$ 320,000	\$ 319,883	\$ (117)	\$ 299,283
Vending revenue	15,000	9,325	(5,675)	7,850
Fundraisers	240,000	235,311	(4,689)	241,005
Other	90,000	86,425	(3,575)	25,127
Total local sources	<u>665,000</u>	<u>650,944</u>	<u>(14,056)</u>	<u>573,265</u>
Total revenues	<u>665,000</u>	<u>650,944</u>	<u>(14,056)</u>	<u>573,265</u>
Expenditures:				
Current:				
Purchased services	70,000	59,760	10,240	64,350
Travel	55,000	53,659	1,341	41,028
Supplies	390,000	359,498	30,502	324,160
Equipment	-	-	-	-
Dues and fees	150,000	136,364	13,636	145,920
Total expenditures	<u>665,000</u>	<u>609,281</u>	<u>55,719</u>	<u>575,458</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ -</u>	<u>41,663</u>	<u>\$ 41,663</u>	<u>(2,193)</u>
Fund balances - beginning		<u>336,348</u>		<u>338,541</u>
Fund balances - ending		<u>\$ 378,011</u>		<u>\$ 336,348</u>

EMERY COUNTY SCHOOL DISTRICT
Statement of Changes in Assets and Liabilities
Student Activities Agency Fund
Year Ended June 30, 2017

	<u>Balance at July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2017</u>
Assets:				
Cash and investments	\$ 40,638	\$ 99,928	\$ 98,543	\$ 42,023
Liabilities:				
Due to student organizations:				
Elementary Schools:				
Bookcliff	\$ -	\$ -		\$ -
Castle Dale	-	-		-
Cleveland	-	-	-	-
Cottonwood	-	-	-	-
Ferron	3,201	6,530	6,952	2,779
Huntington	5,233	11,457	11,618	5,072
Total elementary schools	<u>8,434</u>	<u>17,987</u>	<u>18,570</u>	<u>7,851</u>
Junior High Schools:				
Canyon View	5,373	7,655	4,547	8,481
San Rafael	12,686	15,134	17,237	10,583
Total junior high schools	<u>18,059</u>	<u>22,789</u>	<u>21,784</u>	<u>19,064</u>
High Schools:				
Emery	8,108	48,807	50,818	6,097
Green River	6,037	10,345	7,371	9,011
Total high schools	<u>14,145</u>	<u>59,152</u>	<u>58,189</u>	<u>15,108</u>
Total due to student organizations	<u>40,638</u>	<u>99,928</u>	<u>98,543</u>	<u>42,023</u>
Total liabilities	<u>\$ 40,638</u>	<u>\$ 99,928</u>	<u>\$ 98,543</u>	<u>\$ 42,023</u>

This Page Left Intentionally Blank



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 supplementary information says about the District's overall financial health.

	<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.	72-83
Revenue Capacity: These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	84-89
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.	90-94
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.	95-97
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.	98-113

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive Annual financial reports for the relevant year.

EMERY COUNTY SCHOOL DISTRICT

Comparative Statements of Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Assets				
Cash and investments	\$ 11,318,167	\$ 12,014,209	\$ 11,383,553	\$ 10,576,624
Accounts receivable:				
Property taxes	\$ 11,455,403	\$ 11,734,026	\$ 12,180,103	\$ 11,304,288
Other governments	\$ 860,335	\$ 609,051	\$ 542,975	\$ 564,920
Other	\$ 2,045	\$ 20,212	\$ 15,930	\$ 2,670
Inventories	\$ 148,425	\$ 150,444	\$ 154,433	\$ 133,347
Capital assets				
Land, construction in progress, and water stock	\$ 880,350	\$ 880,350	\$ 880,350	\$ 885,675
Other capital assets, net of depreciation	\$ 15,522,668	\$ 15,192,659	\$ 15,674,845	\$ 15,950,756
Net pension asset *	\$ -	\$ 337	\$ 4,577	
Total assets	\$ 40,187,393	\$ 40,601,288	\$ 40,836,766	\$ 39,418,280
Deferred outflows of resources:				
Related to pension *	\$ (4,850,688)	\$ (4,508,092)	\$ (1,467,305)	\$ -
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ (4,850,688)	\$ (4,508,092)	\$ (1,467,305)	\$ -
Liabilities				
Current liabilities				
Accounts and contracts payable	\$ 267,489	\$ 493,992	\$ 685,365	\$ 488,730
Accrued interest	\$ -	\$ -	\$ -	\$ -
Accrued salaries & payroll	\$ 2,281,588	\$ 2,280,555	\$ 1,953,243	\$ 1,930,698
Unearned revenue - other governments	\$ 811,756	\$ 531,806	\$ 510,960	\$ 504,462
Noncurrent liabilities:				
Due within one year	\$ 30,876	\$ 32,906	\$ 31,465	\$ 34,492
Due in more than one year	\$ 277,879	\$ 296,154	\$ 283,182	\$ 310,425
Net pension liability *	\$ 12,081,079	\$ 12,289,930	\$ 10,047,921	\$ -
TOTAL LIABILITIES	\$ 15,750,667	\$ 15,925,343	\$ 13,512,136	\$ 3,268,807
Deferred inflows of resources				
Property taxes levied for future year	\$ 11,405,836	\$ 11,675,997	\$ 12,117,483	\$ 11,246,817
Related to pension *	\$ 2,048,233	\$ 1,486,237	\$ 938,304	
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 13,454,069	\$ 13,162,234	\$ 13,055,787	\$ 11,246,817
Net position				
Net investment in capital assets	\$ 16,403,018	\$ 16,073,009	\$ 16,555,195	\$ 16,836,431
Restricted for:				
General fund programs	\$ -	\$ -	\$ -	\$ -
Non K-12 programs	\$ -	\$ -	\$ -	\$ -
Debt service	\$ -	\$ -	\$ -	\$ -
Capital projects	\$ 3,452,797	\$ 3,967,657	\$ 4,076,705	\$ 4,124,650
School food services	\$ 325,771	\$ 225,055	\$ 224,265	\$ 364,358
Unrestricted	\$ (4,348,241)	\$ (4,243,918)	\$ (5,120,017)	\$ 3,577,217
TOTAL NET POSITION *	\$ 15,833,345	\$ 16,021,803	\$ 15,736,148	\$ 24,902,656
Total Liabilities, deferred resources & net position	\$ 40,187,393	\$ 40,601,288	\$ 40,836,766	\$ 39,418,280

Fiscal Year Ended June 30,					
2013	2012	2011	2010	2009	2008
\$ 10,958,980	\$ 10,446,722	\$ 10,640,411	\$ 10,375,610	\$ 10,433,125	\$ 9,957,769
\$ 11,613,246	\$ 11,126,147	\$ 10,744,065	\$ 10,063,712	\$ 9,608,027	\$ 9,096,399
\$ 429,830	\$ 839,926	\$ 929,288	\$ 485,580	\$ 352,025	\$ 387,810
\$ 223,590	\$ 12,280	\$ 17,127	\$ 13,463	\$ 14,779	\$ 11,166
\$ 97,238	\$ 104,505	\$ 139,409	\$ 82,772	\$ 85,461	\$ 97,189
\$ 885,675	\$ 925,000	\$ 925,000	\$ 886,785	\$ 886,785	\$ 843,785
\$ 16,015,381	\$ 16,379,118	\$ 16,575,559	\$ 16,898,450	\$ 17,259,723	\$ 17,566,341
\$ 40,223,940	\$ 39,833,698	\$ 39,970,859	\$ 38,806,372	\$ 38,639,925	\$ 37,960,459
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 698,984	\$ 316,564	\$ 677,858	\$ 313,446	\$ 429,116	\$ 563,555
\$ -	\$ -	\$ -	\$ -	\$ 459	\$ 1,020
\$ 1,876,873	\$ 1,804,484	\$ 1,727,473	\$ 1,627,587	\$ 1,685,885	\$ 1,498,519
\$ 728,637	\$ 763,825	\$ 919,297	\$ -	\$ -	\$ -
\$ 34,524	\$ 36,130	\$ 44,702	\$ 158,020	\$ 782,700	\$ 794,102
\$ 310,713	\$ 325,173	\$ 290,434	\$ 402,575	\$ 874,956	\$ 919,136
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 3,649,731	\$ 3,246,176	\$ 3,659,764	\$ 2,501,628	\$ 3,773,116	\$ 3,776,332
\$ 11,547,509	\$ 11,028,116	\$ 10,746,266	\$ 10,010,462	\$ 9,539,143	\$ 9,036,448
\$ 11,547,509	\$ 11,028,116	\$ 10,746,266	\$ 10,010,462	\$ 9,539,143	\$ 9,036,448
\$ 16,901,056	\$ 17,304,118	\$ 17,500,559	\$ 17,785,235	\$ 17,867,508	\$ 17,634,126
\$ -	\$ -	\$ -	\$ 1,523,015	\$ 1,910,564	\$ 1,974,403
\$ -	\$ 680,855	\$ 639,778	\$ 702,788	\$ 85,036	\$ 108,754
\$ -	\$ -	\$ -	\$ -	\$ 328,239	\$ 341,724
\$ 3,782,291	\$ 4,037,289	\$ 3,993,530	\$ 3,540,278	\$ 427,375	\$ 144,202
\$ 383,673	\$ 424,284	\$ 409,829	\$ 292,052	\$ 246,946	\$ 66,827
\$ 3,959,680	\$ 3,112,860	\$ 3,021,133	\$ 2,450,914	\$ 4,461,998	\$ 4,877,643
\$ 25,026,700	\$ 25,559,406	\$ 25,564,829	\$ 26,294,282	\$ 25,327,666	\$ 25,147,679
\$ 40,223,940	\$ 39,833,698	\$ 39,970,859	\$ 38,806,372	\$ 38,639,925	\$ 37,960,459

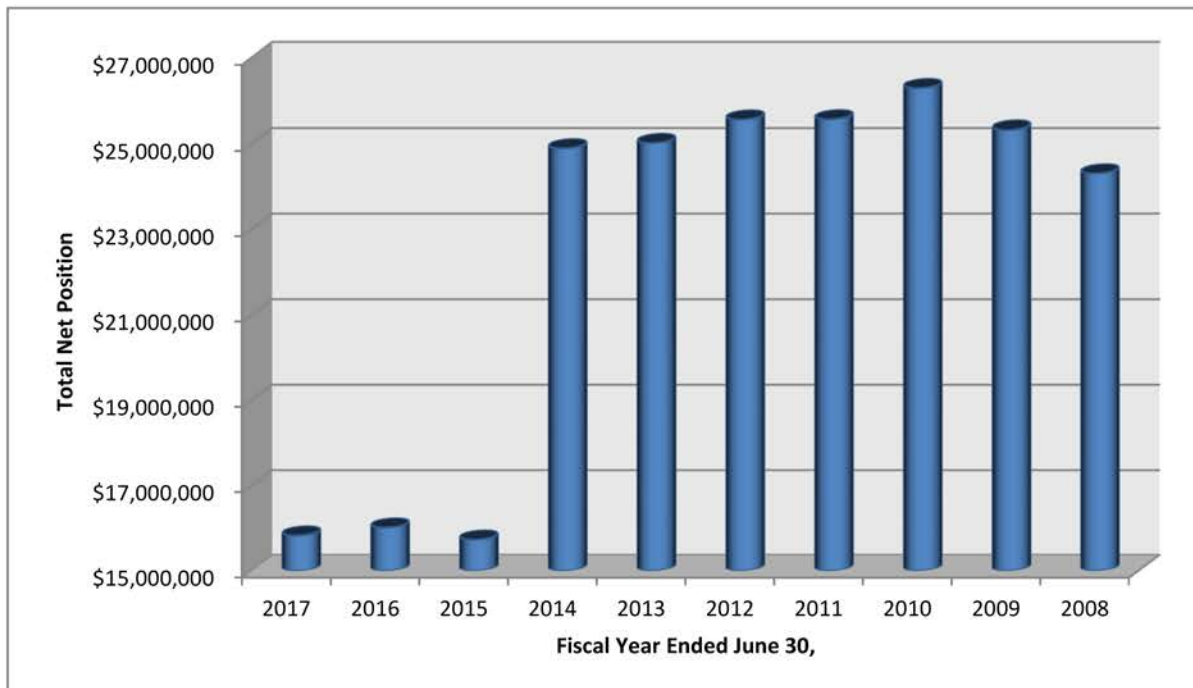
EMERY COUNTY SCHOOL DISTRICT

Net Position By Component

Last Ten Fiscal Years

(Accrual Basis of Accounting)

Fiscal Year Ended June 30,	Net Investment in Capital Assets	Restricted	Unrestricted	<i>Total Net Position</i>
2017	\$ 16,403,018	\$ 3,778,568	\$ (4,348,241)	\$ 15,833,345
2016	\$ 16,073,009	\$ 4,192,712	\$ (4,243,918)	\$ 16,021,803
2015	\$ 16,555,195	\$ 4,300,970	\$ (5,120,017)	\$ 15,736,148
2014	\$ 16,836,431	\$ 4,489,008	\$ 3,577,217	\$ 24,902,656
2013	\$ 16,901,056	\$ 4,165,964	\$ 3,959,680	\$ 25,026,700
2012	\$ 17,304,118	\$ 5,142,428	\$ 3,112,860	\$ 25,559,406
2011	\$ 17,500,559	\$ 5,043,137	\$ 3,021,133	\$ 25,564,829
2010	\$ 17,785,235	\$ 6,317,521	\$ 2,191,526	\$ 26,294,282
2009	\$ 17,867,508	\$ 2,998,160	\$ 4,461,998	\$ 25,327,666
2008	\$ 17,634,126	\$ 2,666,272	\$ 4,014,438	\$ 24,314,836



Note: The District implemented GASB Statements 68 and 71 in 2015, restating and decreasing beginning net position by \$10,307,862 for 2015.

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Changes in Net Position

Last Ten Fiscal Years

(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Instructional services	\$ 15,698,775	\$ 15,864,377	\$ 14,705,924	\$ 15,746,891	\$ 15,823,615	\$ 15,669,984	\$ 14,977,002	\$ 15,059,008	\$ 15,572,891	\$ 15,870,533
Supporting services:										
Students	\$ 598,594	\$ 588,468	\$ 493,690	\$ 523,400	\$ 510,099	\$ 465,990	\$ 466,005	\$ 428,005	\$ 425,282	\$ 446,529
Instructional staff	\$ 405,079	\$ 411,133	\$ 402,664	\$ 380,405	\$ 381,800	\$ 364,127	\$ 374,529	\$ 389,327	\$ 359,631	\$ 334,617
District leadership	\$ 423,949	\$ 567,161	\$ 602,216	\$ 815,627	\$ 389,305	\$ 371,830	\$ 366,062	\$ 359,100	\$ 469,207	\$ 365,640
School leadership	\$ 2,128,705	\$ 2,123,175	\$ 2,151,095	\$ 2,096,066	\$ 1,999,236	\$ 1,947,690	\$ 1,726,047	\$ 1,472,803	\$ 1,580,641	\$ 1,661,371
Central	\$ 462,011	\$ 471,433	\$ 448,715	\$ 434,468	\$ 440,312	\$ 440,745	\$ 387,805	\$ 320,088	\$ 311,104	\$ 305,209
Operation & maintenance	\$ 4,004,495	\$ 3,894,218	\$ 3,738,627	\$ 3,476,787	\$ 3,492,500	\$ 2,878,134	\$ 2,677,241	\$ 2,607,105	\$ 2,616,731	\$ 2,516,342
Transportation	\$ 1,200,968	\$ 1,167,525	\$ 1,197,661	\$ 1,207,927	\$ 1,097,173	\$ 1,230,733	\$ 1,144,713	\$ 1,145,681	\$ 1,052,445	\$ 1,013,377
School food services	\$ 988,054	\$ 1,120,307	\$ 1,263,956	\$ 1,149,128	\$ 1,143,767	\$ 1,115,602	\$ 1,079,882	\$ 998,750	\$ 979,696	\$ 880,487
Interest on long-term liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,501	\$ 27,796	\$ 42,992
TOTAL EXPENSES	\$ 25,910,631	\$ 26,207,797	\$ 25,004,549	\$ 25,830,699	\$ 25,277,808	\$ 24,484,835	\$ 23,199,286	\$ 22,790,367	\$ 23,395,426	\$ 23,437,097
Program revenues										
Charges for services:										
Instruction	\$ 368,459	\$ 343,030	\$ 339,089	\$ 303,896	\$ 313,983	\$ 189,774	\$ 209,977	\$ 247,040	\$ 65,169	\$ 72,870
Supporting services	\$ -	\$ -	\$ 4,199	\$ 1,056	\$ 5,845	\$ 3,617	\$ 4,719	\$ 9,261	\$ 24,170	\$ 2,536
School food services	\$ 196,654	\$ 235,138	\$ 215,740	\$ 252,011	\$ 253,484	\$ 276,870	\$ 297,324	\$ 301,473	\$ 298,251	\$ 286,764
Operating grants & contributions	\$ 5,243,127	\$ 5,241,426	\$ 4,905,891	\$ 4,934,458	\$ 4,070,710	\$ 4,074,194	\$ 5,431,950	\$ 5,427,449	\$ 6,144,620	\$ 5,066,928
TOTAL PROGRAM REVENUES	\$ 5,808,240	\$ 5,819,594	\$ 5,464,919	\$ 5,491,421	\$ 4,644,022	\$ 4,544,455	\$ 5,943,970	\$ 5,985,223	\$ 6,532,210	\$ 5,429,098
NET (EXPENSE) REVENUE	\$ (20,102,391)	\$ (20,388,203)	\$ (19,539,630)	\$ (20,339,278)	\$ (20,633,786)	\$ (19,940,380)	\$ (17,255,316)	\$ (16,805,144)	\$ (16,863,216)	\$ (18,007,999)
General revenues										
Property taxes	\$ 11,833,148	\$ 12,767,892	\$ 12,181,809	\$ 12,217,630	\$ 11,682,149	\$ 11,384,453	\$ 10,492,141	\$ 9,868,704	\$ 9,608,210	\$ 9,160,034
Federal & state aid not restricted to specific purposes	\$ 7,171,522	\$ 7,018,852	\$ 7,503,968	\$ 7,149,549	\$ 7,521,467	\$ 7,754,837	\$ 5,391,430	\$ 7,136,267	\$ 7,197,881	\$ 8,460,844
Earnings on investments	\$ 152,305	\$ 119,399	\$ 91,907	\$ 93,901	\$ 93,246	\$ 101,096	\$ 77,152	\$ 75,031	\$ 215,553	\$ 466,704
Miscellaneous	\$ 756,958	\$ 767,715	\$ 903,300	\$ 754,154	\$ 804,218	\$ 694,571	\$ 565,140	\$ 691,758	\$ 854,402	\$ 863,291
TOTAL GENERAL REVENUES	\$ 19,913,933	\$ 20,673,858	\$ 20,680,984	\$ 20,215,234	\$ 20,101,080	\$ 19,934,957	\$ 16,525,863	\$ 17,771,760	\$ 17,876,046	\$ 18,950,873
CHANGE IN NET POSITION	\$ (188,458)	\$ 285,655	\$ 1,141,355	\$ (124,044)	\$ (532,706)	\$ (5,423)	\$ (729,453)	\$ 966,616	\$ 1,012,830	\$ 942,874
NET POSITION: BEGINNING	\$ 16,021,803	\$ 15,736,148	\$ 14,594,794	\$ 25,026,700	\$ 25,559,406	\$ 25,564,829	\$ 26,294,282	\$ 25,327,666	\$ 24,314,836	\$ 23,371,963
NET POSITION: ENDING	\$ 15,833,345	\$ 16,021,803	\$ 15,736,148	\$ 24,902,656	\$ 25,026,700	\$ 25,559,406	\$ 25,564,829	\$ 26,294,282	\$ 25,327,666	\$ 24,314,836
Revenue per pupil:										
Local	\$ 6,121	\$ 6,411	\$ 6,022	\$ 5,895	\$ 5,658	\$ 5,457	\$ 4,745	\$ 4,833	\$ 4,899	\$ 4,795
State	\$ 4,944	\$ 4,734	\$ 4,644	\$ 4,448	\$ 4,199	\$ 4,167	\$ 4,159	\$ 4,236	\$ 4,713	\$ 5,287
Federal	\$ 767	\$ 789	\$ 797	\$ 783	\$ 784	\$ 936	\$ 1,167	\$ 1,188	\$ 1,201	\$ 693
TOTAL REVENUE PER PUPIL	\$ 11,832	\$ 11,934	\$ 11,462	\$ 11,126	\$ 10,641	\$ 10,561	\$ 10,071	\$ 10,258	\$ 10,813	\$ 10,775
Expense per pupil:	\$ 11,918	\$ 11,805	\$ 10,962	\$ 11,182	\$ 10,868	\$ 10,563	\$ 9,834	\$ 9,840	\$ 10,370	\$ 10,361
Net per pupil:	\$ (87)	\$ 129	\$ 500	\$ (56)	\$ (226)	\$ (2)	\$ 236	\$ 417	\$ 443	\$ 414
Student population:	2174	2220	2281	2310	2326	2318	2359	2316	2256	2262

Source: District Data

* The District implemented GASB Statements 68 and 71 in 2015, restating and decreasing beginning net position by \$10,307,862 for 2015.

EMERY COUNTY SCHOOL DISTRICT

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years

(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Revenues:				
Property taxes	\$ 11,833,148	\$ 12,767,892	\$ 12,181,809	\$ 12,217,630
Earnings on investments	\$ 152,305	\$ 119,399	\$ 91,907	\$ 93,901
School food services sales	\$ 196,654	\$ 235,138	\$ 215,740	\$ 252,011
Other local sources	\$ 1,125,417	\$ 1,110,745	\$ 1,246,588	\$ 1,054,472
State sources	\$ 10,747,433	\$ 10,509,514	\$ 10,592,711	\$ 10,275,508
Federal sources	\$ 1,667,216	\$ 1,750,764	\$ 1,817,148	\$ 1,808,499
Other financing sources	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 25,722,173	\$ 26,493,452	\$ 26,145,903	\$ 25,702,021
Expenditures:				
Current				
Instructional services	\$ 14,916,242	\$ 15,166,720	\$ 14,778,721	\$ 14,595,518
Supporting services:				
Students	\$ 598,594	\$ 588,468	\$ 493,690	\$ 523,400
Instructional staff	\$ 405,079	\$ 411,133	\$ 402,664	\$ 380,405
District leadership	\$ 361,144	\$ 495,984	\$ 531,706	\$ 747,222
School leadership	\$ 2,044,461	\$ 2,016,742	\$ 2,081,298	\$ 2,005,115
Central	\$ 436,889	\$ 447,707	\$ 425,212	\$ 411,666
Operation and maintenance of facilities	\$ 3,744,774	\$ 3,677,805	\$ 3,533,152	\$ 3,260,234
Transportation	\$ 1,150,724	\$ 1,120,074	\$ 1,150,655	\$ 1,162,323
School food services	\$ 937,810	\$ 1,072,856	\$ 1,205,198	\$ 1,103,524
Capital projects	\$ 1,654,342	\$ 960,314	\$ 944,806	\$ 1,576,987
Debt service				
Principal retirement	\$ -	\$ -	\$ -	\$ -
Interest and fiscal charges	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 26,250,059	\$ 25,957,803	\$ 25,547,102	\$ 25,766,394
Excess (deficiency) of revenues				
Over (under) expenditures	\$ (527,886)	\$ 535,649	\$ 598,801	\$ (64,373)
Other financing sources (uses):				
Bond proceeds	\$ -	\$ -	\$ -	\$ -
Net increase (decrease) in investments	\$ -	\$ -	\$ -	\$ 4,634
Sale of capital assets	\$ -	\$ -	\$ -	\$ -
Transfers in (out)	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	\$ -	\$ 4,634
CHANGE IN FUND BALANCES	\$ (527,886)	\$ 535,649	\$ 598,801	\$ (59,739)
FUND BALANCES: ENDING	\$ 9,545,592	\$ 9,009,943	\$ 8,411,142	\$ 8,470,881
FUND BALANCES: ENDING	\$ 9,017,706	\$ 9,545,592	\$ 9,009,943	\$ 8,411,142
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%

Fiscal Year Ended June 30,

2013	2012	2011	2010	2009	2008
\$ 11,682,149	\$ 11,384,453	\$ 10,492,141	\$ 9,868,704	\$ 9,608,210	\$ 9,160,033
\$ 93,246	\$ 101,096	\$ 77,152	\$ 75,031	\$ 215,553	\$ 466,704
\$ 253,484	\$ 276,870	\$ 297,324	\$ 301,473	\$ 298,251	\$ 286,764
\$ 1,130,698	\$ 887,962	\$ 779,836	\$ 948,619	\$ 918,468	\$ 931,931
\$ 9,767,499	\$ 9,658,313	\$ 8,579,780	\$ 9,811,358	\$ 10,632,949	\$ 11,959,416
\$ 1,824,678	\$ 2,170,718	\$ 2,243,600	\$ 2,752,358	\$ 2,709,552	\$ 1,568,356
\$ -	\$ -	\$ -	\$ (560)	\$ 11,500	\$ 65
<u>\$ 24,751,754</u>	<u>\$ 24,479,412</u>	<u>\$ 22,469,833</u>	<u>\$ 23,756,983</u>	<u>\$ 24,394,483</u>	<u>\$ 24,373,269</u>
\$ 14,359,941	\$ 14,660,782	\$ 14,037,405	\$ 14,422,381	\$ 14,173,687	\$ 13,694,925
\$ 510,099	\$ 465,990	\$ 466,005	\$ 428,005	\$ 425,282	\$ 446,529
\$ 381,800	\$ 364,127	\$ 374,529	\$ 389,327	\$ 359,631	\$ 334,617
\$ 334,578	\$ 317,064	\$ 312,131	\$ 310,432	\$ 410,728	\$ 311,482
\$ 1,924,525	\$ 1,842,625	\$ 1,700,528	\$ 1,565,442	\$ 1,580,810	\$ 1,527,890
\$ 418,421	\$ 418,838	\$ 366,233	\$ 310,354	\$ 299,408	\$ 294,377
\$ 3,287,749	\$ 2,662,302	\$ 2,484,720	\$ 2,440,689	\$ 2,407,457	\$ 2,321,373
\$ 1,053,391	\$ 1,175,967	\$ 1,090,782	\$ 1,097,013	\$ 1,005,662	\$ 970,051
\$ 1,099,985	\$ 1,071,789	\$ 1,036,737	\$ 959,816	\$ 932,913	\$ 847,992
\$ 1,522,873	\$ 1,286,443	\$ 1,271,822	\$ 1,313,195	\$ 1,899,859	\$ 2,134,898
\$ -	\$ -	\$ -	\$ 279,000	\$ 497,000	\$ 481,000
\$ -	\$ -	\$ -	\$ 10,960	\$ 28,357	\$ 43,749
<u>\$ 24,893,362</u>	<u>\$ 24,265,927</u>	<u>\$ 23,140,892</u>	<u>\$ 23,526,614</u>	<u>\$ 24,020,794</u>	<u>\$ 23,408,883</u>
<u>\$ (141,608)</u>	<u>\$ 213,485</u>	<u>\$ (671,059)</u>	<u>\$ 230,369</u>	<u>\$ 373,689</u>	<u>\$ 964,386</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ (6,652)	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,550	\$ 3,700	\$ -	\$ -	\$ 13,773	\$ 8,512
\$ -	\$ -	\$ 823	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ (4,102)</u>	<u>\$ 3,700</u>	<u>\$ 823</u>	<u>\$ -</u>	<u>\$ 13,773</u>	<u>\$ 8,512</u>
<u>\$ (145,710)</u>	<u>\$ 217,185</u>	<u>\$ (670,236)</u>	<u>\$ 230,369</u>	<u>\$ 387,462</u>	<u>\$ 972,898</u>
\$ 8,616,591	\$ 8,399,406	\$ 9,069,642	\$ 8,839,273	\$ 8,451,811	\$ 7,478,913
\$ 8,470,881	\$ 8,616,591	\$ 8,399,406	\$ 9,069,642	\$ 8,839,273	\$ 8,451,811
0.00%	0.00%	0.00%	1.27%	2.27%	2.33%

EMERY COUNTY SCHOOL DISTRICT
Comparative Balance Sheets - General Fund
Last Ten Fiscal Years

	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Assets				
Cash and investments	\$ 6,705,089	\$ 6,751,187	\$ 6,135,301	\$ 5,353,538
Accounts receivable:				
Property taxes	\$ 10,531,089	\$ 10,810,103	\$ 11,254,057	\$ 10,402,174
Other governments	\$ 753,710	\$ 500,528	\$ 461,547	\$ 433,311
Other receivables	\$ 2,045	\$ 20,212	\$ 15,930	\$ 2,670
Inventories	\$ 12,334	\$ 28,990	\$ 8,213	\$ 9,175
Total assets	\$ 18,004,267	\$ 18,111,020	\$ 17,875,048	\$ 16,200,868
Liabilities, deferred inflows of resources, and fund balances				
Liabilities:				
Accounts payable	\$ 218,037	\$ 294,627	\$ 361,723	\$ 223,647
Accrued salaries & payroll benefits	\$ 2,230,326	\$ 2,227,307	\$ 1,953,243	\$ 1,880,665
Unearned revenue - other governments	\$ 485,967	\$ 249,756	\$ 259,996	\$ 241,185
TOTAL LIABILITIES	\$ 2,934,330	\$ 2,771,690	\$ 2,574,962	\$ 2,345,497
Deferred inflows of resources				
Property taxes levied for future year	\$ 10,484,400	\$ 10,755,378	\$ 11,195,235	\$ 10,349,783
TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 10,484,400	\$ 10,755,378	\$ 11,195,235	\$ 10,349,783
Fund balances				
Nonspendable	\$ 12,334	\$ 28,990	\$ 8,213	\$ 9,175
Committed	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Assigned	\$ 282,945	\$ 294,993	\$ 201,309	\$ 234,679
Unassigned	\$ 3,290,258	\$ 3,259,969	\$ 2,895,329	\$ 2,261,734
TOTAL FUND BALANCES	\$ 4,585,537	\$ 4,583,952	\$ 4,104,851	\$ 3,505,588
Total Liabilities, deferred resources & fund balances	\$ 18,004,267	\$ 18,111,020	\$ 17,875,048	\$ 16,200,868

Fiscal Year Ended June 30,					
2013	2012	2011	2010	2009	2008
\$ 5,529,062	\$ 4,667,283	\$ 4,857,651	\$ 5,383,189	\$ 5,583,313	\$ 5,729,053
\$ 10,228,624	\$ 8,962,630	\$ 8,572,584	\$ 7,514,930	\$ 6,643,006	\$ 5,752,096
\$ 332,182	\$ 732,894	\$ 842,173	\$ 395,916	\$ 303,783	\$ 352,535
\$ 223,590	\$ 12,280	\$ 14,054	\$ 13,463	\$ 14,779	\$ 11,166
\$ 8,527	\$ 8,462	\$ 9,865	\$ -	\$ -	\$ -
\$ 16,321,985	\$ 14,383,549	\$ 14,296,327	\$ 13,307,498	\$ 12,544,881	\$ 11,844,850
\$ 283,515	\$ 263,982	\$ 430,787	\$ 293,973	\$ 269,120	\$ 473,627
\$ 1,846,394	\$ 1,701,547	\$ 1,624,810	\$ 1,526,522	\$ 1,591,216	\$ 1,411,021
\$ 555,189	\$ 655,414	\$ 854,143	\$ -	\$ -	\$ -
\$ 2,685,098	\$ 2,620,943	\$ 2,909,740	\$ 1,820,495	\$ 1,860,336	\$ 1,884,648
\$ 10,169,143	\$ 8,881,807	\$ 8,589,027	\$ 7,471,911	\$ 6,593,918	\$ 5,709,094
\$ 10,169,143	\$ 8,881,807	\$ 8,589,027	\$ 7,471,911	\$ 6,593,918	\$ 5,709,094
\$ 8,527	\$ 8,462	\$ 9,865	\$ -	\$ -	\$ -
\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 267,577	\$ 295,357	\$ 542,163	\$ 1,784,237	\$ 1,910,564	\$ 1,974,403
\$ 2,191,640	\$ 2,576,980	\$ 2,245,532	\$ 2,230,855	\$ 2,180,063	\$ 2,276,705
\$ 3,467,744	\$ 2,880,799	\$ 2,797,560	\$ 4,015,092	\$ 4,090,627	\$ 4,251,108
\$ 16,321,985	\$ 14,383,549	\$ 14,296,327	\$ 13,307,498	\$ 12,544,881	\$ 11,844,850

EMERY COUNTY SCHOOL DISTRICT

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balance - General Fund Proposed Budget for 2018 and Last Ten Fiscal Years

	Fiscal Year Ended June 30,				
	Proposed Budget 2018	2017	2016	2015	2014
Revenues:					
Property taxes	\$ 11,064,401	\$ 10,906,278	\$ 11,800,928	\$ 11,209,768	\$ 10,767,633
Earnings on investments	\$ 110,000	\$ 97,529	\$ 74,081	\$ 54,420	\$ 52,237
Other local sources	\$ 294,494	\$ 436,305	\$ 500,487	\$ 605,524	\$ 453,385
State sources	\$ 10,906,925	\$ 10,262,074	\$ 10,000,885	\$ 10,066,142	\$ 9,824,471
Federal sources	\$ 939,264	\$ 945,710	\$ 1,040,063	\$ 1,082,085	\$ 1,115,227
Other financing sources	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 23,315,084	\$ 22,647,896	\$ 23,416,444	\$ 23,017,939	\$ 22,212,953
Expenditures:					
Current					
Instructional services	\$ 14,273,816	\$ 13,905,095	\$ 14,181,159	\$ 13,800,699	\$ 13,691,690
Supporting services:					
Students	\$ 532,806	\$ 598,594	\$ 588,468	\$ 493,690	\$ 523,400
Instructional staff	\$ 510,823	\$ 405,079	\$ 411,133	\$ 402,664	\$ 380,405
District leadership	\$ 381,295	\$ 361,144	\$ 495,984	\$ 531,706	\$ 747,222
School leadership	\$ 2,120,288	\$ 2,044,461	\$ 2,016,742	\$ 2,081,298	\$ 2,005,115
Central	\$ 460,442	\$ 436,889	\$ 447,707	\$ 425,212	\$ 411,666
Operation and maintenance of facilities	\$ 3,836,939	\$ 3,744,325	\$ 3,676,076	\$ 3,532,752	\$ 3,257,922
Transportation	\$ 1,198,675	\$ 1,150,724	\$ 1,120,074	\$ 1,150,655	\$ 1,162,323
TOTAL EXPENDITURES	\$ 23,315,084	\$ 22,646,311	\$ 22,937,343	\$ 22,418,676	\$ 22,179,743
Excess (deficiency) of revenues					
Over (under) expenditures	\$ -	\$ 1,585	\$ 479,101	\$ 599,263	\$ 33,210
Other financing sources (uses):					
Net increase (decrease) in investments	\$ -	\$ -	\$ -	\$ -	\$ 4,634
Sale of capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers in (out)	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	\$ -	\$ -	\$ 4,634
NET CHANGE IN FUND BALANCES	\$ -	\$ 1,585	\$ 479,101	\$ 599,263	\$ 37,844
	\$ 4,585,537	\$ 4,583,952	\$ 4,104,851	\$ 3,505,588	\$ 3,467,744
FUND BALANCES: ENDING	\$ 4,585,537	\$ 4,585,537	\$ 4,583,952	\$ 4,104,851	\$ 3,505,588

Fiscal Year Ended June 30,

2013	2012	2011	2010	2009	2008
\$ 10,272,711	\$ 9,107,256	\$ 7,830,982	\$ 7,408,262	\$ 6,106,559	\$ 5,782,651
\$ 52,004	\$ 50,379	\$ 40,948	\$ 41,520	\$ 126,616	\$ 283,986
\$ 536,061	\$ 368,330	\$ 231,919	\$ 392,931	\$ 389,824	\$ 335,513
\$ 9,338,938	\$ 9,280,650	\$ 8,277,593	\$ 9,363,062	\$ 10,159,844	\$ 11,611,937
\$ 1,149,881	\$ 1,463,415	\$ 1,564,072	\$ 2,060,724	\$ 2,119,848	\$ 1,048,605
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 21,349,595	\$ 20,270,030	\$ 17,945,514	\$ 19,266,499	\$ 18,902,691	\$ 19,062,692
\$ 13,526,611	\$ 13,016,444	\$ 12,451,928	\$ 12,868,242	\$ 12,589,413	\$ 12,168,551
\$ 510,099	\$ 465,990	\$ 466,005	\$ 428,005	\$ 425,282	\$ 446,529
\$ 381,800	\$ 364,127	\$ 374,529	\$ 389,327	\$ 359,631	\$ 334,617
\$ 334,578	\$ 317,064	\$ 312,131	\$ 310,432	\$ 410,728	\$ 311,482
\$ 1,924,525	\$ 1,842,625	\$ 1,700,528	\$ 1,565,442	\$ 1,580,810	\$ 1,527,890
\$ 418,421	\$ 418,838	\$ 366,233	\$ 310,354	\$ 299,408	\$ 294,377
\$ 3,287,428	\$ 2,660,736	\$ 2,484,342	\$ 2,439,188	\$ 2,406,011	\$ 2,319,527
\$ 1,053,391	\$ 1,175,967	\$ 1,090,782	\$ 1,097,013	\$ 1,005,662	\$ 970,051
\$ 21,436,853	\$ 20,261,791	\$ 19,246,478	\$ 19,408,003	\$ 19,076,945	\$ 18,373,024
\$ (87,258)	\$ 8,239	\$ (1,300,964)	\$ (141,504)	\$ (174,254)	\$ 689,668
\$ (6,652)	\$ -	\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ 13,773	\$ 6,700
\$ 680,855	\$ 75,000	\$ 83,432	\$ 65,969	\$ -	\$ -
\$ 674,203	\$ 75,000	\$ 83,432	\$ 65,969	\$ 13,773	\$ 6,700
\$ 586,945	\$ 83,239	\$ (1,217,532)	\$ (75,535)	\$ (160,481)	\$ 696,368
\$ 2,880,799	\$ 2,797,560	\$ 4,015,092	\$ 4,090,627	\$ 4,251,108	\$ 3,554,740
\$ 3,467,744	\$ 2,880,799	\$ 2,797,560	\$ 4,015,092	\$ 4,090,627	\$ 4,251,108

EMERY COUNTY SCHOOL DISTRICT

Fund Balances of 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	
2017	\$ 12,334	\$ -	\$ 1,000,000	\$ 282,945	\$ 3,290,258	\$ 4,585,537	
2016	\$ 28,990	\$ -	\$ 1,000,000	\$ 294,993	\$ 3,259,969	\$ 4,583,952	
2015	\$ 8,213	\$ -	\$ 1,000,000	\$ 201,309	\$ 2,895,329	\$ 4,104,851	
2014	\$ 9,175	\$ -	\$ 1,000,000	\$ 234,679	\$ 2,261,734	\$ 3,505,588	
2013	\$ 8,527	\$ -	\$ 1,000,000	\$ 267,577	\$ 2,191,640	\$ 3,467,744	
2012	\$ 8,462	\$ -	\$ -	\$ 295,357	\$ 2,576,980	\$ 2,880,799	
2011	\$ 9,865	\$ -	\$ -	\$ 542,163	\$ 2,245,532	\$ 2,797,560	
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	
2017	\$ 136,091	\$ 3,642,477	\$ 275,590	\$ 378,011	\$ -	\$ 4,432,169	
2016	\$ 120,976	\$ 4,071,736	\$ 432,580	\$ 336,348	\$ -	\$ 4,961,640	
2015	\$ 146,220	\$ 4,154,750	\$ 265,581	\$ 338,541	\$ -	\$ 4,905,092	
2014	\$ 124,172	\$ 4,364,836	\$ 146,727	\$ 269,819	\$ -	\$ 4,905,554	
2013	\$ 88,711	\$ 4,220,136	\$ 419,312	\$ 274,978	\$ -	\$ 5,003,137	
2012	\$ 96,043	\$ 5,046,385	\$ 330,151	\$ 263,213	\$ -	\$ 5,735,792	
2011	\$ 129,544	\$ 4,913,593	\$ 267,529	\$ 291,180	\$ -	\$ 5,601,846	
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

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

Nonspendable includes inventories that are not expected to be converted to cash.

Restricted includes net fund resources of the District that are subject to external constraints due to State or Federal laws or externally imposed conditions by grantors or creditors.

Committed balances reflect a District-imposed limitation on the use of otherwise available expendable financial resources in government funds.

Assigned balances in the general fund and other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes.

Unassigned balances in the general fund are all other available net fund resources.

* The District implemented GASB Statement 54 in 2010. Fund balance categories for prior years are stated as originally presented.

** In FY 2013, due to changes in the Utah Property Tax law, taxes previously receipted into the Non K-12 Fund are now receipted into General Fund. Consequently, \$680,855 of fund balance in the Non K-12 Fund was transferred to the General Fund. The result is a lower fund balance in the 2013 Restricted "All Other Governmental Funds" and a higher amount in the 2013 Unassigned "General Fund" amount.

Source: District Data

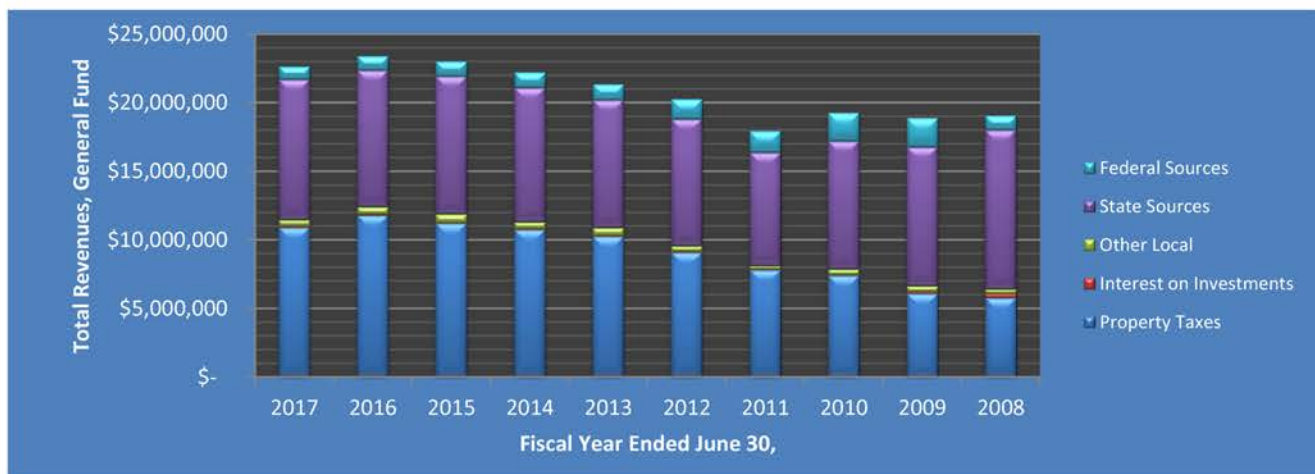
EMERY COUNTY SCHOOL DISTRICT

Revenues by Source General Fund Last Ten Fiscal Years

Year Ended June 30,	Property Taxes	Earnings on Investments	Other Local	State Sources	Federal Sources	Total Revenues
2017	\$ 10,906,278	\$ 97,529	\$ 436,305	\$ 10,262,074	\$ 945,710	\$ 22,647,896
2016	\$ 11,800,928	\$ 74,081	\$ 500,487	\$ 10,000,885	\$ 1,040,063	\$ 23,416,444
2015	\$ 11,209,768	\$ 54,420	\$ 605,524	\$ 10,066,142	\$ 1,082,085	\$ 23,017,939
2014	\$ 10,767,633	\$ 52,237	\$ 453,385	\$ 9,824,471	\$ 1,115,227	\$ 22,212,953
2013	\$ 10,272,711	\$ 52,004	\$ 536,061	\$ 9,338,938	\$ 1,149,881	\$ 21,349,595
2012	\$ 9,107,256	\$ 50,379	\$ 368,330	\$ 9,280,650	\$ 1,463,415	\$ 20,270,030
2011	\$ 7,830,982	\$ 40,948	\$ 231,919	\$ 8,277,593	\$ 1,564,072	\$ 17,945,514
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

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
2017	48.2%	0.4%	1.9%	45.3%	4.2%	100%
2016	50.4%	0.3%	2.1%	42.7%	4.4%	100%
2015	48.7%	0.2%	2.6%	43.7%	4.7%	100%
2014	48.5%	0.2%	2.0%	44.2%	5.0%	100%
2013	48.1%	0.2%	2.5%	43.7%	5.4%	100%
2012	44.9%	0.2%	1.8%	45.8%	7.2%	100%
2011	43.6%	0.2%	1.3%	46.1%	8.7%	100%
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%



Source: District Data

EMERY COUNTY SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates (Per \$1 of Assessed Value)
Last Ten Tax (Calendar) Years

Emery School District		2016	2015	2014	2013	2012 *	2011	2010	2009	2008	2007
Calendar Tax Year		2016	2015	2014	2013	2012 *	2011	2010	2009	2008	2007
Fiscal Year		2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Basic School Levy	(1)	0.001675	0.001736	0.001419	0.001535	0.001651	0.001591	0.001495	0.001433	0.001250	0.001311
Voted Local Levy	(2)	0.001692	0.001612	0.001603	0.001598	0.001611	0.001603	0.001600	0.001600	0.001291	0.001311
Board Local Levy	(3)	0.002194	0.002091	0.002080	0.001821	0.001835	0.000412	0.000411	0.000398	0.000393	0.000403
K-3 Reading Levy							0.000063	0.000063	0.000062	0.000062	0.000063
Transportation Levy							0.000303	0.000302	0.000300	0.000300	0.000300
Tort Liability Levy							0.000022	0.000022	0.000022	0.000022	0.000022
Judgment Levy	(4)	0.000000	0.000060	0.000090	0.000203	0.000000	0.000000	0.000000	0.000000	0.000069	0.000017
Recreation Levy							0.000434	0.000433	0.000430	0.000427	0.000433
Capital Local Levy	(5)	0.000476	0.000453	0.000450	0.000699	0.000704	0.000699	0.000696	0.000691	0.000686	0.000696
10% of Basic Levy							0.000589	0.000587	0.000583	0.000579	0.000588
Debt Service Levy	(6)	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000282	0.000323
Total Direct Rates:		0.006037	0.005952	0.005642	0.005856	0.005801	0.005716	0.005609	0.005519	0.005361	0.005467
Overlapping Rates		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Calendar Tax Year		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Fiscal Year		2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Emery County		0.004813	0.004587	0.004567	0.004710	0.004596	0.004577	0.004563	0.004525	0.004545	0.004412
Castle Dale		0.001467	0.001476	0.001496	0.001498	0.001540	0.001531	0.001538	0.001550	0.001624	0.001874
Clawson		0.000473	0.000490	0.000531	0.000501	0.000543	0.000533	0.000530	0.000563	0.000573	0.000631
Cleveland		0.000886	0.000887	0.000881	0.000864	0.000876	0.000874	0.000873	0.000905	0.000919	0.001085
Elmo		0.002157	0.002199	0.002149	0.002106	0.002230	0.002222	0.002232	0.002296	0.002519	0.001730
Emery		0.001687	0.001752	0.001778	0.001833	0.001822	0.001812	0.001831	0.001902	0.001736	0.001836
Ferron		0.001546	0.001577	0.001439	0.001520	0.001510	0.001515	0.001507	0.001532	0.001521	0.001817
Green River		0.004226	0.004285	0.004507	0.004428	0.004452	0.004466	0.004415	0.003873	0.000000	0.000000
Huntington		0.001282	0.001288	0.001307	0.001319	0.001308	0.001310	0.001314	0.001341	0.001332	0.001552
Orangeville		0.001599	0.001593	0.001588	0.001639	0.001639	0.001640	0.001607	0.001638	0.001635	0.001893
Water Conservancy		0.000400	0.000393	0.000389	0.000403	0.000391	0.000387	0.000388	0.000387	0.000390	0.000391
Special Service		0.001916	0.001906	0.001968	0.002271	0.002408	0.002636	0.002539	0.002142	0.001968	0.002091

Limitations per Utah State Statute:

(1) Rate Established Annually by the Utah State Legislature and the Utah State Tax Commission

(2) Maximum Rate is 0.002000

(3) Maximum Rate is 0.002500

(4) Sufficient to Recover Property Taxes Repaid on Approved Tax Appeals

(5) Maximum Rate is 0.003000

(6) No Maximum Rate, Must Have Voter Approval for General Obligation Bonds Issued

* Tax rates were consolidated by Utah law for the 2012 tax year. The K-3 Reading, Transportation, Tort Liability, Recreation, and 10% of Basic levies were rolled into the Board Local Levy.

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
2016	0.006037	\$ 1,988,956,355	\$ 12,007,330	\$ 11,219,775	93.44%
2015	0.005952	\$ 2,096,152,366	\$ 12,476,299	\$ 12,235,325	98.07%
2014	0.005642	\$ 2,040,848,625	\$ 11,514,468	\$ 11,349,834	98.57%
2013	0.005856	\$ 2,019,840,487	\$ 11,828,186	\$ 11,678,157	98.73%
2012	0.005801	\$ 1,962,617,695	\$ 11,385,145	\$ 11,172,790	98.13%
2011	0.005716	\$ 1,912,336,316	\$ 10,930,914	\$ 10,499,441	96.05%
2010	0.005609	\$ 1,814,186,123	\$ 10,175,770	\$ 9,951,909	97.80%
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%

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)
2016	\$ 204,427	1.70%	\$ 11,424,202	95.14%	\$ 300,764
2015	\$ 159,809	1.28%	\$ 12,395,134	99.35%	\$ 311,572
2014	\$ 148,767	1.29%	\$ 11,498,601	99.86%	\$ 325,118
2013	\$ 135,941	1.15%	\$ 11,814,098	99.88%	\$ 328,314
2012	\$ 156,668	1.38%	\$ 11,329,458	99.51%	\$ 327,106
2011	\$ 417,237	3.82%	\$ 10,916,678	99.87%	\$ 336,511
2010	\$ 160,150	1.57%	\$ 10,112,059	99.37%	\$ 348,782
2009	\$ 136,521	1.40%	\$ 9,456,141	97.07%	\$ 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

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
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax (Calendar) Years

Calendar Tax Year	Centrally Assessed Property	Locally Assessed		
		Real Property: Primary Residential	Real Property: Secondary Residential	Real Property: Commercial & Industrial
2016	\$ 1,655,821,339	\$ 204,317,780	\$ 19,218,289	\$ 82,133,239
2015	\$ 1,765,736,914	\$ 202,327,576	\$ 17,999,121	\$ 81,260,137
2014	\$ 1,713,899,814	\$ 204,160,189	\$ 17,642,748	\$ 75,700,122
2013	\$ 1,703,534,951	\$ 197,306,692	\$ 16,441,693	\$ 75,815,606
2012	\$ 1,648,037,536	\$ 192,275,355	\$ 16,654,890	\$ 76,297,062
2011	\$ 1,604,977,977	\$ 188,023,604	\$ 15,510,568	\$ 74,833,986
2010	\$ 1,512,337,181	\$ 184,284,911	\$ 14,748,393	\$ 74,383,048
2009	\$ 1,462,401,763	\$ 176,655,410	\$ 13,793,995	\$ 73,586,054
2008	\$ 1,426,926,728	\$ 170,690,563	\$ 12,871,903	\$ 71,474,146
2007	\$ 1,342,477,683	\$ 149,230,527	\$ 10,555,586	\$ 60,502,719

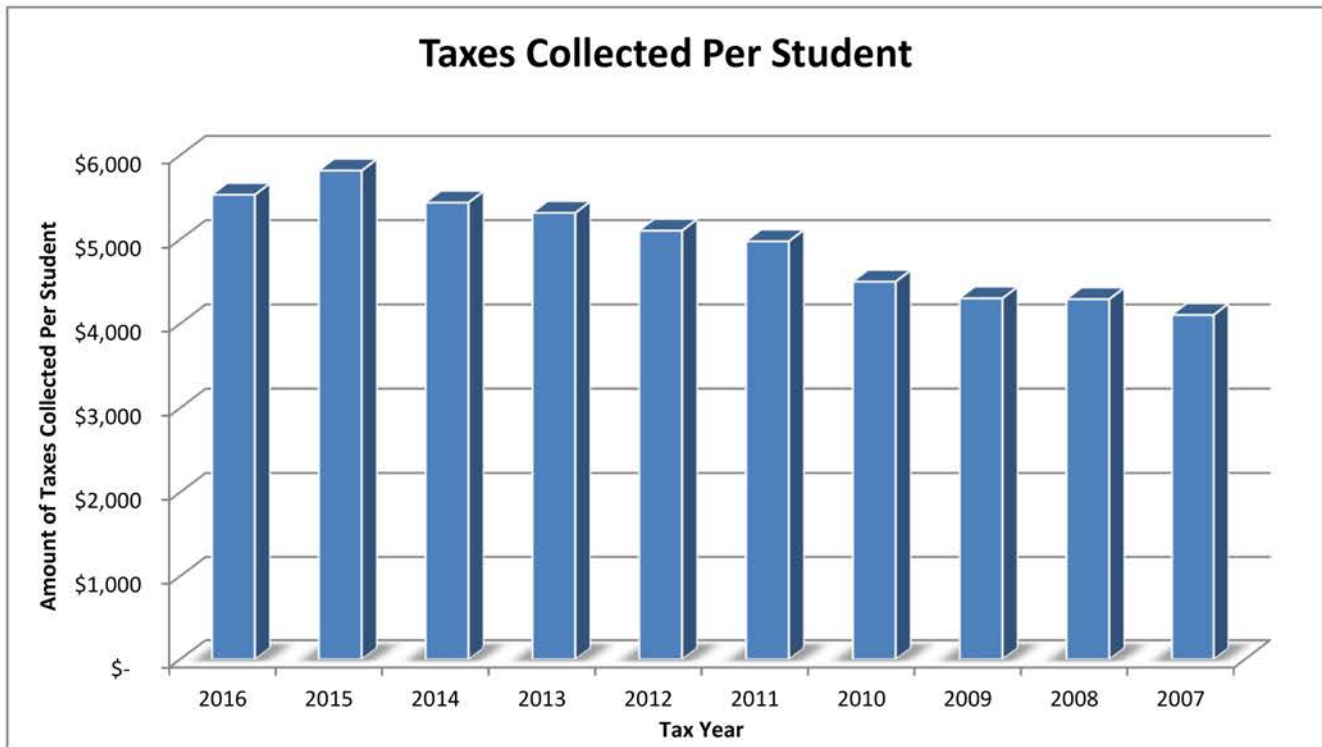
Source: Utah State Tax Commission, Property Tax Division

* 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%.

Locally Assessed					
Real Property: Agricultural	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value *	Assessed Value as a Percentage of Actual Value
\$ 2,720,569	\$ 24,745,139	\$ 1,988,956,355	0.006037	\$ 2,156,125,448	92.25%
\$ 2,552,094	\$ 26,276,524	\$ 2,096,152,366	0.005952	\$ 2,261,693,110	92.68%
\$ 2,612,435	\$ 26,833,317	\$ 2,040,848,625	0.005642	\$ 2,207,888,780	92.43%
\$ 2,355,178	\$ 24,386,367	\$ 2,019,840,487	0.005856	\$ 2,181,273,235	92.60%
\$ 1,838,980	\$ 27,513,872	\$ 1,962,617,695	0.005801	\$ 2,119,933,895	92.58%
\$ 1,734,102	\$ 27,256,079	\$ 1,912,336,316	0.005716	\$ 2,066,173,810	92.55%
\$ 1,418,329	\$ 27,014,261	\$ 1,814,186,123	0.005609	\$ 1,964,964,687	92.33%
\$ 1,382,586	\$ 37,221,789	\$ 1,765,041,597	0.005519	\$ 1,909,577,842	92.43%
\$ 1,324,828	\$ 27,405,793	\$ 1,710,693,961	0.005361	\$ 1,850,349,876	92.45%
\$ 1,211,382	\$ 18,194,562	\$ 1,582,172,459	0.005467	\$ 1,704,270,163	92.84%

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
2017	2016	\$ 1,988,956,355	\$ 11,833,148	2139.28	\$ 929,732	\$ 5,531
2016	2015	\$ 2,096,152,366	\$ 12,767,892	2194.57	\$ 955,154	\$ 5,818
2015	2014	\$ 2,040,848,625	\$ 12,181,809	2240.21	\$ 911,008	\$ 5,438
2014	2013	\$ 2,019,840,487	\$ 12,217,630	2298.23	\$ 878,868	\$ 5,316
2013	2012	\$ 1,962,617,695	\$ 11,682,149	2288.10	\$ 857,750	\$ 5,106
2012	2011	\$ 1,912,336,316	\$ 11,384,453	2286.69	\$ 836,290	\$ 4,979
2011	2010	\$ 1,814,186,123	\$ 10,492,141	2331.62	\$ 778,080	\$ 4,500
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



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 Property Taxpayers
Current Tax (Calendar) Year and Nine Years Prior

Taxpayer	Type of Business	2016 Tax Year		2007 Tax Year	
		Taxable Value	Percent of the District's Taxable Value	Taxable Value	Percent of the District's Taxable Value
Pacificorp	Power	\$ 1,329,934,656	66.87%	\$ 978,349,505	61.84%
Bronco Utah Operations, LLC	Coal	\$ 87,367,358	4.39%		
Deseret Generation	Power	\$ 53,233,262	2.68%	\$ 49,482,775	3.13%
Union Pacific Railroad Co.	Railroad	\$ 32,530,168	1.64%		
UAMPS	Power	\$ 26,448,733	1.33%	\$ 18,394,520	1.16%
Castle Valley Mining, LLC	Coal	\$ 23,295,114	1.17%		
Utah American Energy, Inc	Coal	\$ 21,233,841	1.07%		
Provo City Power	Power	\$ 15,542,077	0.78%	\$ 10,697,260	0.68%
XTO Energy, Inc.	Oil and Gas	\$ 13,002,347	0.65%	\$ 66,005,016	4.17%
ConocoPhillips Company	Oil and Gas	\$ 9,595,413	0.48%	\$ 62,120,920	3.93%
Consolidation Coal	Coal			\$ 15,018,711	0.95%
Anadarko Petroleum Corp.	Oil and Gas			\$ 56,482,290	3.57%
Genwal Resources, Inc.	Coal			\$ 18,483,490	1.17%
Co-Op Mining	Coal			\$ 20,318,938	1.28%
		<u>\$ 1,612,182,969</u>	<u>81.06%</u>	<u>\$ 1,295,353,425</u>	<u>81.87%</u>
Total Taxable Value		\$ 1,988,956,355		\$ 1,582,172,459	

Source: Emery County Treasurer's Office

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
2017	\$ -	\$ -	\$ -	\$ 1,988,956,355	0.000%	\$ 2,156,125,448	0.000%
2016	\$ -	\$ -	\$ -	\$ 2,096,152,366	0.000%	\$ 2,261,693,110	0.000%
2015	\$ -	\$ -	\$ -	\$ 2,040,848,625	0.000%	\$ 2,207,888,780	0.000%
2014	\$ -	\$ -	\$ -	\$ 2,019,840,487	0.000%	\$ 2,181,273,235	0.000%
2013	\$ -	\$ -	\$ -	\$ 1,962,617,695	0.000%	\$ 2,119,933,895	0.000%
2012	\$ -	\$ -	\$ -	\$ 1,912,336,316	0.000%	\$ 2,066,173,810	0.000%
2011	\$ -	\$ -	\$ -	\$ 1,814,186,123	0.000%	\$ 1,964,964,687	0.000%
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%

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
2017	\$ -	Not Available	0.00%	10216	\$ -	2139.28	\$ -
2016	\$ -	\$ 318,751,000	0.00%	10352	\$ -	2194.57	\$ -
2015	\$ -	\$ 316,315,000	0.00%	10625	\$ -	2240.21	\$ -
2014	\$ -	\$ 310,347,000	0.00%	10738	\$ -	2298.23	\$ -
2013	\$ -	\$ 309,585,000	0.00%	10919	\$ -	2288.10	\$ -
2012	\$ -	\$ 337,358,000	0.00%	10972	\$ -	2286.69	\$ -
2011	\$ -	\$ 318,891,000	0.00%	10982	\$ -	2331.62	\$ -
2010	\$ -	\$ 296,810,000	0.00%	11018	\$ -	2294.03	\$ -
2009	\$ 279,000	\$ 298,634,000	-0.02%	10851	\$ 26	2238.79	\$ 125
2008	\$ 776,000	\$ 282,713,000	0.15%	10613	\$ 73	2231.62	\$ 348

Sources:

- 1) District Data
- 2) Utah State Tax Commission, Property Tax Division
- 3) U.S. Bureau of Economic Analysis
- 4) United States Census Bureau

* 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%.

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

EMERY COUNTY 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
2017	\$ 1,988,956,355	\$ 20,527,498	\$ 2,009,483,853	\$ 80,379,354	\$ -	\$ 80,379,354	0.00%
2016	\$ 2,096,152,366	\$ 21,582,145	\$ 2,117,734,511	\$ 84,709,380	\$ -	\$ 84,709,380	0.00%
2015	\$ 2,040,848,625	\$ 22,055,599	\$ 2,062,904,224	\$ 82,516,169	\$ -	\$ 82,516,169	0.00%
2014	\$ 2,019,840,487	\$ 21,844,160	\$ 2,041,684,647	\$ 81,667,386	\$ -	\$ 81,667,386	0.00%
2013	\$ 1,962,617,695	\$ 22,069,000	\$ 1,984,686,695	\$ 79,387,468	\$ -	\$ 79,387,468	0.00%
2012	\$ 1,912,336,316	\$ 22,727,200	\$ 1,935,063,516	\$ 77,402,541	\$ -	\$ 77,402,541	0.00%
2011	\$ 1,814,186,123	\$ 46,533,306	\$ 1,860,719,429	\$ 74,428,777	\$ -	\$ 74,428,777	0.00%
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%

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
Direct and Overlapping General Obligation Debt
For Fiscal Year Ending June 30, 2017

Taxing Entity	2016 Taxable Value (1)	District's Estimated Portion of Taxable Value (1)	Estimated District Percentage	Entity's General Obligation Debt (1) (2)	District's Estimated Portion of Debt
Overlapping:					
Emery County	\$ 1,988,956,355	\$ 1,988,956,355	100.00%	\$ 2,750,000	\$ 2,750,000
Castle Dale City	\$ 52,160,269	\$ 52,160,269	100.00%	\$ -	\$ -
Clawson Town	\$ 4,855,226	\$ 4,855,226	100.00%	\$ -	\$ -
Cleveland Town	\$ 14,185,438	\$ 14,185,438	100.00%	\$ -	\$ -
Elmo Town	\$ 8,409,569	\$ 8,409,569	100.00%	\$ -	\$ -
Emery Town	\$ 9,057,304	\$ 9,057,304	100.00%	\$ -	\$ -
Ferron City	\$ 42,290,675	\$ 42,290,675	100.00%	\$ -	\$ -
Green River City	\$ 50,167,937	\$ 50,167,937	100.00%	\$ -	\$ -
Huntington City	\$ 60,403,144	\$ 60,403,144	100.00%	\$ -	\$ -
Orangeville City	\$ 36,145,207	\$ 36,145,207	100.00%	\$ -	\$ -
Emery W.C.D.	\$ 1,925,583,674	\$ 1,925,583,674	100.00%	\$ -	\$ -
Castle Valley S.S.D.	\$ 1,600,033,350	\$ 1,600,033,350	100.00%	\$ 7,041,296	\$ 7,041,296
Emery County S.S.D.	\$ 336,388,128	\$ 336,388,128	100.00%	\$ -	\$ -
Emery Recreation S.S.D.	\$ 1,988,956,355	\$ 1,988,956,355	100.00%	\$ -	\$ -
Emery Fire S.S.D.	\$ 1,988,956,355	\$ 1,988,956,355	100.00%	\$ -	\$ -
Total Underlying					<u>\$ 9,791,296</u>
Total Overlapping General Obligation Debt					<u>\$ 9,791,296</u>
Emery County School District's General Obligation Debt					<u>\$ -</u>
Total Direct and Overlapping General Obligation Debt					<u>\$ 9,791,296</u>

Notes:

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.

Taxable Value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the District. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the District's boundaries and dividing it by each unit's total taxable assessed value. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

Sources:

- 1) Utah State Tax Commission--Property Tax Division
- 2) Individual Entity Annual Financial Reports, Utah State Auditor's Office

EMERY COUNTY SCHOOL DISTRICT
Debt Service Schedule of Outstanding General Obligation Bonds
As of June 30, 2017

Summary of Long-Term Debt

As of June 30, 2017, Emery County School District has no long-term debt service obligations.

EMERY COUNTY 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
2017	\$ -	\$ -	\$ -	\$ 22,646,311	0.00%
2016	\$ -	\$ -	\$ -	\$ 22,937,343	0.00%
2015	\$ -	\$ -	\$ -	\$ 22,418,676	0.00%
2014	\$ -	\$ -	\$ -	\$ 22,179,743	0.00%
2013	\$ -	\$ -	\$ -	\$ 21,436,853	0.00%
2012	\$ -	\$ -	\$ -	\$ 20,261,791	0.00%
2011	\$ -	\$ -	\$ -	\$ 19,246,478	0.00%
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%

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 was made in June 2010.

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)
2016	4285	4012	273	6.4%	3080	\$ 3,631
2015	4443	4178	265	6.0%	3171	\$ 3,640
2014	4627	4380	247	5.3%	3388	\$ 3,946
2013	4726	4437	289	6.1%	3427	\$ 3,598
2012	4752	4409	343	7.2%	3362	\$ 3,639
2011	5074	4701	373	7.4%	3636	\$ 4,941
2010	5290	4906	384	7.3%	3781	\$ 3,848
2009	5248	4878	370	7.1%	3697	\$ 3,605
2008	5055	4862	193	3.8%	3788	\$ 3,317
2007	5134	4962	172	3.4%	3905	\$ 3,310

Year Ended Dec 31,	Emery County Estimated Population (2)	Total Personal Income (3)	Total Net Personal Earnings (3)	Per Capita Income (3)	Per Capita Net Earnings (3)	Mean Household Income from IRS Returns (4)
2016	10216	Not Available	Not Available	Not Available	Not Available	Not Available
2015	10352	\$ 318,751,000	\$ 198,482,000	\$ 30,738	\$ 19,140	\$ 48,225
2014	10625	\$ 316,315,000	\$ 201,458,000	\$ 29,751	\$ 18,948	\$ 48,107
2013	10738	\$ 310,347,000	\$ 197,464,000	\$ 28,896	\$ 18,386	\$ 46,082
2012	10919	\$ 309,585,000	\$ 202,779,000	\$ 28,345	\$ 18,566	\$ 48,131
2011	10972	\$ 337,358,000	\$ 232,428,000	\$ 30,739	\$ 21,178	\$ 44,744
2010	10982	\$ 318,891,000	\$ 207,545,000	\$ 28,101	\$ 18,881	\$ 46,158
2009	11018	\$ 296,810,000	\$ 201,843,000	\$ 27,240	\$ 18,525	\$ 44,071
2008	10851	\$ 298,634,000	\$ 208,156,000	\$ 27,806	\$ 19,381	\$ 43,948
2007	10613	\$ 282,713,000	\$ 203,716,000	\$ 26,757	\$ 19,280	\$ 40,905

Sources:

(1) Utah Department of Workforce Services: <http://jobs.utah.gov/wi/pubs/eprofile/>

(2) Utah Governors Office of Planning and Budget: <http://www.governor.utah.gov/dea/popestimates.html>

(3) U.S. Bureau of Economic Analysis: <http://www.bea.gov/regional/index.htm> CA30 Regional Economic Profiles

(4) Utah State Tax Commission: <http://tax.utah.gov/econstats/income/federal-returns>

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	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Trades & Utilities	935	894	933	915	940	938	930	950	973	992
Government	886	902	914	935	893	913	919	912	893	865
Mining	187	294	384	492	434	456	554	556	678	788
Construction	350	344	429	357	354	454	481	471	425	365
Leisure & Hospitality	277	272	263	258	255	248	256	265	289	269
Other Services	131	126	130	139	139	145	136	137	131	162
Information	109	106	90	88	101	122	125	127	125	138
Professional & Business	87	91	100	95	100	211	224	102	105	180
Health & Social Services	56	74	78	78	74	76	72	79	73	67
Financial Activities	47	48	49	50	51	53	64	74	70	60
Manufacturing	15	20	18	20	21	20	20	24	26	19
TOTAL	3080	3171	3388	3427	3362	3636	3781	3697	3788	3905

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)
2016	\$ 135,430,202	\$ 3,227,000	7	\$ 1,406,700	\$ 193,300
2015	\$ 127,622,504	\$ 4,064,500	18	\$ 2,965,000	\$ 174,200
2014	\$ 139,401,187	\$ 4,860,000	20	\$ 2,410,900	\$ 1,411,100
2013	\$ 127,727,564	\$ 3,826,600	10	\$ 1,295,700	\$ 731,500
2012	\$ 141,948,911	\$ 6,460,400	23	\$ 3,829,800	\$ 1,483,100
2011	\$ 178,413,145	\$ 4,987,000	20	\$ 3,691,000	\$ 503,200
2010	\$ 188,970,000	\$ 9,370,000	35	\$ 4,771,000	\$ 1,432,000
2009	\$ 161,545,000	\$ 7,006,000	25	\$ 3,717,000	\$ 2,048,000
2008	\$ 159,443,000	\$ 9,424,000	44	\$ 5,717,000	\$ 3,100,000
2007	\$ 167,172,000	\$ 11,806,000	40	\$ 6,147,000	\$ 4,159,000

Sources:

(1) Utah Department of Workforce Services: <http://jobs.utah.gov/wi/pubs/eprofile/>

(2) Utah State Tax Commission: <http://tax.utah.gov/econstats>

(3) Utah Bureau of Economic & Business Research: <https://webapps.utah.edu/bebr/report/table2.tpl>

EMERY COUNTY SCHOOL DISTRICT

Principal Employers
Current Year and Nine Years Prior

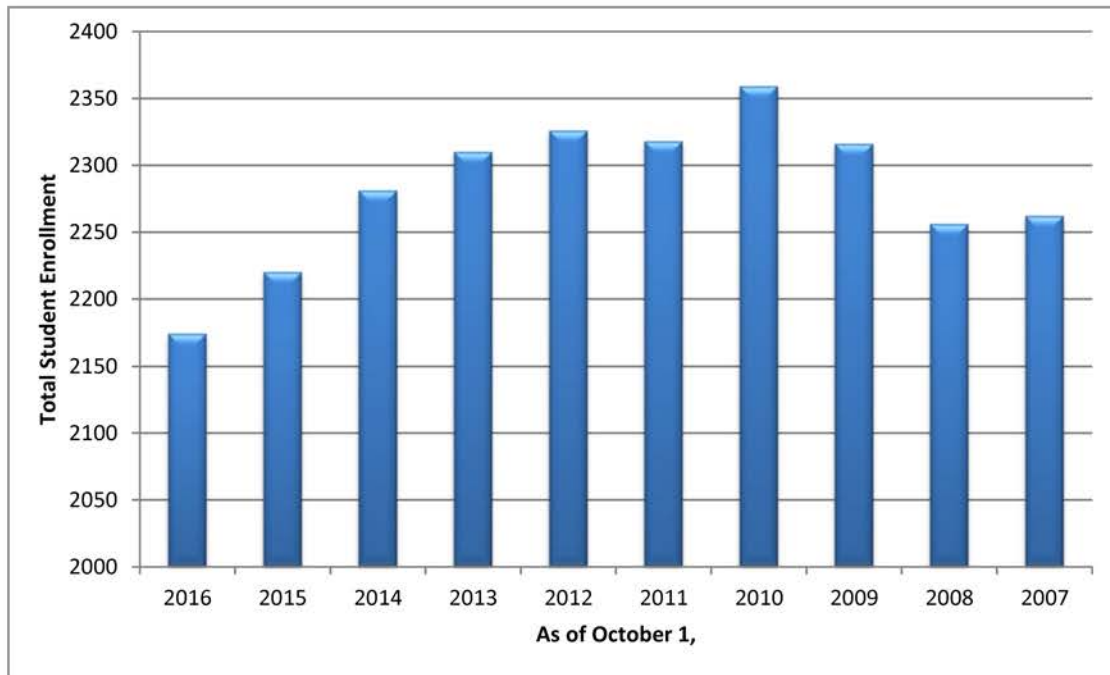
<i>As of December 31, 2016</i>			<i>As of December 31, 2007</i>		
Employer	Approximate Number of Employees	Approximate Percent of Total Employment	Employer	Approximate Number of Employees	Approximate Percent of Total Employment
<i>Pacificorp</i>	250-499	8.98%	<i>PacifiCorp</i>	250-499	7.56%
<i>Emery School District</i>	250-499	8.98%	<i>Energy West Mining</i>	250-499	7.56%
<i>Staker & Parson</i>	100-249	8.98%	<i>Emery School District</i>	250-499	7.56%
<i>Billings Distribution</i>	100-249	8.98%	<i>Nielson Construction</i>	250-499	7.56%
<i>Castle Valley Mining</i>	100-249	4.19%	<i>Consolidated Coal</i>	100-249	3.53%
<i>Emery County</i>	100-249	4.19%	<i>Emery Telcom</i>	100-249	3.53%
<i>Emery Telcom</i>	50-99	1.80%	<i>C.W. Mining</i>	100-249	3.53%
<i>State of Utah</i>	50-99	1.80%	<i>Emery County</i>	100-249	3.53%
<i>United States Government</i>	50-99	1.80%	<i>Billings Distribution</i>	50-99	1.51%
<i>Emery Nursing Home</i>	50-99	1.80%	<i>State of Utah</i>	50-99	1.51%
			<i>Power Source Services</i>	50-99	1.51%
			<i>Emery Nursing Home</i>	50-99	1.51%
			<i>Genwal Resources</i>	50-99	1.51%
		51.46%			51.89%

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

Source: Utah Department of Workforce Services: <https://jobs.utah.gov/wi/data/firm/majoremployers.html>

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

As of October 1,	Enrollment	Prior Year Enrollment	Change from Prior Year	9 Years Prior Enrollment	Change from 9 Years Prior
2016	2174	2220	-2.07%	2262	-3.89%
2015	2220	2281	-2.67%	2320	-4.31%
2014	2281	2310	-1.26%	2338	-2.44%
2013	2310	2326	-0.69%	2345	-1.49%
2012	2326	2318	0.35%	2434	-4.44%
2011	2318	2359	-1.74%	2442	-5.08%
2010	2359	2316	1.86%	2508	-5.94%
2009	2316	2256	2.66%	2714	-14.66%
2008	2256	2262	-0.27%	2973	-24.12%
2007	2262	2320	-2.50%	3101	-27.06%



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	% Change
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2007 to 2016	2007 to 2016
Book Cliff Elementary	91	90	106	125	125	139	137	144	137	116	-25	-21.55%
Castle Dale Elementary	203	224	225	220	216	210	207	189	183	176	27	15.34%
Cleveland Elementary	182	189	202	218	201	195	195	187	170	149	33	22.15%
Cottonwood Elementary	158	165	159	161	170	144	171	185	192	183	-25	-13.66%
Ferron Elementary	229	240	252	254	250	290	284	278	271	271	-42	-15.50%
Huntington Elementary	328	318	336	351	364	342	338	320	331	356	-28	-7.87%
Canyon View Jr High	217	223	203	195	194	217	211	207	172	181	36	19.89%
San Rafael Jr High	258	255	266	260	259	265	250	240	219	239	19	7.95%
Green River High	94	103	99	102	116	118	128	119	112	110	-16	-14.55%
Emery High	414	413	433	424	431	398	438	447	469	481	-67	-13.93%
Total	2,174	2,220	2,281	2,310	2,326	2,318	2,359	2,316	2,256	2,262	-88	-3.89%

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,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
ELEMENTARY SCHOOLS										
<i>Huntington</i>	325.51	323.95	333.80	350.80	354.59	339.44	334.08	323.29	323.77	342.34
<i>Ferron</i>	228.98	240.85	253.27	256.47	249.27	281.43	278.43	274.63	270.69	267.83
<i>Castle Dale</i>	201.48	214.61	215.79	224.27	220.27	203.21	209.26	191.54	188.57	180.12
<i>Cleveland</i>	181.44	191.65	203.55	214.46	202.26	196.57	191.30	187.51	172.03	148.06
<i>Cottonwood</i>	154.09	166.84	160.00	160.17	163.91	145.94	165.45	182.17	190.00	183.18
<i>Book Cliff</i>	92.93	86.72	100.95	122.81	124.17	135.54	136.18	142.97	138.07	116.14
Total Elementary S	1184.43	1224.62	1267.36	1328.98	1314.47	1302.13	1314.70	1302.11	1283.13	1237.67
JUNIOR HIGH SCHOOLS										
<i>San Rafael</i>	254.95	255.16	260.89	256.26	257.52	261.41	251.46	240.40	219.96	238.37
<i>Canyon View</i>	212.89	219.79	197.17	197.04	193.80	216.37	211.84	207.17	173.19	177.96
Total Junior High S	467.84	474.95	458.06	453.30	451.32	477.78	463.30	447.57	393.15	416.33
HIGH SCHOOLS										
<i>Emery</i>	395.70	394.71	416.18	416.81	411.99	389.79	425.66	430.84	454.43	465.45
<i>Green River</i>	91.31	100.29	98.61	99.14	110.32	116.99	127.96	113.51	108.08	112.18
Total High Schools	487.01	495.00	514.79	515.95	522.31	506.78	553.62	544.35	562.51	577.63
TOTAL	2139.28	2194.57	2240.21	2298.23	2288.10	2286.69	2331.62	2294.03	2238.79	2231.63

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,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
ELEMENTARY SCHOOLS										
<i>Kindergarten</i>	157.07	155.09	165.09	189.12	194.29	191.83	183.49	187.96	199.73	185.92
<i>Grade 1</i>	156.35	168.75	184.07	182.93	189.82	177.89	186.20	203.03	178.67	190.16
<i>Grade 2</i>	168.07	177.63	179.84	186.59	169.98	175.68	201.83	188.97	180.13	170.71
<i>Grade 3</i>	167.81	173.89	184.61	177.67	170.67	196.49	187.11	172.34	171.66	172.05
<i>Grade 4</i>	173.03	179.43	166.76	183.36	199.53	179.28	174.20	169.79	170.18	174.79
<i>Grade 5</i>	169.09	165.75	175.04	196.34	174.29	176.20	175.21	176.74	175.01	181.87
<i>Grade 6</i>	171.47	174.27	184.48	176.97	175.23	171.41	175.07	174.78	186.27	141.16
Total Elementary Schools	<u>1162.89</u>	<u>1194.81</u>	<u>1239.89</u>	<u>1292.98</u>	<u>1273.81</u>	<u>1268.78</u>	<u>1283.11</u>	<u>1273.61</u>	<u>1261.65</u>	<u>1216.65</u>
JUNIOR HIGH SCHOOLS										
<i>Grade 7</i>	167.25	180.91	175.31	174.59	159.17	169.66	186.70	190.23	142.01	154.34
<i>Grade 8</i>	170.66	177.28	168.75	153.10	168.64	184.51	185.15	150.04	156.91	134.26
<i>Grade 9</i>	176.63	159.70	150.14	162.97	174.02	182.45	151.32	164.54	138.26	184.53
Total Junior High Schools	<u>514.54</u>	<u>517.89</u>	<u>494.20</u>	<u>490.66</u>	<u>501.83</u>	<u>536.62</u>	<u>523.17</u>	<u>504.81</u>	<u>437.17</u>	<u>473.13</u>
HIGH SCHOOLS										
<i>Grade 10</i>	156.87	145.66	153.37	156.75	169.19	145.23	169.12	142.68	176.86	175.52
<i>Grade 11</i>	135.80	152.76	157.98	161.19	139.71	156.06	143.39	178.36	181.93	164.67
<i>Grade 12</i>	120.97	137.63	146.91	126.86	146.61	132.90	163.82	154.25	147.11	173.58
Total High Schools	<u>413.64</u>	<u>436.05</u>	<u>458.26</u>	<u>444.80</u>	<u>455.51</u>	<u>434.19</u>	<u>476.33</u>	<u>475.29</u>	<u>505.90</u>	<u>513.78</u>
SELF CONTAINED	48.21	45.82	47.86	69.79	56.95	47.10	49.01	40.33	34.08	28.07
TOTAL	<u>2139.28</u>	<u>2194.57</u>	<u>2240.21</u>	<u>2298.23</u>	<u>2288.10</u>	<u>2286.69</u>	<u>2331.62</u>	<u>2294.03</u>	<u>2238.79</u>	<u>2231.63</u>

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,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
TEACHERS										
Castle Dale Elementary	10.50	11.50	12.00	11.00	10.00	11.00	11.00	9.50	9.50	8.50
Cleveland Elementary	10.50	11.50	11.50	11.00	11.50	10.00	10.00	9.50	9.50	7.50
Ferron Elementary	14.17	15.00	15.00	14.50	16.50	15.50	15.50	16.00	15.50	14.00
Book Cliff Elementary	8.00	7.50	8.00	8.50	8.00	8.00	8.50	9.50	8.50	8.50
Huntington Elementary	17.29	19.29	20.79	20.79	20.79	18.79	18.64	18.64	20.64	20.14
Cottonwood Elementary	9.50	8.50	9.50	9.36	8.36	8.50	9.50	8.50	9.21	8.50
Canyon View Junior High	14.16	13.16	13.50	13.50	13.50	13.16	12.16	12.37	13.57	13.57
San Rafael Junior High	13.79	14.13	14.38	13.83	13.83	13.33	12.49	13.16	14.16	13.93
Green River High	9.00	9.00	9.50	9.16	8.82	8.50	8.50	8.50	9.00	9.00
Emery High	24.66	24.15	23.32	23.32	23.50	23.82	24.15	22.50	24.98	24.21
TOTAL TEACHERS	131.57	133.73	137.49	134.96	134.80	130.60	130.44	128.17	134.56	127.85
CLASSIFIED STAFF										
Educational Assistants	49.81	49.48	47.17	49.44	47.58	49.58	47.46	46.07	46.66	43.69
Secretaries	12.88	12.88	12.88	12.88	12.88	12.88	12.88	12.88	13.38	11.32
Business Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Custodians	21.50	21.00	21.50	21.50	21.50	22.50	22.00	21.00	23.00	23.00
Maintenance	11.00	11.00	11.00	11.00	11.00	11.00	11.00	10.75	11.75	10.75
Transportation	11.99	10.74	11.89	12.04	12.09	11.51	11.42	10.97	10.23	10.96
Child Nutrition	12.25	13.06	14.81	14.75	14.13	15.38	15.25	13.13	13.00	12.51
TOTAL CLASSIFIED STAFF	121.43	120.16	121.25	123.61	121.18	124.85	122.01	116.80	120.02	114.23
ADMINISTRATION										
Principals	11.00	10.50	10.50	10.50	10.00	10.00	10.00	9.50	9.50	9.70
District Office	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.50	5.50	5.50
TOTAL ADMINISTRATION	16.00	15.50	15.50	15.50	15.00	15.00	15.00	15.00	15.00	15.20
TOTAL STAFFING FTE'S	269.00	269.39	274.24	274.07	270.98	270.45	267.45	259.97	269.58	257.28

PERCENTAGES	Fiscal Year Ended June 30,									
	2016	2016	2015	2014	2013	2012	2011	2010	2009	2008
TEACHERS										
Castle Dale Elementary	3.90%	4.27%	4.38%	4.01%	3.69%	4.07%	4.11%	3.65%	3.52%	3.30%
Cleveland Elementary	3.90%	4.27%	4.19%	4.01%	4.24%	3.70%	3.74%	3.65%	3.52%	2.92%
Ferron Elementary	5.27%	5.57%	5.47%	5.29%	6.09%	5.73%	5.80%	6.15%	5.75%	5.44%
Book Cliff Elementary	2.97%	2.78%	2.92%	3.10%	2.95%	2.96%	3.18%	3.65%	3.15%	3.30%
Huntington Elementary	6.43%	7.16%	7.58%	7.59%	7.67%	6.95%	6.97%	7.17%	7.66%	7.83%
Cottonwood Elementary	3.53%	3.16%	3.46%	3.42%	3.09%	3.14%	3.55%	3.27%	3.42%	3.30%
Canyon View Junior High	5.26%	4.89%	4.92%	4.93%	4.98%	4.87%	4.55%	4.76%	5.03%	5.27%
San Rafael Junior High	5.13%	5.25%	5.24%	5.05%	5.10%	4.93%	4.67%	5.06%	5.25%	5.41%
Green River High	3.35%	3.34%	3.46%	3.34%	3.25%	3.14%	3.18%	3.27%	3.34%	3.50%
Emery High	9.17%	8.96%	8.50%	8.51%	8.67%	8.81%	9.03%	8.65%	9.27%	9.41%
TOTAL TEACHERS	48.91%	49.64%	50.13%	49.24%	49.75%	48.29%	48.77%	49.30%	49.91%	49.69%
CLASSIFIED STAFF										
Educational Assistants	18.52%	18.37%	17.20%	18.04%	17.56%	18.33%	17.75%	17.72%	17.31%	16.98%
Secretaries	4.79%	4.78%	4.70%	4.70%	4.75%	4.76%	4.82%	4.95%	4.96%	4.40%
Business Office	0.74%	0.74%	0.73%	0.73%	0.74%	0.74%	0.75%	0.77%	0.74%	0.78%
Custodians	7.99%	7.80%	7.84%	7.84%	7.93%	8.32%	8.23%	8.08%	8.53%	8.94%
Maintenance	4.09%	4.08%	4.01%	4.01%	4.06%	4.07%	4.11%	4.14%	4.36%	4.18%
Transportation	4.46%	3.99%	4.34%	4.39%	4.46%	4.26%	4.27%	4.22%	3.79%	4.26%
Child Nutrition	4.55%	4.85%	5.40%	5.38%	5.21%	5.69%	5.70%	5.05%	4.82%	4.86%
TOTAL CLASSIFIED	45.14%	44.60%	44.21%	45.10%	44.72%	46.16%	45.62%	44.93%	44.52%	44.40%
ADMINISTRATION										
Principals	4.09%	3.90%	3.83%	3.83%	3.69%	3.70%	3.74%	3.65%	3.52%	3.77%
District Office	1.86%	1.86%	1.82%	1.82%	1.85%	1.85%	1.87%	2.12%	2.04%	2.14%
TOTAL ADMINISTRATION	5.95%	5.75%	5.65%	5.66%	5.54%	5.55%	5.61%	5.77%	5.56%	5.91%

Source: District Data

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

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
SCHOOLS PARTICIPATING IN:										
<i>Lunch</i>	10	10	10	10	10	10	10	10	10	10
<i>Breakfast</i>	10	10	10	10	10	10	10	10	9	9
STUDENT LUNCHES SERVED:										
<i>Free</i>	91,068	89,026	101,597	94,799	100,592	102,971	100,782	93,449	78,738	80,188
<i>Reduced</i>	28,466	33,418	35,691	39,652	40,405	43,830	43,993	50,490	49,109	47,902
<i>Fully Paid</i>	75,998	92,902	98,605	102,060	95,631	108,707	114,511	114,034	118,811	117,487
Total	<u>195,532</u>	<u>215,346</u>	<u>235,893</u>	<u>236,511</u>	<u>236,628</u>	<u>255,508</u>	<u>259,286</u>	<u>257,973</u>	<u>246,658</u>	<u>245,577</u>
ADULT LUNCHES SERVED:	1,893	2,076	3,209	3,757	4,699	4,602	4,766	4,296	4,100	3,225
STUDENT BREAKFASTS SERVED:										
<i>Free</i>	52,551	57,789	64,194	54,908	58,074	64,961	59,744	56,040	45,332	47,438
<i>Reduced</i>	10,121	15,512	22,817	12,175	13,164	17,082	14,247	19,408	19,295	19,383
<i>Fully Paid</i>	15,404	28,304	69,201	15,384	11,615	18,870	18,750	18,042	22,586	23,090
Total	<u>78,076</u>	<u>101,605</u>	<u>156,212</u>	<u>82,467</u>	<u>82,853</u>	<u>100,913</u>	<u>92,741</u>	<u>93,490</u>	<u>87,213</u>	<u>89,911</u>
ADULT BREAKFASTS SERVED:	72	57	84	188	167	54	91	192	111	80
NUMBER OF SERVING DAYS:	173	173	173	173	173	173	173	173	173	173
AVERAGE DAILY PARTICIPATION										
<i>Student Lunch</i>	1,130	1,245	1,364	1,367	1,368	1,477	1,499	1,491	1,426	1,420
<i>Adult Lunch</i>	11	12	19	22	27	27	28	25	24	19
<i>Student Breakfast</i>	451	587	903	477	479	583	536	540	504	520
<i>Adult Breakfast</i>	0.4	0.3	0.5	1.1	1.0	0.3	0.5	1.1	0.6	0.5
	<u>1,592</u>	<u>1,844</u>	<u>2,285</u>	<u>1,866</u>	<u>1,874</u>	<u>2,087</u>	<u>2,062</u>	<u>2,056</u>	<u>1,954</u>	<u>1,958</u>
AVG DAILY MEMBERSHIP	1,982	2,039	2,075	2,109	2,094	2,095	2,148	2,106	2,039	2,046
PERCENTAGE OF STUDENTS EATING SCHOOL LUNCH										
	57.03%	61.05%	65.71%	64.82%	65.32%	70.50%	69.77%	70.81%	69.92%	69.38%
STUDENTS ON FREE LUNCH	846	792	750	800	832	823	780	719	656	679
STUDENTS ON REDUCED LUNCH	276	292	312	334	345	345	346	400	375	445
PERCENTAGE OF STUDENTS ON:										
<i>Free Lunch</i>	42.68%	38.84%	36.14%	37.93%	39.73%	39.28%	36.31%	34.14%	32.17%	33.19%
<i>Reduced Lunch</i>	13.93%	14.32%	15.04%	15.84%	16.48%	16.47%	16.11%	18.99%	18.39%	21.75%
Total	<u>56.61%</u>	<u>53.16%</u>	<u>51.18%</u>	<u>53.77%</u>	<u>56.21%</u>	<u>55.75%</u>	<u>52.42%</u>	<u>53.13%</u>	<u>50.56%</u>	<u>54.94%</u>
SUMMER FOOD SERVICE PROGRAM:										
<i>Child (0-18) Lunches Served:</i>	6,656	10,200	12,155	12,017	11,262	11,850	12,768	11,847	6,709	n/a

* Includes lunches served during July 2016 and June 2017 summer lunch. Lunches served in July 2016 will be reported in 2017.

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Capital Asset Information

June 30, 2017

	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
		691,580	185	131	

Source: District Data

EMERY COUNTY SCHOOL DISTRICT

Schedule of Insurance in Force

June 30, 2017

Type	Expiration Date	Details of Coverage	Limits	Annual Premium
Property, Fidelity & Boiler	Until Cancelled	\$1,000 Deductible	\$1,000,000 for Employees	\$ 80,838
Worker's Compensation	Until Cancelled		Lost Wages	\$ 115,234
Public Treasurer's Bond	Until Cancelled	\$1,000 Deductible	\$1,000,000 Each Occurrence	\$ 943
General Liability	Until Cancelled	As Listed in Statement of Values	\$10,000,000 Each Occurrence	\$ 18,584
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	\$ 9,265
Total Cost of Insurance in Force				<u>\$ 224,864</u>
Property & Liability Credits				\$ -
Total Credits				<u>\$ -</u>
Net Cost of Insurance in Force				<u>\$ 224,864</u>

Source: District Data

EMERY COUNTY SCHOOL DISTRICT
Licensed Employee Salary Schedule
2017 Fiscal Year

STEP	INDEX	B.S.	B.S.+30	B.S.+55	M.S.	M.S.+30	M.S.+60 Ph.D.
BASE NUMBERS		29150	29730	30610	32070	32790	33520
1	100	33350	33930	34810	36270	36990	37720
2	104	34520	35120	36030	37550	38300	39060
3	107	35390	36010	36950	38510	39290	40070
4	111	36560	37200	38180	39800	40600	41410
5	116	38010	38690	39710	41400	42240	43080
6	121	39470	40170	41240	43000	43880	44760
7	126	40930	41660	42770	44610	45520	46440
8	131	42390	43150	44300	46210	47150	48110
9	136	43840	44630	45830	47820	48790	49790
10	142	45590	46420	47670	49740	50760	51800
11	148	47340	48200	49500	51660	52730	53810
12	154	49090	49980	51340	53590	54700	55820
13	160	50840	51770	53180	55510	56660	57830
18	166	52590	53550	55010	57440	58630	59840
23	170	53760	54740	56240	58720	59940	61180
28	175	55210	56230	57770	60320	61580	62860

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/plane 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		35290	35890	36790	38270	39000	39740
2		36520	37140	38070	39610	40370	41140
3		37450	38090	39050	40630	41420	42210
4		38670	39340	40340	41980	42790	43610
5		40180	40890	41930	43640	44490	45340
6		41720	42440	43540	45320	46210	47100
7		43180	43930	45070	46930	47850	48780
8		44640	45420	46600	48530	49480	50450
9		46090	46900	48130	50140	51120	52130
10		47840	48690	49970	52060	53090	54140
11		49590	50470	51800	53980	55060	56150
12		51340	52250	53640	55910	57030	58160
13		53090	54040	55480	57830	58990	60170
18		54840	55820	57310	59760	60960	62180
23		56010	57010	58540	61040	62270	63520
28		57460	58500	60070	62640	63910	65200

Source: District Data

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
2017	\$ 35,290	\$ 65,200	\$ 50,846	\$ 48,576	4.67%
2016	\$ 34,810	\$ 64,240	\$ 50,418	\$ 47,341	6.50%
2015	\$ 33,850	\$ 62,310	\$ 48,567	\$ 45,790	6.06%
2014	\$ 33,550	\$ 61,700	\$ 48,944	\$ 45,704	7.09%
2013	\$ 33,550	\$ 61,700	\$ 48,768	\$ 45,543	7.08%
2012	\$ 33,550	\$ 61,700	\$ 49,178	\$ 45,432	8.25%
2011	\$ 33,550	\$ 61,700	\$ 48,018	\$ 45,333	5.92%
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%

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
General Fund
Last Ten Fiscal Years

Year Ended June 30,	Instruction	Students	Instructional Staff	District Leadership
2017	\$ 13,905,095	\$ 598,594	\$ 405,079	\$ 361,144
2016	\$ 14,181,159	\$ 588,468	\$ 411,133	\$ 495,984
2015	\$ 13,800,699	\$ 493,690	\$ 402,664	\$ 531,706
2014	\$ 13,691,690	\$ 523,400	\$ 380,405	\$ 747,222
2013	\$ 13,526,611	\$ 510,099	\$ 381,800	\$ 334,578
2012	\$ 13,016,444	\$ 465,990	\$ 364,127	\$ 317,064
2011	\$ 12,451,928	\$ 466,005	\$ 374,529	\$ 312,131
2010	\$ 12,868,242	\$ 428,005	\$ 389,327	\$ 310,432
2009	\$ 12,589,413	\$ 425,282	\$ 359,631	\$ 410,728
2008	\$ 12,168,551	\$ 446,529	\$ 334,617	\$ 311,482

Expenditures by Function as a Percentage of Total Expenditures

Year Ended June 30,	Instruction	Students	Instructional Staff	District Leadership
2017	61.40%	2.64%	1.79%	1.59%
2016	61.83%	2.57%	1.79%	2.16%
2015	61.56%	2.20%	1.80%	2.37%
2014	61.73%	2.36%	1.72%	3.37%
2013	63.10%	2.38%	1.78%	1.56%
2012	64.24%	2.30%	1.80%	1.56%
2011	64.70%	2.42%	1.95%	1.62%
2010	66.30%	2.21%	2.01%	1.60%
2009	65.99%	2.23%	1.89%	2.15%
2008	66.23%	2.43%	1.82%	1.70%

Source: District Data

School Leadership	Central	Operation & Maintenance	Transportation	Total
\$ 2,044,461	\$ 436,889	\$ 3,744,325	\$ 1,150,724	\$ 22,646,311
\$ 2,016,742	\$ 447,707	\$ 3,676,076	\$ 1,120,074	\$ 22,937,343
\$ 2,081,298	\$ 425,212	\$ 3,532,752	\$ 1,150,655	\$ 22,418,676
\$ 2,005,115	\$ 411,666	\$ 3,257,922	\$ 1,162,323	\$ 22,179,743
\$ 1,924,525	\$ 418,421	\$ 3,287,428	\$ 1,053,391	\$ 21,436,853
\$ 1,842,625	\$ 418,838	\$ 2,660,736	\$ 1,175,967	\$ 20,261,791
\$ 1,700,528	\$ 366,233	\$ 2,484,342	\$ 1,090,782	\$ 19,246,478
\$ 1,565,442	\$ 310,354	\$ 2,439,188	\$ 1,097,013	\$ 19,408,003
\$ 1,580,810	\$ 299,408	\$ 2,406,011	\$ 1,005,662	\$ 19,076,945
\$ 1,527,890	\$ 294,377	\$ 2,319,527	\$ 970,051	\$ 18,373,024

School Leadership	Central	Operation & Maintenance	Transportation	Total
9.03%	1.93%	16.53%	5.08%	100.00%
8.79%	1.95%	16.03%	4.88%	100.00%
9.28%	1.90%	15.76%	5.13%	100.00%
9.04%	1.86%	14.69%	5.24%	100.00%
8.98%	1.95%	15.34%	4.91%	100.00%
9.09%	2.07%	13.13%	5.80%	100.00%
8.84%	1.90%	12.91%	5.67%	100.00%
8.07%	1.60%	12.57%	5.65%	100.00%
8.29%	1.57%	12.61%	5.27%	100.00%
8.32%	1.60%	12.62%	5.28%	100.00%

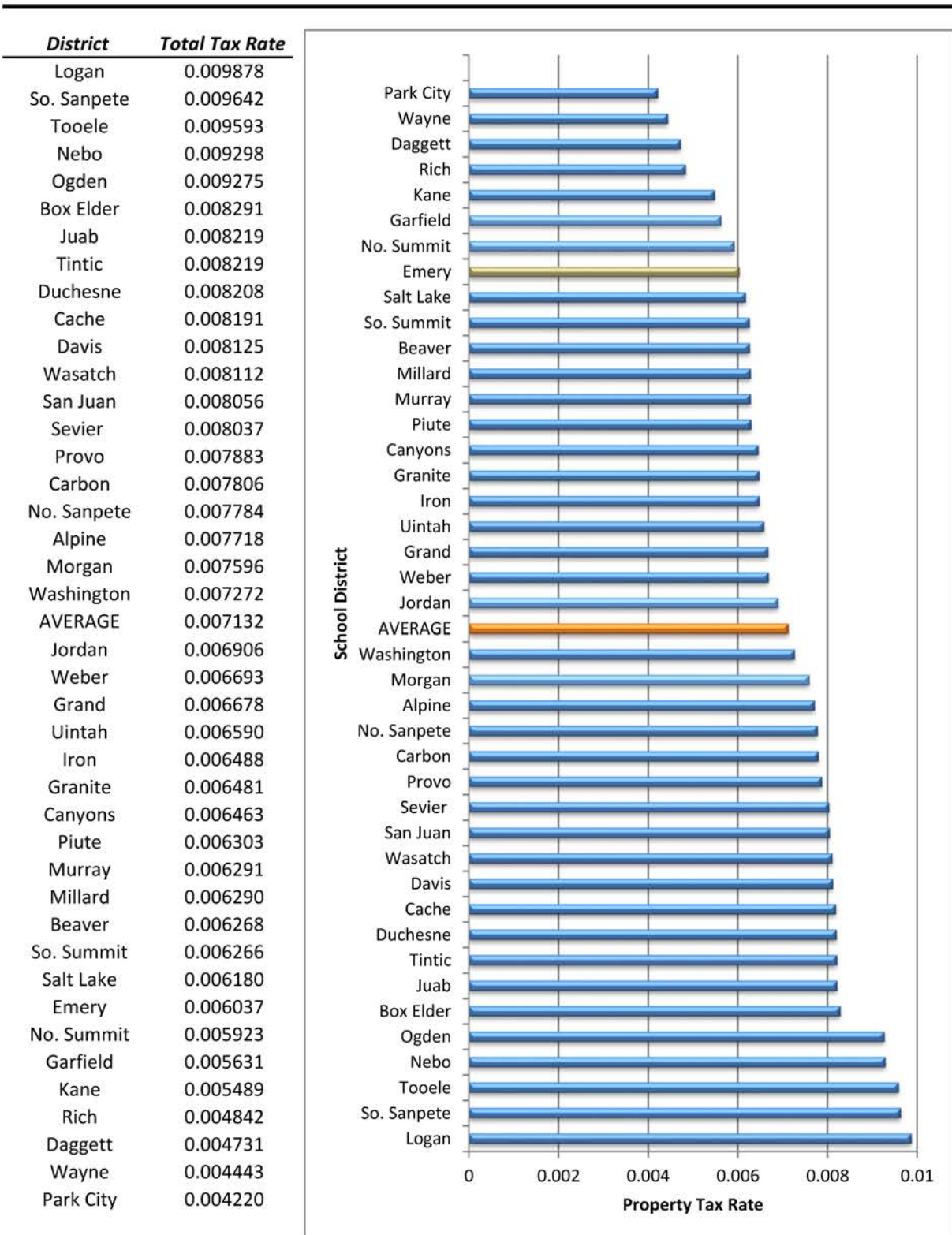
EMERY COUNTY SCHOOL DISTRICT
Expenditures by Function Per Pupil: General Fund
Last Ten Fiscal Years

FUNCTION	Fiscal Year Ended June 30,			
	2017	2016	2015	2014
Student Enrollment	2174	2220	2281	2310
Instruction	\$ 6,396	\$ 6,388	\$ 6,050	\$ 5,927
Supporting Services:				
Students	\$ 275	\$ 265	\$ 216	\$ 227
Instructional Staff	\$ 186	\$ 185	\$ 177	\$ 165
District Administration	\$ 166	\$ 223	\$ 233	\$ 323
School Administration	\$ 940	\$ 908	\$ 912	\$ 868
Business	\$ 201	\$ 202	\$ 186	\$ 178
Operation & Maintenance	\$ 1,722	\$ 1,656	\$ 1,549	\$ 1,410
Student Transportation	\$ 529	\$ 505	\$ 504	\$ 503
TOTAL	\$ 10,417	\$ 10,332	\$ 9,828	\$ 9,602
PERCENTAGES	2017	2016	2015	2014
Instruction	61.40%	61.83%	61.56%	61.73%
Supporting Services:				
Students	2.64%	2.57%	2.20%	2.36%
Instructional Staff	1.79%	1.79%	1.80%	1.72%
District Administration	1.59%	2.16%	2.37%	3.37%
School Administration	9.03%	8.79%	9.28%	9.04%
Business	1.93%	1.95%	1.90%	1.86%
Operation & Maintenance	16.53%	16.03%	15.76%	14.69%
Student Transportation	5.08%	4.88%	5.13%	5.24%
TOTAL	100.00%	100.00%	100.00%	100.00%

Source: District Data

Fiscal Year Ended June 30,					
2013	2012	2011	2010	2009	2008
2326	2318	2359	2316	2256	2262
\$ 5,815	\$ 5,615	\$ 5,278	\$ 5,556	\$ 5,580	\$ 5,380
\$ 219	\$ 201	\$ 198	\$ 185	\$ 189	\$ 197
\$ 164	\$ 157	\$ 159	\$ 168	\$ 159	\$ 148
\$ 144	\$ 137	\$ 132	\$ 134	\$ 182	\$ 138
\$ 827	\$ 795	\$ 721	\$ 676	\$ 701	\$ 675
\$ 180	\$ 181	\$ 155	\$ 134	\$ 133	\$ 130
\$ 1,413	\$ 1,148	\$ 1,053	\$ 1,053	\$ 1,066	\$ 1,025
\$ 453	\$ 507	\$ 462	\$ 474	\$ 446	\$ 429
<u>\$ 9,216</u>	<u>\$ 8,741</u>	<u>\$ 8,159</u>	<u>\$ 8,380</u>	<u>\$ 8,456</u>	<u>\$ 8,122</u>
63.10%	64.24%	64.70%	66.30%	65.99%	66.23%
2.38%	2.30%	2.42%	2.21%	2.23%	2.43%
1.78%	1.80%	1.95%	2.01%	1.89%	1.82%
1.56%	1.56%	1.62%	1.60%	2.15%	1.70%
8.98%	9.09%	8.84%	8.07%	8.29%	8.32%
1.95%	2.07%	1.90%	1.60%	1.57%	1.60%
15.34%	13.13%	12.91%	12.57%	12.61%	12.62%
4.91%	5.80%	5.67%	5.65%	5.27%	5.28%
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

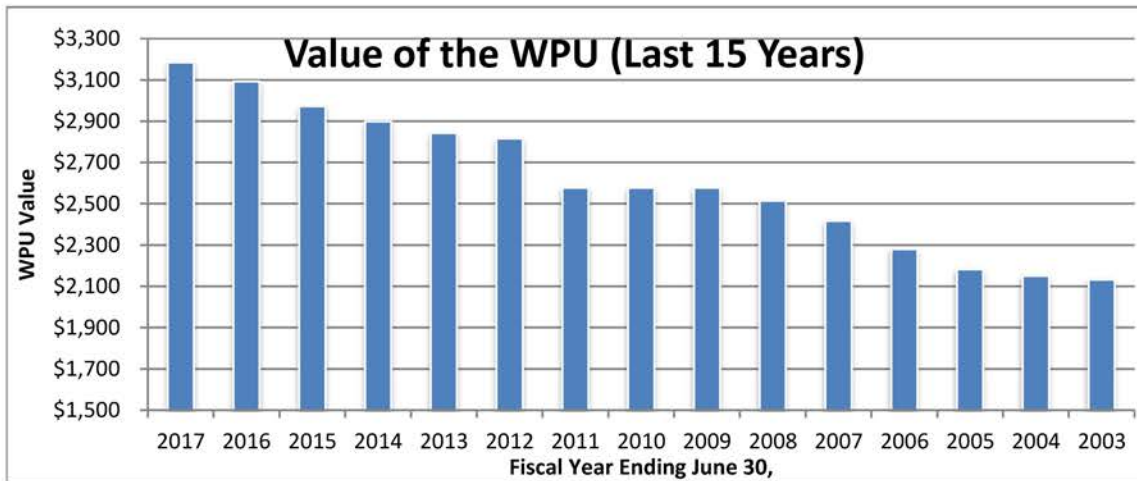
EMERY COUNTY SCHOOL DISTRICT
Comparison of Tax Rates of Utah School Districts
2016 Tax (Calendar) Year



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
2017	\$ 3,184	\$ 92	2.98%	2002	\$ 2,113	\$ 107	5.33%
2016	\$ 3,092	\$ 120	4.04%	2001	\$ 2,006	\$ 105	5.52%
2015	\$ 2,972	\$ 73	2.52%	2000	\$ 1,901	\$ 47	2.54%
2014	\$ 2,899	\$ 57	2.01%	1999	\$ 1,854	\$ 63	3.52%
2013	\$ 2,842	\$ 26	0.92%	1998	\$ 1,791	\$ 52	2.99%
2012	\$ 2,816	\$ 239	9.27%	1997	\$ 1,739	\$ 67	4.01%
2011	\$ 2,577	\$ -	0.00%	1996	\$ 1,672	\$ 64	3.98%
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%



Source: Utah State Office of Education

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 Uniform Guidance.

	<u>Page</u>
Independent Auditor's Report on Internal Control:	114-115
<p>This report describes the auditor's consideration of internal controls in the District.</p>	
Independent Auditor's Report on Compliance:	116-118
<p>This report describes the auditor's review of the District's compliance with the standards required by the <i>Uniform Guidance</i> issued by the United States Office of Management and Budget.</p>	
Schedule of Findings and Questioned Costs:	119
<p>This schedule summarizes the auditor's opinions related to single audit compliance.</p>	
Schedule of Expenditures of Federal Awards:	120
<p>This schedule provides detailed categorical information regarding each Federal award expended during the fiscal year.</p>	
Notes to the Schedule of Expenditures of Federal Awards:	121
<p>These notes provide clarifying explanations to the schedule of Federal awards.</p>	
Schedule of Prior Federal Audit Findings:	122
<p>This schedule reviews prior Federal audit findings and the measures taken to correct the findings.</p>	
Independent Auditor's Report On Compliance and Report On Internal Control Over Compliance as Required by the <i>State Compliance Audit Guide</i>:	123-125
<p>This report describes the auditor's consideration of compliance with State of Utah guidelines regarding both major and non-major State funded programs.</p>	
Schedule of Prior State Compliance Audit Findings:	126
<p>This schedule reviews prior State audit findings and the measures taken to correct the findings.</p>	

This Page Left Intentionally Blank



Kimball & Roberts

A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

INDEPENDENT AUDITOR'S 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, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Emery County School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Emery County School District's basic financial statements, and have issued our report thereon dated September 19, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

We noted a certain other matter that we reported to management of Emery County School District in the accompanying *Independent Auditor's Report on Compliance and Report on Internal Control Over Compliance as Required by the State Compliance Audit Guide*.

We also noted certain other matters that we reported to management of Emery County School District in a separate management letter dated September 19, 2017.

Purpose of this Report

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

Kimball & Roberts, PC

Certified Public Accountants

September 19, 2017
Richfield, Utah

Kimball & Roberts

A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited Emery County School District's (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 the 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control Over Compliance

Management of Emery County School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program, and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated September 19, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Kimball & Roberts, PC

Certified Public Accountants

September 19, 2017
Richfield, Utah

**EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Fiscal Year Ended June 30, 2017**

A. SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of independent auditor's report issued: Unmodified

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: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) ___ Yes X No

Identification of major programs.

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I Grants to Local Educational Agencies - Part A of the ESEA
84.367	Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and Type B programs. \$750,000

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, 2017**

Federal Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Disbursements or Expenditures
<u>Direct Assistance:</u>			
U.S. Department of Agriculture			
Passed Through Emery County			
Schools & Roads - Grants to Counties	10.666	n/a	6,719
Total Direct Assistance			<u>\$ 6,719</u>
<u>Indirect Assistance:</u>			
U.S. Department of Agriculture			
Passed Through Utah State Department of Education			
Federal School Lunch - Breakfast Program	10.553	09-44	\$ 127,298
Federal School Lunch - Lunch Reimbursement Section 4	10.555	09-42	71,674
Federal School Lunch - Free & Reduced Section 11	10.555	09-43	340,663
Federal Summer Food Service Program for Children	10.559	09-42	9,969
Food Distribution - Commodities	10.565	n/a	120,095
Total U.S. Department of Agriculture			<u>\$ 669,699</u>
U.S. Department of Education			
Passed Through Utah State Department of Education			
Title I - ESEA Flow Through	84.010	09-08	\$ 295,615
IDEA Part B Flow Through	* 84.027	09-19	518,099
Fed VoEd Carl Perkins	84.048	09-21	26,163
IDEA Preschool Flow Through	* 84.173	09-52	29,458
Class Size Reduction	84.367	09-74	99,113
Passed Through Waterford Research Institute			
UPStart Preschool	84.411B	n/a	22,350
Total U.S. Department of Education			<u>\$ 990,798</u>
Total Indirect Assistance			<u>\$ 1,660,497</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 1,667,216</u></u>

* MAJOR FEDERAL AWARD PROGRAMS AUDITED

**EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Fiscal Year Ended June 30, 2017**

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A - SIGNIFICANT ACCOUNTING POLICIES

General:

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Emery County School District under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of Emery County School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of Emery County School District.

Basis of Accounting:

The accompanying Schedule of Expenditures of Federal Awards 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 2016-2017 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, 2017**

There were no prior audit findings.

Kimball & Roberts

A Professional Corporation
Certified Public Accountants
176 North Main • P.O. Box 663
Richfield, Utah 84701

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE STATE COMPLIANCE AUDIT GUIDE

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

Report on Compliance with General State Compliance Requirements

We have audited Emery County School District's compliance with the applicable general state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, that could have a direct and material effect on the District for the year ended June 30, 2017.

General state compliance requirements were tested for the year ended June 30, 2017 in the following areas:

Budgetary Compliance	Open and Public Meetings Act
Fund Balance	Public Treasurer's Bond
Utah Retirement Systems	Cash Management
School District Tax Levies	

Management's Responsibility

Management is responsible for compliance with the state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the District's compliance based on our audit of the state compliance requirements referred to above. 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 the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the 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 on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the District's compliance with those requirements.

Opinion on General State Compliance Requirements

In our opinion, Emery County School District complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the *State Compliance Audit Guide* and which are described below. Our opinion on compliance is not modified with respect to these matters.

The District's response to the noncompliance findings identified in our audit is described below. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Finding: State Compliance – Cash Management, Year-End Report

Entities are required to file a written report with the Money Management Council on or before January 31 and July 31 of each year. The year-end report is to include the institutions bank balances for all accounts held by the entity.

We noted that the report mentioned above was filed in a timely manner; however, the report did not include the amounts for all bank and investment accounts.

Auditor's Recommendation:

We recommend that the District correct the report to include all bank and investment account amounts and submit a corrected report to the State.

District's Response:

The District has submitted the corrected report to the State.

Finding: State Compliance – Cash Management, Deposits

Our examination of the District's receipting procedure shows that although funds were receipted daily, they were not deposited within three business days.

Auditor's Recommendation:

We recommend that the District develop and implement policies and procedures to ensure that receipted funds are deposited within three business days.

District's Response:

The District will implement policies and procedures for the deposit of funds within three business days.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, 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 the District's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Kimball & Roberts, PC

Certified Public Accountants

September 19, 2017
Richfield, Utah

EMERY COUNTY SCHOOL DISTRICT
SCHEDULE OF PRIOR STATE COMPLIANCE AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2017

FY16 Finding: When funds are received, the District secretary logs the receipt into an excel spreadsheet. The spreadsheet does not contain the actual date of receipting, only the month. A receipt is not provided to the payee.

Resolution: The District has corrected the receipting process. The actual dates are recorded when funds are received and a physical receipt is issued to the payee.

FY16 Finding: The District treasurer currently receives all payroll information from the various schools and departments. Each month payroll payments are made to over 500 individuals. The treasurer reviews the payroll information, enters the data into the accounting system, reconciles payroll reports, prepares checks, and submits the funds for direct deposit to the bank. The business administrator occasionally reviews the payroll.

Resolution: The business administrator reviews the payroll before it is issued and samples various employees' payroll to determine that the pay is correct.

FY16 Finding: A school in the District receives funds in the form of checks, cash, and credit cards. The secretary uses a receipt logbook for tracking. The receipt book does not indicate in which form the payment was received. The secretary uses the receipt book to balance the money in the safe and prepare a bank deposit. The total being deposited into the bank does not balance with the corresponding receipts recorded in the logbook and the total cash and checks deposited could not be verified. Upon further inquiry it was determined that the discrepancy was for credit card fees. The credit card company withholds the fees and deposits the remainder of the funds.

Resolution: The secretary now records how payments are made to allow cash and check to be accurately balanced to money deposited.

FY16 Finding: A school secretary currently handles all of the school's receipting with no oversight. The secretary collects the funds, records them in the accounting system, deposits the money, and reconciles the bank statements.

Resolution: The Principal is reviewing and approving all deposits.

This Page Left Intentionally Blank
END OF REPORT

