

DUCHESNE COUNTY SCHOOL DISTRICT

1010 East 200 North
Roosevelt, Utah 84066
(435) 738-1240

Financial Statements

Year Ended June 30, 2025



Jason Young, Superintendent of Schools
Dee E. Miles, Business Administrator

Prepared by
Dee E. Miles, CPA

DUCHESNE COUNTY SCHOOL DISTRICT

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Aycock, Miles & Associates, CPAs, P.C.

Certified Public Accountants

58 East 100 North (83-13) • Roosevelt, Utah 84066 • Phone (435) 722-5153 • Fax (435) 722-5095

INDEPENDENT AUDITOR'S REPORT

Honorable Board of Education
To the Duchesne County School Board
Duchesne County, Utah

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and budgetary comparison schedule of the Duchesne County School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Duchesne County School District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Duchesne County School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 3-7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 27, 2025 on our consideration of the Duchesne 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 Duchesne County School District's internal control over financial reporting and compliance.

Aycock, Miles & Associates, CPAs

Roosevelt, Utah
October 27, 2025

Management's Discussion and Analysis

The following discussion and analysis presents an overview of the financial performance of Duchesne County School District (District) for the year ended June 30, 2025. Readers should integrate the information presented here with the additional information furnished in the financial statements that follow this section.

Financial Highlights

- ❑ The District's General Fund receives revenue based on the number of pupils enrolled and other student demographic allocation formulas. State Legislative appropriations account for 74% of the funding and another 5% came from Federal restricted programs. Congressional funding for COVID related initiatives have all run out. The remaining 21% came from local sources. The taxable value of property increased 5% due to the increased value of residences and investments in property by businesses operating in the County.
- ❑ The District's financial status as measured by total net position in excess of liabilities was \$176 million as of the close of the fiscal year, which was a net increase of \$12 million from the prior year due to investments in new buildings, and increases in reserves.
- ❑ The general fund balance increased \$969,058 due to increased economic stabilization reserves, and higher interest rates. Undistributed reserves are 4.4% of the budget. The capital projects fund balance increased \$18 million in reserves from bond proceeds for construction of the Altamont project. The fund also has an additional reserve for catastrophic events of \$2 million.
- ❑ District enrollment decreased 43 students with 5,107 enrolled on October 1, 2024. Birth rates in the County have declined and will likely affect future enrollments. The ongoing operations and new oil and gas investments in the County are contributing to a relatively stable economy. State base funding per student increased 5%.
- ❑ A master plan for buildings was moving forward with completion of the Duchesne High project and the replacement of the Altamont High School vocational education shops as well. Construction began on a new Altamont Elementary and High School gymnasium.

Overview of the Financial Statements

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

District-wide financial statements. The statement of net position and the statement of activities are designed to provide a broad overview of the District's financial position as a whole, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the assets and liabilities of the District with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as an indicator of whether the financial condition of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items where the cash flows occur in future periods (e.g. uncollected taxes).

Fund financial statements. The District uses separate funds to segregate activities and ensure compliance with finance-related legal requirements. Governmental and fiduciary types of funds are used.

Governmental funds account for the functions reported as *governmental activities* in the District-wide financial statements. However, unlike District-wide financial statements, the focus is on near-term inflows, outflows, and fiscal year-end balances of spendable resources. Reconciliations are also provided from the narrower focused governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balances to the *governmental activities* of the District-wide financial statements.

Notes to the basic financial statements. The notes provide additional information for a full understanding of the data provided in the District-wide and fund financial statements.

Other information. Individual fund statements and schedules immediately follow the notes.

District-wide Financial Analysis

Net position. The District's assets are invested in land, buildings, and equipment less outstanding general obligation and revenue bonds used to acquire those assets. The net position of the District increased 6.5% with increased investment in buildings, debt payments, and depreciation of assets. The District is still on schedule with its master building plan and management of existing debt. These building assets are used to provide educational programs and are not considered available resources for future spending. Payments on the outstanding debt also come from other sources and not from the assets themselves. Assets subject to external restrictions on how they may be used represent 30% of net assets.

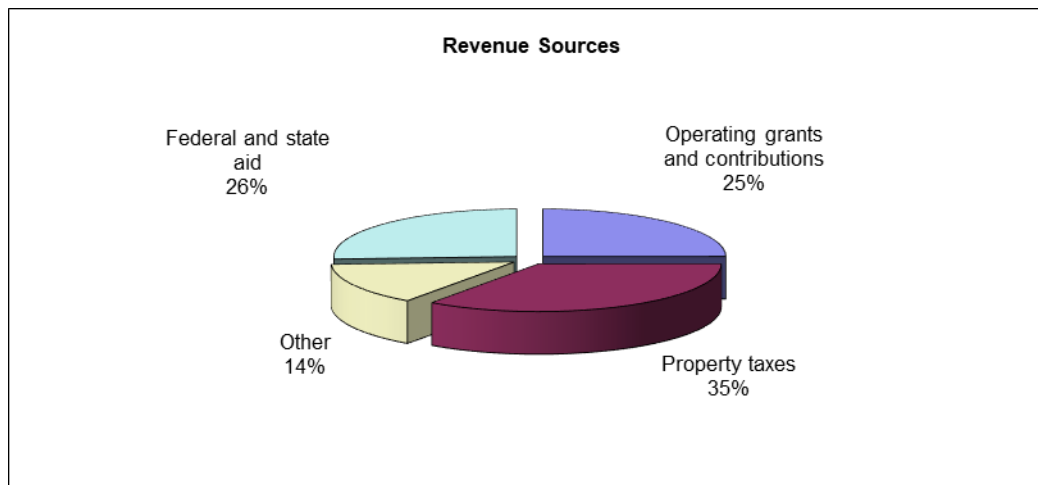
Changes in net position. Net position increased \$10,642,881 due to increases in reserves and investment in buildings. The District's total revenues increased 4% with increases in State and local revenues more than offsetting decreases in Federal funds. Local tax values increased 8% with half from residential values and half from centrally assessed businesses. State revenues increased due to legislative appropriation increases. Federal funding decreased 20% as extra funding to help students recover from the pandemic run out, and forest reserve legislation lapsed. Expenditures increased 7.2% with targeted funds for teachers that increased their pay.

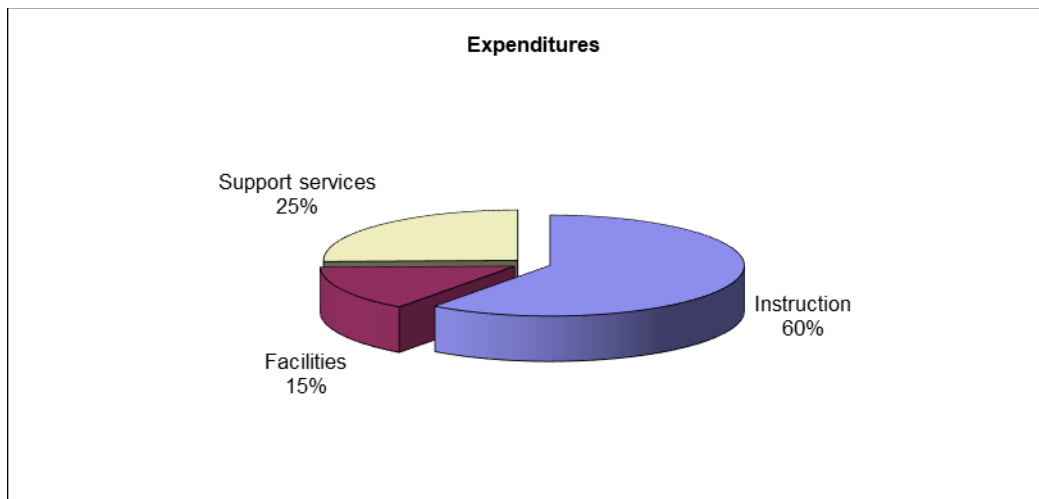
The District reports deferred outflows and inflows of resources related to participation in Utah Retirement Systems pension plans. Deferred outflows of \$10,954,030 were reported for contributions subsequent to the measurement date. Deferred inflows related to the difference between expected and actual experience of the pension plan and changes in assumptions were \$33,928.

Net Position	2025	2024	Total Change
Current and other assets	\$ 109,650,392	\$ 88,155,968	\$ 21,494,424
Capital assets	245,869,823	234,358,549	11,511,274
Total assets	355,520,215	322,514,517	33,005,698
Deferred outflows of resources	10,954,030	9,614,217	1,339,813
Total assets and deferred outflows	366,474,245	332,128,734	34,345,511
Current and other liabilities	24,725,531	19,379,484	5,346,047
Long-term liabilities outstanding	119,546,937	105,255,061	14,291,876
Net pension liability	15,842,032	13,295,145	2,546,887
Total liabilities	160,114,500	137,929,690	22,184,810
Deferred Inflows of resources	31,988,466	30,470,647	1,517,819
Net Position			
Invested in capital assets, net of related debt	115,665,728	120,636,984	(4,971,256)
Restricted	52,076,693	33,415,237	18,661,456
Unrestricted	6,628,858	9,676,177	(3,047,319)
Total net position	\$ 174,371,279	\$ 163,728,398	\$ 10,642,881

Changes in Net Position	2025	2024	Total Change
Revenues			
Program revenues			
Charges for services	\$ 2,512,496	\$ 2,415,190	\$ 97,306
Operating grants and contributions	24,762,494	21,595,626	3,166,868
Capital grants and contributions	4,834,937	14,652	4,820,285
General revenues			
Property taxes	34,585,142	31,942,299	2,642,843
Federal and state aid	25,615,548	33,186,600	(7,571,052)
Earnings on investments	2,641,764	3,556,795	(915,031)
Miscellaneous	2,640,827	2,466,269	174,558
Total revenues	97,593,208	95,177,431	2,415,777
Expenses			
Instructional services	50,436,006	47,471,148	2,964,858
Supporting services:			
Students	2,795,304	2,233,681	561,623
Instructional staff	3,156,643	2,791,365	365,278
District administration	572,348	530,568	41,780
School administration	4,607,508	4,385,443	222,065
Business	2,420,673	2,115,162	305,511
Operation and maintenance of facilities	8,418,906	7,342,376	1,076,530
Transportation	4,255,816	4,136,992	118,824
School lunch services	3,459,612	3,627,350	(167,738)
Interest on long-term liabilities	3,825,253	3,692,870	132,383
Total Expenses	83,948,069	78,326,955	5,621,114
Increase (decrease) in net position	13,645,139	16,850,475	(3,205,336)
Net position - beginning (2025 restated)	160,726,139	146,877,922	13,848,217
Net position - ending	<u>\$ 174,371,278</u>	<u>\$ 163,728,397</u>	<u>\$ 10,642,881</u>

The District implemented GASB Statement No. 101, Compensated Absences, during the year ended June 30, 2025. Fiscal year 2024 has not been restated to reflect this change.





Financial Analysis of the District's Funds

Governmental funds. The focus of the District's governmental funds is to provide information regarding the inflow, outflow, and remaining balances of resources. Revenues provided to the District are intended to be used during the period for which they were generated. Fund balances of each fund must be spent within the purposes of the fund. The difference between assets and liabilities is reported as fund balance which is divided into nonspendable, restricted, and unrestricted. *Nonspendable* includes inventories that are not expected to be converted to cash. *Restricted* are subject to external constraints, laws, or creditors (as in the case of restricted programs, debt service, capital projects, and other governmental funds). The unrestricted balance is divided between committed, assigned, and unassigned portions. *Committed* balances reflect the District's self-imposed limitations and amounts set aside to meet specific obligations. *Assigned* balances are intended to be used for specific purposes. *Unassigned* balances are all remaining fund resources.

Under Utah law, a budget may not include an unassigned fund balance. Utah law allows an economic stabilization committed reserve of fund balance in the general fund of up to 5% of its budget.

At the completion of the year the combined governmental fund balance was \$67 million, \$20 million more than the prior year. These funds were procured to finance the Altamont construction project.

General fund budgetary highlights. The Board of Education revised the budget during the year for changes in programs, funding, and needs. The final budget anticipates revenues and expenditures to be approximately equal with only small variances between the budget and actual results. The difference between the original budget and the final amended budget included adjustments for State revenue allocation updates, capital expenditures and other minor categorical adjustments.

Capital Asset and Debt Administration

Capital Assets. The capital outlay fund accounts for the acquisition of land, construction and remodeling of buildings, and procurement of equipment necessary for the operation of the District. The following projects were under way:

- ❑ Remodel and addition for Duchesne High was completed.
- ❑ Replacing the shops at Altamont High School was also completed.
- ❑ Construction of a new Altamont Elementary and High School gymnasium was commenced.

Capital assets as of June 30, 2025

(Net of accumulated depreciation)	2025	2024	Total Change
Land	\$ 6,319,301	\$ 6,319,301	\$ -
Construction in progress	5,009,285	59,099,444	(54,090,159)
Buildings and improvements	229,534,128	164,416,772	65,117,356
Furniture and equipment	5,002,392	4,518,315	484,077
Total capital assets	<u>\$245,865,106</u>	<u>\$234,353,832</u>	<u>\$ 11,511,274</u>

Debt Administration.

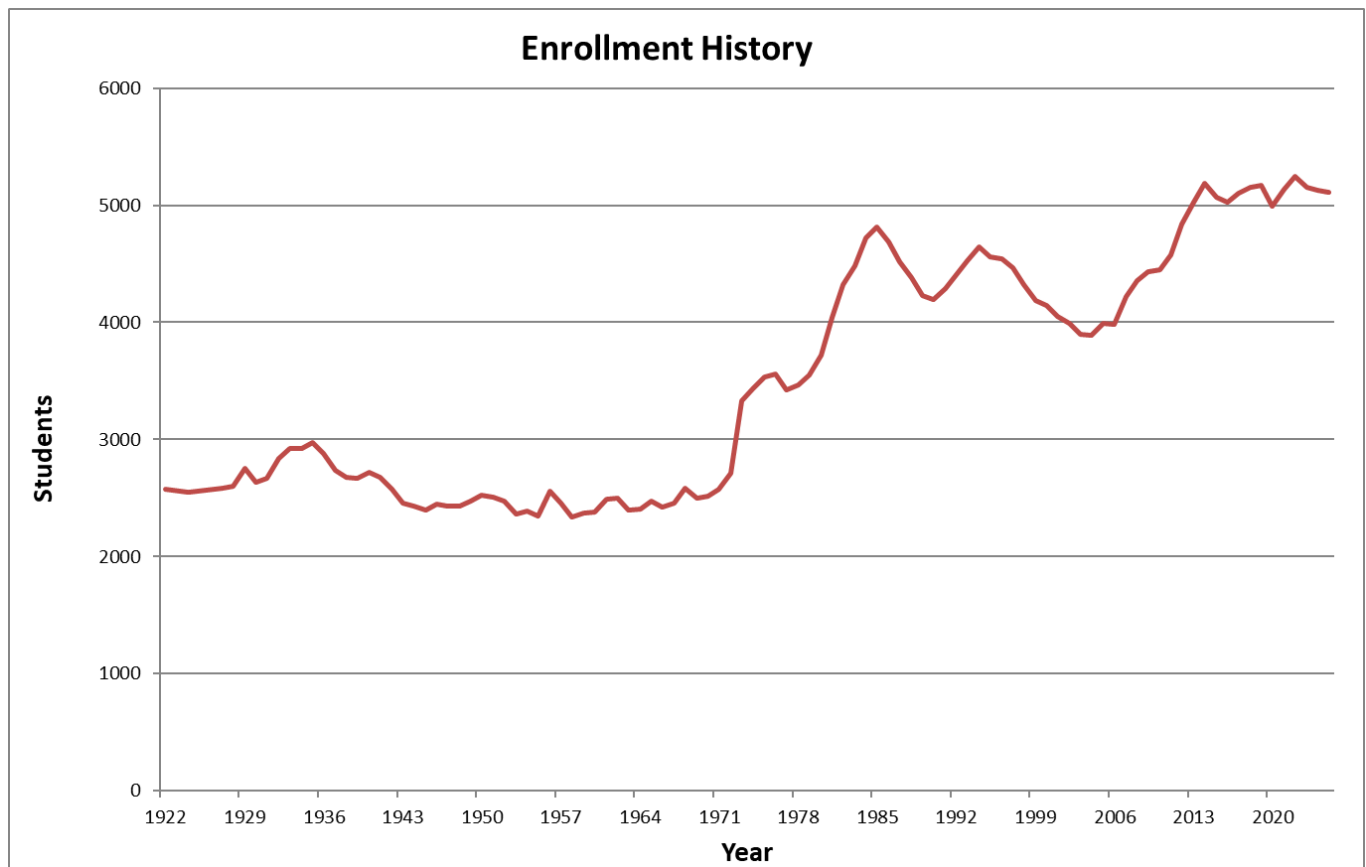
General obligation debt is limited by Utah Law to 4% of the market value of property. Current unused legal debt capacity is \$145 million or 77%.

Outstanding long-term debt as of June 30, 2025

	2025	2024	Total Change
General obligation bonds	\$ 43,730,000	\$ 47,679,000	\$ (3,949,000)
Lease revenue bonds	75,708,000	54,362,000	21,346,000
Loans	6,051,232	8,038,951	(1,987,719)
Unamortized bond issuance premium	4,710,146	3,636,898	1,073,248
Total debt	<u>\$ 130,199,378</u>	<u>\$ 113,716,849</u>	<u>\$ 16,482,529</u>

Student Enrollment

Enrollment declined approximately 2% per year from 1994 to 2004 with a total decline of 755 students. Aging population and the loss of jobs in a depressed economy contributed to the decline. In 2004 the high price of oil created a rebound in the local economy and spawned increased enrollment in all grades, and a younger population bringing increases in birth rates and student enrollment that moved up through the grades. From 2004 to 2014 enrollments increased 3% per year with a total increase for that period of 33%. A decline in oil prices and the opening of a charter school slowed the rate of growth and resulted in a loss of 160 students from 2015 through 2016. During 2017 to 2019 enrollments grew slightly again. Fall of 2020 with the COVID-19 pandemic, brought decreased enrollment and more online enrollment. In 2021 the students returned to the District and live instruction and new economic growth also increased enrollment. In 2023 through 2025 enrollment decreased 2% as a small bubble of students graduated.

**Requests for Information**

This financial report is designed to provide an overview of the District's finances. Any questions regarding this information or requests for additional information should be directed to the Business Administrator, Duchesne School District, 1010 East 200 North, Roosevelt, Utah, 84066 or by visiting dcsd.org.

Basic Financial Statements

DUCHESNE COUNTY SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

	Governmental Activities
Assets:	
Cash and investments	\$ 51,500,476
Restricted cash	23,113,548
Receivables:	
Property taxes	33,223,276
Other governments	1,124,442
Local	-
Inventories and prepaid expenses	688,650
Net pension asset	-
Capital assets:	
Land and construction in progress	11,328,586
Buildings and other capital assets, net of depreciation	234,536,520
Technology subscriptions, net of amortization	4,717
Total assets	<u>355,520,215</u>
 Deferred Outflows of Resources:	
Deferred outflows of resources relating to pensions	<u>10,954,030</u>
Total assets and deferred outflows	<u>366,474,245</u>
 Liabilities:	
Accounts payable	2,825,955
Accrued interest	482,883
Accrued salaries and benefits	5,868,789
Unearned revenue, State	898,592
Noncurrent liabilities:	
Due within one year	14,862,861
Due after one year	119,328,671
Net pension liability	15,842,032
Technology subscription liability	
Due within one year	4,717
Due after one year	-
Total liabilities	<u>160,114,500</u>
 Deferred Inflows of Resources:	
Property taxes levied for future year	31,954,538
Resources relating to pensions	33,928
Total deferred inflows	<u>31,988,466</u>
 Net Position:	
Net investment in capital assets	115,665,728
Restricted for:	
Programs	2,103,547
School lunch	183,401
Pass-Through Taxes	-
Trust Fund	1,831,621
Student Activities	1,545,241
Capital projects	46,290,292
Debt service	122,591
Unrestricted	<u>6,628,858</u>
Total net position	<u>\$ 174,371,279</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2025

Functions	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Assets
					Total
					Governmental
					Activities
Governmental activities:					
Instructional services	\$ 50,436,006	\$ 1,851,443	\$ 15,204,233	\$ -	\$ (33,380,330)
Supporting services:					
Students	2,795,304	-	1,923,508	-	(871,796)
Instructional staff	3,156,643	-	1,268,711	-	(1,887,932)
District administration	572,348	-	-	-	(572,348)
School administration	4,607,508	-	215,137	-	(4,392,371)
Business	2,420,673	-	139,308	-	(2,281,365)
Operation and maintenance of facilities	8,418,906	-	298,445	4,834,937	(3,285,524)
Transportation	4,255,816	6,179	3,764,085	-	(485,552)
School lunch services	3,459,612	654,874	1,949,067	-	(855,671)
Interest on long-term liabilities	3,825,253	-	-	-	(3,825,253)
Total school district	<u>\$ 83,948,069</u>	<u>\$ 2,512,496</u>	<u>\$ 24,762,494</u>	<u>\$ 4,834,937</u>	<u>\$ (51,838,142)</u>
General revenues:					
Property taxes levied for:					
General purposes					17,231,116
Debt service					5,788,893
Capital outlay					11,565,133
Federal and state aid not restricted to specific purposes					25,615,548
Earnings on investments					2,641,764
Miscellaneous					2,640,827
Total general revenues					<u>65,483,281</u>
Change in net position					13,645,139
Net Position - beginning, as previously reported					163,728,397
Restatement due to GASB 101, Compensated Absences					(3,002,257)
Net position - beginning, as restated					<u>160,726,140</u>
Net position - ending					<u>\$ 174,371,279</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds		Other	Total
	General	Capital Projects	Governmental Funds	Governmental Funds
Assets:				
Cash and investments	\$ 21,960,042	\$ 26,049,665	\$ 3,490,769	\$ 51,500,476
Restricted cash - construction escrow	-	23,113,548	-	23,113,548
Accounts receivable:				
Property tax	16,347,863	11,241,804	5,633,609	33,223,276
Local	-	-	-	-
Due from lunch fund	456,884	-	-	456,884
State of Utah	249,885	-	136,394	386,279
Federal government	712,969	-	25,194	738,163
Inventories and prepaid expenditures	-	98,838	589,812	688,650
Total assets	<u>\$ 39,727,643</u>	<u>\$ 60,503,855</u>	<u>\$ 9,875,778</u>	<u>\$ 110,107,276</u>
Liabilities:				
Accounts payable	\$ 303,929	\$ 2,513,213	\$ 8,813	\$ 2,825,955
Accrued payroll and benefits	5,782,023	-	86,766	5,868,789
Unearned revenue, State	898,592	-	-	898,592
Total liabilities	<u>6,984,544</u>	<u>2,513,213</u>	<u>552,463</u>	<u>10,050,220</u>
Deferred Inflows of Resources:				
Unavailable property tax revenue	\$ 594,069	\$ 398,889	\$ 210,926	\$ 1,203,884
Property taxes levied for future year	15,721,961	10,818,578	5,413,999	31,954,538
Total deferred inflows of resources	<u>16,316,030</u>	<u>11,217,467</u>	<u>5,624,925</u>	<u>33,158,422</u>
Fund Balances:				
Nonspendable:				
Inventories	-	98,838	198,937	297,775
Restricted:				
Capital projects	-	44,674,337	-	44,674,337
Debt service	-	-	122,591	122,591
Nutrition services	-	-	-	-
Schools	-	-	101,000	101,000
Programs	2,103,547	-	-	2,103,547
Committed:				
Economic stabilization	2,900,000	-	-	2,900,000
Self insurance	375,000	2,000,000	-	2,375,000
Employee benefit obligations	1,790,223	-	-	1,790,223
Assigned:				
Students	-	-	3,275,862	3,275,862
Unassigned:	9,258,299	-	-	9,258,299
Total fund balances	<u>16,427,069</u>	<u>46,773,175</u>	<u>3,698,390</u>	<u>66,898,634</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 39,727,643</u>	<u>\$ 60,503,855</u>	<u>\$ 9,875,778</u>	<u>\$ 110,107,276</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

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

Total fund balance for governmental funds	\$ 66,898,634
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land	\$ 6,319,301	
Construction in progress	5,009,285	
Buildings and improvements, net of \$83,148,685 accumulated depreciation	229,534,128	
Furniture and equipment, net of \$10,444,121 accumulated depreciation	5,002,392	245,865,106

The net pension asset is not an available resource and therefore is not reported in the governmental funds.	-
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Some of the District's property taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as unavailable revenue in the funds.	1,203,884
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at year end are:

Net pension liability	(15,842,032)	
Deferred outflows of resources related to pensions	10,954,030	
Deferred inflows of resources related to pensions	(33,928)	
Debt payable	(125,489,232)	
Unamortized bond issuance premiums	(4,710,146)	
Accrued interest	(482,883)	
Compensated absences payable	(3,992,154)	(139,596,345)

Total net assets of governmental activities	\$ 174,371,279
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The notes to the financial statements are an integral part of this statement.

DUCHESNE COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

	Major Funds		Other	Total
	General	Capital Projects	Governmental Funds	Governmental Funds
Revenues:				
Property taxes	\$ 16,897,873	\$ 11,565,133	\$ 5,922,936	\$ 34,385,942
Earnings on investments	1,178,462	1,386,062	77,240	2,641,764
School lunch sales	-	-	654,874	654,874
Other local sources	781,641	631,768	3,210,040	4,623,449
State sources	45,119,796	4,834,937	462,229	50,416,962
Federal sources	3,309,179	-	1,486,838	4,796,017
Total revenues	67,286,951	18,417,900	11,814,157	97,519,008
Expenditures:				
Current:				
Instructional services	40,121,730	-	2,987,003	43,108,733
Supporting services:				
Students	2,746,453	-	-	2,746,453
Instructional staff	3,094,301	-	-	3,094,301
District administration	395,374	-	-	395,374
School administration	4,217,608	-	-	4,217,608
Business	2,362,739	-	-	2,362,739
Operation and maintenance of facilities	7,492,563	96,582	-	7,589,145
Transportation	3,807,045	-	-	3,807,045
School lunch services	-	-	3,054,549	3,054,549
Capital outlay	2,080,080	18,004,142	-	20,084,222
Debt service:				
Principal retirement	-	4,251,719	3,949,000	8,200,719
Interest and fiscal charges	-	2,248,324	1,746,038	3,994,362
Bond issuance and service costs	-	141,193	-	141,193
Total expenditures	66,317,893	24,741,960	11,736,590	102,796,443
Excess (deficiency) of revenues over (under) expenditures	969,058	(6,324,060)	77,567	(5,277,435)
Other financing sources (uses):				
Technology subscriptions	-	-	-	-
Bond & Loan Proceeds	-	25,137,860	-	25,137,860
Bond Refunding	-	-	-	-
Sale of capital assets	-	8,165	-	8,165
Total other financing sources (uses)	-	25,146,025	-	25,146,025
Net change in fund balances	969,058	18,821,965	77,567	19,868,590
Fund balances - beginning	15,458,011	27,951,210	3,620,823	47,030,044
Fund balances - ending	\$ 16,427,069	\$ 46,773,175	\$ 3,698,390	\$ 66,898,634

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

DUCHESNE COUNTY SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Government Funds to the Statement of Activities
Year Ended June 30, 2025

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

Net change in fund balances-total governmental funds **\$ 19,868,590**

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 and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 20,084,222	
Gain on disposal of capital assets	8,165	
Proceeds from sales of capital assets	(8,165)	
Depreciation expense	<u>(8,572,948)</u>	11,511,274

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

General obligation bond proceeds	(25,137,860)	
Bond refunding escrow payment	-	
Repayment of bond principal	8,200,719	
Amortization of bond premium	454,612	
Interest expense - bonds and loans	<u>(144,310)</u>	(16,626,839)

Delinquent property taxes are reported as deferred revenue in the governmental funds. However, they are reported as revenues in the statement of activities. 199,200

In the statement of activities, certain operating expenses -- compensated absences (vacation), and special 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, vacation payable increased by \$48,828 early retirement payable increased by \$73,527, and accrued sick leave increased by \$76,228. (198,583)

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

Pension expense	(1,108,503)
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Change in net assets of governmental activities **\$ 13,645,139**

DUCHESNE COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues:				
Property taxes	\$ 16,250,000	\$ 16,800,000	\$ 16,897,873	\$ 97,873
Earnings on investments	700,000	900,000	1,178,462	278,462
Other local sources	450,000	500,000	781,641	281,641
State sources	46,076,000	44,549,000	45,119,796	570,796
Federal sources	3,307,000	3,079,000	3,309,179	230,179
Total revenues	66,783,000	65,828,000	67,286,951	1,458,951
Expenditures:				
Current:				
Instructional services	42,000,000	41,000,000	40,186,836	813,164
Supporting services:				
Students	2,550,000	2,875,000	2,746,453	128,547
Instructional staff	2,600,000	2,900,000	3,094,301	(194,301)
District administration	480,000	420,000	395,374	24,626
School administration	4,390,000	4,350,000	4,217,608	132,392
Business	2,143,000	2,300,000	2,362,739	(62,739)
Operation and maintenance of facilities	9,260,000	10,160,000	8,702,929	1,457,071
Transportation	4,520,000	5,100,000	4,611,653	488,347
Total expenditures	67,943,000	69,105,000	66,317,893	2,787,107
Excess of revenues over expenditures	(1,160,000)	(3,277,000)	969,058	4,246,058
Fund balances - beginning	15,458,011	15,458,011	15,458,011	-
Fund balances - ending	\$ 14,298,011	\$ 12,181,011	\$ 16,427,069	\$ 4,246,058

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

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

1. Summary of Significant Accounting Policies

The financial statements of Duchesne County School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to local government units. The following is a summary of the significant accounting policies of the District.

The Reporting Entity – The District was established in 1915 as an independent political entity under the Constitution and laws of the State of Utah and provides elementary and secondary education in Duchesne County, Utah. The Board of Education, comprised of five elected officials, has primary governing authority for the District. Each Board Member is elected from the precinct in which they reside and serves for four years. The Board establishes policies, approves budgets, appoints administrators, and has authority to levy taxes and issue debt instruments. The District is not a component unit of any other government.

These financial statements present the activities of the District and its component units, the *Duchesne County School District Foundation* and the *Municipal Building Authority*, for which the District is considered to be financially accountable. Although a legally separate entity, a blended component unit is, in substance, a part of the District's operations.

Blended Component Units. The Duchesne County School District Foundation, established under Internal Revenue Service regulations as a nonprofit 501(c)(3) organization, raises tax-deductible donations for educational and charitable purposes, and is presented as a special revenue fund of the District. The Municipal Building Authority facilitates the issuance of financing for building projects.

Government-Wide and Fund Financial Statements – The *government-wide financial statements* (i.e. the statement of net position) reports on all of the non-fiduciary activities of the District and its component unit.

The statement of activities compares the expenses of the District, categorized by function or activity, to program revenues by function. Program revenues include fees paid by recipients of goods or services provided by a function, and grants that are restricted to a particular function. Taxes and other revenues not identified with a specific function are presented as general revenues.

Fund financial statements are provided for governmental funds. Each fund has a different purpose and is accounted for separately. The emphasis of the fund statements is on the major governmental funds with each reported in a separate column. Remaining governmental funds are aggregated and reported as non-major funds.

The District reports major governmental funds as follows:

- ❑ The *general fund* is the District's primary operating fund. It accounts for all financial resources not required to be in another fund.
- ❑ The *capital projects fund* accounts for the accumulated resources and payments to acquire building sites, construct and remodel facilities, and procurement of equipment and supplies.

Basis of Accounting – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred regardless of when related cash flows take place. Property taxes are recognized as revenues when levied. Grant revenues are recognized when eligibility requirements are satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when both measurable and available. The District considers revenues to be available if collectable within thirty days after year-end with the exception of property taxes which are accrued when levied. Expenditures are recorded when a liability is incurred except for early retirement, and compensated absences, which are recognized to the extent they have matured. When both restricted and unrestricted resources are available for use, restricted resources are used first. Unrestricted resources are also used: committed first, followed by assigned, and then unassigned.

Budgetary Data - Budgets are prepared on the modified accrual basis of accounting. Annual appropriations lapse at the end of each fiscal year with the exception of restricted programs indicated as an assigned fund balance. The following procedures are used to establish budgets:

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

- ❑ A proposed budget for the fiscal year commencing July 1 is submitted to the Board of Education during a public hearing in June.
- ❑ The budget is legally adopted by the Board prior to June 30.
- ❑ A final budget, including any interim adjustments approved by the Board, is adopted the following June just prior to year-end.
- ❑ Expenditures may not legally exceed budgeted appropriations at the fund level.

Inter-fund Balances – Most internal fund activity has been eliminated from the government-wide statement of activities. There were no inter-fund payables or receivables to be eliminated from the financial statements.

Inventories and Prepaid Expenses – Inventories are valued using a weighted moving average cost, or fair value if donated. An equal reservation of fund balance as nonspendable is reported to indicate they are not “expendable resources.”

Capital Assets – Assets are capitalized and depreciated using the straight-line method according to the schedule blow. Assets are reported at cost or estimated historical cost in the government-wide financial statements. Land and construction in progress are not depreciated.

<u>Asset Class</u>	<u>Useful Life (Years)</u>	<u>Capitalization Threshold</u>
Land	N/A	\$ 5,000
Buildings	45	100,000
Remodeling, Improvements, Systems	20	100,000
Athletic, Instructional, & Musical Equipment	10	5,000
Kitchen Custodial & Grounds Equipment	15	5,000
Computers, Copiers	5	5,000
Furniture	20	5,000
Vehicles (Cars, Trucks, Buses)	10	5,000

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) 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 will not be recognized as an inflow of resources (revenue) until that time.

These items are reported in the government-wide statement of net position. Accordingly, the item, *deferred outflows of resources related to pensions*, is reported and includes a) changes of assumptions in the measurement of the net pension liability (asset), b) net difference between projected and actual earnings on pension plan investments, c) changes in proportion and differences between contributions and proportionate share of contributions, and d) District contributions subsequent to the measurement date.

Deferred inflows of resources related to pensions is reported on the statement of net position and includes a) differences between expected and actual experience, b) changes of assumptions in the measurement of the net pension liability (asset), and c) net difference between projected and actual earnings on pension plan investments, and d) changes in proportion and differences between District contributions and proportionate share of contributions.

Under the modified accrual basis of accounting the item, *unavailable property tax revenue*, is reported in the governmental funds balance sheet and consists of uncollected, delinquent property taxes. The item, *property taxes levied for future year*, is reported in both the statement of net position and the governmental funds balance sheet and accounts for a property tax lien that is effective in January but the taxes levied will be collected for the following school year.

Net Position/Fund Balances—The residual of all other elements presented in a statement of net position is *net position* and the residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*. Net position is divided into three components: net investment in capital assets (capital assets net of related debt less unspent bond proceeds), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon it by external parties or are imposed by constitutional provisions or enabling legislation.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

Fund Balance Classification – The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the District is bound to honor them. The classifications are as follows:

- ❑ *Nonspendable* are in the form of inventories instead of cash.
- ❑ *Restricted* have external constraints imposed by creditors, grantors, laws, or other government entities.
- ❑ *Committed* can only be used for purposes established by the Board of Education or contractual obligations.
 - The District has committed an “undistributed reserve” for economic stabilization to cover potential budget cuts or other significant events and to maintain liquidity as per Utah Code 53A-19-103. The commitment can only be used by resolution of the Board of Education and cannot be used in the settlement of contract salaries.
 - The self-insurance balance in the capital fund has been committed to repair any major building failures.
 - Employee benefit obligations include commitments for accrued vacation and early retirement incentives.
- ❑ *Assigned* amounts include remaining balances of other governmental funds and programs.
- ❑ Residual balances become *unassigned*.

Fund balance flow assumptions – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

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.

2. Deposits and Investments

Resources from all funds are pooled for deposit and investment purposes. A separate accounting is maintained for each fund. Deposits and investments are stated at fair value, and are managed according to the Utah Money Management Act.

Deposits and investments at year-end appear in the financial statements as summarized below:

Cash	\$ 2,726,335
Unexpended cash from bond proceeds	23,113,548
Investments	48,774,141
Total cash and investments	<u>\$74,614,024</u>
Cash and investments - governmental funds, balance sheet	<u>\$74,614,024</u>
Total cash and investments	<u>\$74,614,024</u>

The District complies with the State Money Management Act (Utah Code Title 51, Chapter 7) (the Act) and related Rules of the Money Management Council (the Council) in handling our depository and investing transactions. Our funds are deposited in qualified depositories as defined by the Act. The Act also authorizes us to invest in the Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, US Treasury obligations, US agency issues, first-tier 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. We consider the rules of the Council to be necessary and enough for adequate protection of our uninsured bank deposits.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

Deposits

The carrying amount of bank deposits at year-end was \$2,726,335 and the bank balance was \$3,756,559 of which \$382,551 was covered by federal depository insurance, \$0 was collateralized, and \$3,374,008 was exposed to custodial credit risk as uninsured and uncollateralized.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government’s deposits may not be returned to it. We do not have a formal deposit policy for custodial credit risk. The uninsured amount of our bank deposits was uncollateralized nor is it required by state law.

Investments

The Money Management Act defines the types of securities and the conditions for making investments. Only qualified depositories and certified dealers may conduct transactions.

Investments are primarily through the Utah Public Treasurers’ Investment Fund (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. 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 consists of debt securities held by the state or in the state’s name by the state’s custodial banks, including investment-grade corporate bonds and notes, 94.0%; money market mutual funds, 1%; and first-tier commercial paper, 5.3%. The portfolio has a weighted average maturity of 83 days. The majority of the PTIF’s corporate bonds and notes are variable-rate securities, which reset every three months to the prevailing market interest rates. The PTIF is not rated. The PTIF has no debt securities with more than 5% of its total investments in a single issuer. The reported value of the pool is the same as the fair value of the pool shares.

As of June 30 the District had the following investments maturities and corresponding quality ratings:

Investment Type	Quality Rating	Fair Value	Investment Maturities (in years)			
			Less than 1	1-5	6-10	More than 10
State of Utah						
Public Treasurer's Investment Fund (PTIF)	Unrated	\$ 48,774,141	\$ 48,774,141	-	-	-
PTIF - Restricted cash, bond proceeds	Unrated	23,113,548	23,113,548	-	-	-
		-		-		
Total Investments		<u>\$ 71,887,689</u>	<u>\$ 71,887,689</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Interest rate risk – The risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The Money Management Act requires the remaining term to maturity of an investment may not exceed the availability of the funds to be invested.

Credit risk – The risk that an issuer will not fulfill its obligations. The Act limits 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 or by Standard & Poor’s.

Custodial credit risk – In the event of the failure of a counter party, this is the risk that the District would not be able to recover the value of an investment or collateral securities in the possession of an outside party. Our policy for managing this risk is to comply with the Act and related rules.

Concentration of credit risk – The risk of loss due to the magnitude of investments in a single issuer. The Act does not place any investment limitations on securities issued by the U.S. government and its agencies.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

3. Fair Value Measurements

In 2016, the District adopted Government Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*.

The new standard provides guidance for determining a fair value measurement for financial reporting purposes. The standard also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

The District's financial statements are not affected by this new standard.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of the end of the fiscal year:

- Public Treasurers' Investment Fund of \$71,887,689 held in the PTIF are valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

4. Property Taxes

The Duchesne County Treasurer collects property taxes for the District according to Utah statutes. A tax lien attaches to property as of January 1. Taxes are levied on September 1 and are payable on November 30. Motor vehicles are subject to an "age-based" fee due each year at registration, which is recognized as property tax revenue by the District when collected.

At year-end the District reported deferred inflows of resources for property taxes in the fund financial statements of \$33,158,422. A major portion of this accrual, \$31,954,538, represents taxes levied on January 1 that are not due and collectable until November, does not meet the revenue recognition criteria, and is also reported as deferred inflows of resources in the District-wide financial statements in the current reporting period. The remainder represents delinquent taxes that are reported as revenue.

5. Technology Subscriptions / Subscription Based Information Technology Arrangements (SBITA)

Short-term SBITAs for educational technology lasting twelve months or less are expensed when incurred. The District may enter into long-term SBITAs of up to six years. The District had no subscription assets.

5. Capital Assets

Construction was completed to replace the older portion of Duchesne High School with \$66,301,165 expended. This included renovating the old bowling alley into an educational space. The project was financed with Capital Fund revenues, a loan from the State, and lease revenue bonds. Construction was also completed at Altamont High School to replace the shops with \$6,575,028 expended, and it was financed with capital fund local revenues. The Altamont Elementary replacement and High School gymnasium was well under way with 5,009,285 expended. The project was financed with a grant from the State in the amount of \$4,800,073, lease revenue bonds for \$23,610,000, and the rest from capital fund tax revenues.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

Capital asset activity for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 6,319,301	\$ -	\$ -	\$ 6,319,301
Construction in progress	59,099,444	18,786,034	(72,876,193)	5,009,285
Total capital assets, not being depreciated	65,418,745	18,786,034	(72,876,193)	11,328,586
Capital assets, being depreciated:				
Buildings and improvements	242,424,866	72,876,193	(2,618,246)	312,682,813
Furniture and equipment	14,301,056	1,298,188	(152,731)	15,446,513
Total capital assets, being depreciated	256,725,922	74,174,381	(2,770,977)	328,129,326
Accumulated depreciation for:				
Buildings and improvements	(78,008,094)	(7,758,837)	2,618,246	(83,148,685)
Furniture and equipment	(9,782,741)	(814,111)	152,731	(10,444,121)
Total accumulated depreciation	(87,790,835)	(8,572,948)	2,770,977	(93,592,806)
Total capital assets, being depreciated, net	168,935,087	65,601,433	-	234,536,520
Governmental activities capital assets, net	<u>\$ 234,353,832</u>	<u>\$ 84,387,467</u>	<u>\$ (72,876,193)</u>	<u>\$ 245,865,106</u>

Depreciation expense for the year ended June 30, 2025 was allocated to functions of the District as follows:

Governmental activities:	
Instructional services	\$ 6,485,478
Supporting services:	
District administration	171,817
School administration	274,792
Business	22,944
Operation and maintenance of facilities	709,000
Transportation	394,390
School lunch services	514,527
Total depreciation expense, governmental activities	<u>\$ 8,572,948</u>

The District is obligated at June 30, 2025 under construction commitments for Altamont Elementary and High School gymnasium with \$48,422,600 authorized for the project, \$5,009,285 costs to date, and \$43,413,315 still to complete. Funding necessary to fulfill these commitments is on hand in the capital projects fund balance.

6. Retirement Plans

General Information About the Pension Plan

Plan Description: Eligible plan participants are provided with pensions through the Utah Retirement Systems. Utah Retirement Systems (URS) are comprised of the following Pension Trust Funds:

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

Defined Benefit Plans

- Public Employees Noncontributory Retirement System (Noncontributory System);
- Public Employees Contributory Retirement System (Contributory System);
are multiple employer, cost sharing, retirement systems.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System)
is a multiple employer cost sharing public employee 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 the 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 of the Utah Code grants the 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/general/publications.

Summary of Retirement Benefits by System

Benefits provided: URS provides retirement, disability, and death benefits.

Retirement benefits are as follows:

System	Final Average Salary	Years of service required and/ or age eligible for benefit	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	2.0% 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% per year July 1975 to present	Up to 4%
Tier 2	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%

* Actuarial reductions are applied.

** 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.

Contribution Rate Summary

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 Utah State Retirement 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 are as follows:

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

	<u>Employee Paid</u>	<u>Paid by employer for employee</u>	<u>Employer Contribution Rate</u>	<u>Employer rate for 401(k) plan</u>
Contributory System				
12 State / School - Tier 1	1.00	5.00	17.20	n/a
112 State / School – Tier 2	0.70		19.52	0.00
Noncontributory System				
16 State / School – Tier 1	N/A		21.69	1.50
Tier 2 DC Only				
212 State and School	N/A		9.52	10.00

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

Employer and employee contributions for the fiscal year were:	<u>Employer</u>	<u>Employee</u>
Noncontributory System	\$ 3,272,683	-
Contributory System	20,091	5,492
Tier 2 Public Employees System	3,139,312	94,158
Tier 2 DC Only System	241,389	-
Total Contributions	<u>\$ 6,673,476</u>	<u>\$99,650</u>

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

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

At June 30 we reported the following net pension asset and net pension liability:

	<u>Measurement Date: December 31, 2024</u>				
	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Proportionate Share</u>	<u>Proportionate Share December 31, 2023</u>	<u>Change (Decrease)</u>
Noncontributory System	\$ -	\$ 13,692,848	0.6053102%	0.5916112%	0.0136990%
Contributory System	-	579,771	1.9600154%	1.5257394%	0.4342760%
Tier 2 Public Employees System	-	1,569,412	0.5262264%	0.5299184%	-0.0036920%
Total	<u>\$ -</u>	<u>\$ 15,842,031</u>			

The net pension asset and liability were measured as of December 31, 2024 and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2024 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 fiscal year we recognized pension expense of \$7,772,423.

At June 30 we reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 4,025,143	\$ 10,812
Changes in assumptions	998,283	162
Net difference between projected and actual earnings on pension plan investments	2,344,963	-
Changes in proportion and differences between contributions and proportionate share of contributions	308,362	22,954
Contributions subsequent to the measurement date	<u>3,277,279</u>	<u>-</u>
Total	<u>\$ 10,954,030</u>	<u>\$ 33,928</u>

DUCHESNE COUNTY SCHOOL DISTRICT
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\$3,277,279 was 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, 2024. 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:

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 3,206,002
2026	4,420,088
2027	(759,637)
2028	(9,526)
2029	350,912
Thereafter	434,984

Noncontributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, we recognized pension expense of \$5,711,925. At June 30 we reported deferred outflows and deferred inflows of resources relating to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,346,675	\$ -
Changes in assumptions	474,120	-
Net difference between projected and actual earnings on pension plan investments	2,067,108	-
Changes in proportion and differences between District contributions and proportionate share of contributions	62,515	-
Contributions subsequent to the measurement date	1,612,199	-
Total	<u>\$ 7,562,617</u>	<u>\$ -</u>

\$ 1,612,199 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, 2024. These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions, will be recognized in pension expense as follows:

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 3,028,603
2026	3,881,215
2027	(813,359)
2028	(146,042)
2029	-
Thereafter	-

Contributory System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2025, we recognized pension expense of (\$346,112). At June 30 we reported deferred outflows and deferred inflows of resources relating to pensions from the following sources:

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	177,546	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	7,539	-
Total	<u>\$ 185,085</u>	<u>\$ -</u>

\$ 7,539 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, 2024. 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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2025	\$ (3,824)
2026	259,248
2027	(66,575)
2028	(11,303)
2029	-
Thereafter	-

Tier 2 Public Employees System Pension Expense, and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2024 we recognized pension expense of \$1,714,385. At June 30 we reported deferred outflows of resources and deferred inflows of resources relating to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 678,470	\$ 10,812
Changes in assumptions	524,164	162
Net difference between projected and actual earnings on pension plan investments	100,309	-
Changes in proportion and differences between District contributions and proportionate share of contributions	245,847	22,954
Contributions subsequent to the measurement date	1,657,540	-
Total	<u>\$ 3,206,330</u>	<u>\$ 33,928</u>

\$1,657,540 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, 2024. 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:

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2025	\$ 181,223
2026	279,625
2027	120,298
2028	147,819
2029	350,912
Thereafter	434,984

Actuarial Assumptions: The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: Inflation 2.50 percent; Salary increases 3.5 – 9.5 percent, average, including inflation; Investment rate of return 6.85 percent, net of pension plan investment expense, including inflation. Mortality rates were adopted from an actuarial experience study dated January 1, 2024. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement assumption using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2023, valuation were based on an actuarial experience study for the period ending December 31, 2022.

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:

Asset Class	Expected Return Arithmetic Basis		
	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity securities	35%	7.01%	2.45%
Debt securities	20%	2.54%	0.51%
Real assets	18%	5.45%	0.98%
Private equity	12%	10.05%	1.21%
Absolute return	15%	4.36%	0.65%
Cash and cash equivalents	0%	0.49%	0.00%
Total	<u>100%</u>		<u>5.80%</u>
Inflation			<u>2.50%</u>
Expected arithmetic nominal return			<u>8.30%</u>

The 6.85% assumed investment rate of return is comprised of an inflation rate of 2.50%, and a real return of 4.35% that is net of investment expense.

Discount rate: The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the 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.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

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 6.85 percent, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1.00 percentage-point lower (5.85 percent) or 1.00 percentage-point higher (7.85 percent) than the current rate:

System	1% Decrease 5.85%	Discount Rate 6.85%	1% Increase 7.85%
Noncontributory System	\$ 35,112,263	\$ 13,692,848	\$ (4,281,158)
Contributory System	1,603,379	579,771	(308,300)
Tier 2 Public Employees System	4,687,453	1,569,413	(856,116)
Total	<u>\$ 41,403,095</u>	<u>\$ 15,842,032</u>	<u>\$ (5,445,574)</u>

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. The District participates in the following Defined Contribution Savings Plans with Utah Retirement Systems: 401 (k) Plan, 457(b) Plan, Roth IRA Plan, and Traditional IRA Plan. Contributions to the Defined Contribution Savings Plans for the fiscal year were as follows:

Fiscal Year	401(k)		457	IRA & Roth
	District Contributions	Employee Contributions	Employee Contributions	Employee Contributions
2025	\$ 488,734	\$ 680,395	\$ 12,029	\$ 109,271
2024	451,846	543,779	6,149	99,036
2023	399,925	449,700	5,435	93,078

OPEB & Termination Benefits – The Governmental Accounting Standards Board (GASB) Statement No. 45 requires the entire liability for Other Post-Employment Benefits (post-retirement health care benefits) to be accrued. The District does not offer any OPEB plans and has no liability under GASB Statement No. 45.

The District does offer voluntary termination benefits which are governed by GASB Statement No. 47 and are recognized to the extent they become payable in the current year. The District offers an early retirement incentive, for up to four years or until Medicare eligibility, to employees with at least ten years of employment. The incentive is half the savings of hiring a replacement employee and allows retirees to purchase health care coverage prior to becoming eligible for Medicare at 137% of the employee rate. The discounted present value method was used to value the expected future benefit payments with a 5% discount rate and 7% health care inflation trend.

Outstanding termination benefits payable as of June 30, 2025			Total
	2025	2024	Change
Early retirement incentive	\$ 413,845	\$ 333,130	\$ 80,715
Retiree health plan	-	7,188	(7,188)
Total early retirement benefits payable	<u>\$ 413,845</u>	<u>\$ 340,318</u>	<u>\$ 73,527</u>

7. Risk Management

The District carries insurance coverage for general, automotive, personal injury, errors and omissions, and malpractice liability up to \$10 million per occurrence through policies issued by Utah State Risk Management Fund, a public entity risk pool. The District also insures its buildings and vehicles through the same entity. Unemployment compensation is handled on a cost of benefits reimbursement basis with the State of Utah. Worker's compensation insurance is pooled with other districts in the state through the Utah School Boards Risk Management Mutual Insurance Association.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2025

8. Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2025 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 47,679,000		\$ (3,949,000)	\$ 43,730,000	\$ 4,068,000
Lease revenue bonds	54,362,000	23,610,000	(2,264,000)	75,708,000	4,457,000
Loans	8,038,951	-	(1,987,719)	6,051,232	1,999,802
Unamortized bond premiums	3,636,898	1,527,860	(454,612)	4,710,146	672,878
Total debt payable	113,716,849	25,137,860	(8,655,331)	130,199,378	11,197,680
Other Liabilities					
Net pension liability	13,295,145	5,093,774	(2,546,887)	15,842,032	-
Accrued sick leave payable *	3,002,258	76,228		3,078,486	3,012,362
Accrued vacation payable	450,995	488,548	(439,720)	499,823	487,327
Early retirement benefits payable	340,318	231,612	(158,085)	413,845	165,492
Total other liabilities	17,088,716	5,890,162	(3,144,692)	19,834,186	3,665,181
Total long-term liabilities	\$ 130,805,565	\$ 31,028,022	\$ (11,800,023)	\$ 150,033,564	\$ 14,862,861

* Presented as a net change

Payments on the general obligation bonds and leases are made by the debt service and capital outlay funds from property taxes. Accrued vacation and early retirement will be paid by the fund in which the employee worked.

Debt reserve and sinking fund requirements are located in the footnotes of the supplemental information *Continuing Disclosure Undertaking*.

The District's lease revenue bonds are direct borrowings and placements related to governmental activities and contain a provision that in the event of default, outstanding amounts become immediately due if the District is unable to make payment. The lease revenue bonds are secured by school buildings as follows: Series 2022 & 2025 - Duchesne High and Altamont; Series 2019 - Union High; Series 2017 - Tabiona Community Center; Series 2011A - Altamont High School; Series 2005 - Jr. High School Auditorium. The outstanding loans are unsecured.

Debt Service Schedule of Outstanding General Obligation Bonds, Lease Revenue Bonds, and Loans

Annual amortization of debt principle and interest as of June 30, 2025 is as follows:

	Lease Revenue Building Bonds		Lease Revenue Building Bonds		Qualified School Construction Bonds (QSCB)		Lease Revenue Building Loan		General Obligation Building Bonds	
Issue Date	2019		2005		2011		2023		2022	
Original Amount	\$22,683,000		\$3,000,000		\$9,000,000		\$10,000,000		\$15,803,000	
Interest Rate	2.74%		0.00%		0.44%		1.00%		1.92%	
Maturity Date	6/1/2035		6/15/2026		3/1/2026		1/1/2028		6/1/2029	
Year Ending										
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,074,000	\$ 394,372	\$ 150,000	\$ -	\$ 643,000	\$ 2,814	\$ 1,999,802	\$ 60,596	\$ 2,568,000	\$ 192,101
2026	459,000	376,651	-	-	-	-	2,019,800	40,598	2,615,000	145,363
2027	466,000	368,389	-	-	-	-	2,031,630	20,400	2,662,000	97,770
2028	476,000	359,069	-	-	-	-	-	-	2,710,000	49,322
2029	25,000	348,835	-	-	-	-	-	-	-	-
2030-2034	11,433,000	1,416,641	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total	<u>\$ 13,933,000</u>	<u>\$ 3,263,955</u>	<u>\$ 150,000</u>	<u>\$ -</u>	<u>\$ 643,000</u>	<u>\$ 2,814</u>	<u>\$ 6,051,232</u>	<u>\$ 121,594</u>	<u>\$ 10,555,000</u>	<u>\$ 484,556</u>

	Lease Revenue Building Bonds		General Obligation Building Bonds		Lease Revenue Building Bonds		Lease Revenue Building Bonds				
Issue Date	2022		2016		2017		2025				
Original Amount	\$36,730,000		\$39,000,000		\$2,684,000		\$23,610,000				
Interest Rate	4.36%		2.99%		2.50%		3.49%		Total Debt		
Maturity Date	6/1/2041		6/1/2032		3/1/2038		6/1/2032				
Year Ending									Total	Total	Grand
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
2025	\$ 310,000	\$ 1,690,856	\$ 1,500,000	\$ 1,436,500	\$ 125,000	\$ 47,275	\$ 2,155,000	\$ 1,354,296	\$ 10,524,802	\$ 5,178,810	\$ 15,703,612
2026	325,000	1,675,356	3,000,000	1,361,500	128,000	44,150	2,430,000	1,072,750	10,976,800	4,716,368	15,693,168
2027	345,000	1,659,106	3,150,000	1,211,500	131,000	40,950	2,560,000	951,250	11,345,630	4,349,365	15,694,995
2028	360,000	1,641,856	3,300,000	1,054,000	134,000	37,675	4,185,000	823,250	11,165,000	3,965,172	15,130,172
2029	380,000	1,623,856	7,125,000	889,000	138,000	34,325	3,895,000	614,000	11,563,000	3,510,016	15,073,016
2030-2034	2,205,000	7,814,281	15,100,000	912,000	742,000	118,200	8,385,000	634,000	37,865,000	10,895,122	48,760,122
2035-2039	27,560,000	4,953,431	-	-	324,000	20,650	-	-	27,884,000	4,974,081	32,858,081
2040-2041	4,165,000	171,806	-	-	-	-	-	-	4,165,000	171,806	4,336,806
Total	<u>\$ 35,650,000</u>	<u>\$ 21,230,550</u>	<u>\$ 33,175,000</u>	<u>\$ 6,864,500</u>	<u>\$ 1,722,000</u>	<u>\$ 343,225</u>	<u>\$ 23,610,000</u>	<u>\$ 5,449,546</u>	<u>\$ 125,489,232</u>	<u>\$ 37,760,740</u>	<u>\$ 163,249,972</u>

Individual Fund Statements

DUCHESNE COUNTY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue						Total Nonmajor Governmental Funds
	School Lunch	Pass-Through Taxes	Trust Fund	Student Activities	Total	Debt Service	
Assets:							
Cash and investments	\$ -	\$ -	\$ 1,831,621	\$ 1,545,241	\$ 3,376,862	\$ 113,907	\$ 3,490,769
Accounts receivable:							
Local	-	-	-	-	-		-
Property tax	-	-	-	-	-	5,633,609	5,633,609
State of Utah	136,394	-	-	-	136,394	-	136,394
Federal government	25,194	-	-	-	25,194	-	25,194
Inventories	589,812	-	-	-	589,812	-	589,812
Total assets	<u>\$ 751,400</u>	<u>\$ -</u>	<u>\$ 1,831,621</u>	<u>\$ 1,545,241</u>	<u>\$ 4,128,262</u>	<u>\$ 5,747,516</u>	<u>\$ 9,875,778</u>
Liabilities:							
Accounts payable	\$ 8,813	\$ -	\$ -	\$ -	\$ 8,813	\$ -	\$ 8,813
Accrued payroll and benefits	86,766	-	-	-	86,766	-	86,766
Due to general fund	456,884	-	-	-	456,884	-	456,884
Deferred property tax revenue	-	-	-	-	-	-	-
Total liabilities	<u>552,463</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>552,463</u>	<u>-</u>	<u>552,463</u>
Deferred Inflows of Resources:							
Unavailable property tax revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 210,926	\$ 210,926
Property taxes levied for future year	-	-	-	-	-	5,413,999	5,413,999
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,624,925</u>	<u>5,624,925</u>
Fund balances:							
Nonspendable:							
Inventories	198,937	-	-	-	198,937	-	198,937
Restricted:							
Debt service	-	-	-	-	-	122,591	122,591
Schools	-	-	101,000	-	101,000	-	101,000
Nutrition services	-	-	-	-	-	-	-
Extra-curricular	-	-	-	-	-	-	-
Assigned:							
Students	-	-	1,730,621	1,545,241	3,275,862	-	3,275,862
Total fund balances	<u>198,937</u>	<u>-</u>	<u>1,831,621</u>	<u>1,545,241</u>	<u>3,575,799</u>	<u>122,591</u>	<u>3,698,390</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 751,400</u>	<u>\$ -</u>	<u>\$ 1,831,621</u>	<u>\$ 1,545,241</u>	<u>\$ 4,128,262</u>	<u>\$ 5,747,516</u>	<u>\$ 9,875,778</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2025

	Special Revenue						Total Nonmajor Governmental Funds
	School Lunch	Pass-Through Taxes	Trust Fund	Student Activities	Total	Debt Service	
Revenues:							
Property tax	\$ -	\$ 134,043	\$ -	\$ -	\$ 134,043	\$ 5,788,893	\$ 5,922,936
Student fees	-	-	-	1,766,826	1,766,826	-	1,766,826
Lunch sales	654,874	-	-	-	654,874	-	654,874
Earnings on investments	-	-	70,658	6,582	77,240	-	77,240
Other local revenues	-	-	343,860	1,099,354	1,443,214	-	1,443,214
State aid	462,229	-	-	-	462,229	-	462,229
Federal aid	1,486,838	-	-	-	1,486,838	-	1,486,838
Total revenues	<u>2,603,941</u>	<u>134,043</u>	<u>414,518</u>	<u>2,872,762</u>	<u>6,025,264</u>	<u>5,788,893</u>	<u>11,814,157</u>
Expenditures:							
Current:							
Instructional services	-	134,043	72,358	2,780,602	2,987,003	-	2,987,003
School lunch services	3,054,549	-	-	-	3,054,549	-	3,054,549
Debt service:							
Principal retirement	-	-	-	-	-	3,949,000	3,949,000
Interest and fiscal charges	-	-	-	-	-	1,746,038	1,746,038
Total expenditures	<u>3,054,549</u>	<u>134,043</u>	<u>72,358</u>	<u>2,780,602</u>	<u>6,041,552</u>	<u>5,695,038</u>	<u>11,736,590</u>
Excess of revenues over expenditures	(450,608)	-	342,160	92,160	(16,288)	93,855	77,567
Other financing sources:							
Transfer in (out)	-	-	-	-	-	-	-
Net change in fund balances	(450,608)	-	342,160	92,160	(16,288)	93,855	77,567
Fund balances - beginning	<u>649,545</u>	<u>-</u>	<u>1,489,461</u>	<u>1,453,081</u>	<u>3,592,087</u>	<u>28,736</u>	<u>3,620,823</u>
Fund balances - ending	<u>\$ 198,937</u>	<u>\$ -</u>	<u>\$ 1,831,621</u>	<u>\$ 1,545,241</u>	<u>\$ 3,575,799</u>	<u>\$ 122,591</u>	<u>\$ 3,698,390</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
School Lunch
Nonmajor Special Revenue Fund
Year Ended June 30, 2025
With Comparative Totals for 2024

	<u>2025</u>	<u>2024</u>
	<u>Actual Amounts</u>	<u>Actual Amounts</u>
Revenues:		
Local sources:		
Lunch sales - students	\$ 598,667	\$ 570,080
Lunch Sales - adult	38,566	38,552
Earnings on investments	-	-
Other sales	17,641	40,036
Total local sources	<u>654,874</u>	<u>648,668</u>
State sources:		
State lunch program	462,229	487,497
Total state sources	<u>462,229</u>	<u>487,497</u>
Federal sources:		
Child nutrition program	1,354,472	1,495,839
Donated commodities	132,366	186,797
Total federal sources	<u>1,486,838</u>	<u>1,682,636</u>
Total revenues	<u>2,603,941</u>	<u>2,818,801</u>
Expenditures:		
Current:		
Salaries	1,030,496	959,107
Employee benefits	271,188	278,339
Purchased services	26,862	44,442
Food	1,234,122	1,308,464
Other supplies	155,644	328,330
Equipment	211,237	331,308
Indirect cost allocation	125,000	289,786
Total expenditures	<u>3,054,549</u>	<u>3,539,776</u>
Excess (deficiency) of revenues over expenditures	<u>(450,608)</u>	<u>(720,975)</u>
Other financing sources (uses):		
Transfer in (out)	-	-
Net change in fund balances	(450,608)	(720,975)
Fund balances - beginning	<u>649,545</u>	<u>1,370,520</u>
Fund balances - ending	<u>\$ 198,937</u>	<u>\$ 649,545</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Pass-Through Taxes
Nonmajor Special Revenue Fund
Year Ended June 30, 2025
With Comparative Totals for 2024

	<u>2025</u>	<u>2024</u>
	<u>Actual Amounts</u>	<u>Actual Amounts</u>
Revenues:		
Local sources:		
Property taxes	\$ 134,043	\$ 157,060
Expenditures:		
Contributions to other governments:		
Statewide charter school program	134,043	157,060
Redevelopment agencies	-	-
Total contributions to other governments	134,043	157,060
Excess (deficiency) of revenues over expenditures	-	-
Fund balances - beginning	-	-
Fund balances - ending	\$ -	\$ -

DUCHESNE COUNTY SCHOOL DISTRICT
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
Trust Fund
Nonmajor Special Revenue Fund
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Revenues:		
Local sources:		
Contributions	\$ 343,860	\$ 148,272
Earnings on investments	<u>70,658</u>	<u>53,769</u>
Total revenues	<u>414,518</u>	<u>202,041</u>
Expenditures:		
Current:		
Program services - Instruction Support	24,410	22,633
Program services - graduating student scholarships	<u>47,948</u>	<u>35,500</u>
Total expenditures	<u>72,358</u>	<u>58,133</u>
Net change in fund balances	342,160	143,908
Fund balances - beginning	<u>1,489,461</u>	<u>1,345,553</u>
Fund balances - ending	<u><u>\$ 1,831,621</u></u>	<u><u>\$ 1,489,461</u></u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Student Activities
Nonmajor Special Revenue Fund
Year Ended June 30, 2025
With Comparative Totals for 2024

	<u>2025</u>	<u>2024</u>
	<u>Actual Amounts</u>	<u>Actual Amounts</u>
Revenues:		
Local sources:		
Fees	\$ 1,748,647	\$ 1,663,828
Earnings on investments	6,582	7,988
School vending	232,138	222,666
Rentals	18,179	26,245
Other local sources	867,216	768,853
Total revenues	<u>2,872,762</u>	<u>2,689,580</u>
Expenditures:		
Current:		
Purchased professional services	64,361	46,709
Other purchased services	156,324	193,547
Supplies	2,431,304	2,292,397
Equipment	-	-
Other objects and fees	128,613	79,347
Total expenditures	<u>2,780,602</u>	<u>2,612,000</u>
Excess (deficiency) of revenues over expenditures	<u>92,160</u>	<u>77,580</u>
Fund balances - beginning	<u>1,453,081</u>	<u>1,375,501</u>
Fund balances - ending	<u><u>\$ 1,545,241</u></u>	<u><u>\$ 1,453,081</u></u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Fund
Year Ended June 30, 2025
With Comparative Totals for 2024

	<u>2025</u>	<u>2024</u>
	<u>Actual Amounts</u>	<u>Actual Amounts</u>
Revenues:		
Property tax	\$ 5,788,893	\$ 4,363,076
Earnings on Investments	-	-
Total revenues	<u>5,788,893</u>	<u>4,363,076</u>
Expenditures:		
Debt service:		
Bond principal	3,949,000	2,480,000
Bond interest	1,745,788	1,858,424
Fees	<u>250</u>	<u>500</u>
Total expenditures	<u>5,695,038</u>	<u>4,338,924</u>
Net change in fund balances	93,855	24,152
Fund balance - beginning	<u>28,736</u>	<u>4,584</u>
Fund balance - ending	<u><u>\$ 122,591</u></u>	<u><u>\$ 28,736</u></u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Major Capital Projects Fund
Year Ended June 30, 2025
With Comparative Totals for 2024

	<u>2025</u>	<u>2024</u>
	<u>Actual</u>	<u>Actual</u>
	<u>Amounts</u>	<u>Amounts</u>
Revenues:		
Property taxes	\$ 11,565,133	\$ 11,119,563
Earnings on investments	1,386,062	2,453,820
Other local	631,768	792,229
State sources - capital outlay programs	4,834,937	14,652
Federal sources	-	-
Total revenues	<u>18,417,900</u>	<u>14,380,264</u>
Expenditures:		
Capital outlay:		
Salaries	-	-
Employee benefits	-	-
Purchased services	-	-
Supplies and materials	96,582	124,579
Land and improvements	-	-
Buildings	<u>18,004,142</u>	<u>22,153,889</u>
Total capital outlay	<u>18,100,724</u>	<u>22,278,468</u>
Debt Service:		
Principal	4,251,719	5,609,507
Interest	2,248,324	2,294,862
Bond issuance and service costs	<u>141,193</u>	<u>6,751</u>
Total debt service	<u>6,641,236</u>	<u>7,911,120</u>
Total expenditures	<u>24,741,960</u>	<u>30,189,588</u>
Excess (deficiency) of revenues over expenditures	(6,324,060)	(15,809,324)
Other Financing Sources (Uses):		
Bond proceeds	23,610,000	-
Premium on the issuance of bonds	1,527,860	-
Proceeds of refunding bonds	-	-
Retirement of refunded bonds	-	-
Loan Proceeds	-	-
Sale of capital assets	<u>8,165</u>	<u>24,677</u>
Total other financing sources (uses)	<u>25,146,025</u>	<u>24,677</u>
Net change in fund balances	18,821,965	(15,784,647)
Fund balance - beginning	<u>27,951,210</u>	<u>43,735,857</u>
Fund balance - ending	<u><u>\$ 46,773,175</u></u>	<u><u>\$ 27,951,210</u></u>

DUCHESNE COUNTY SCHOOL DISTRICT
Required Supplementary Information
June 30, 2025

Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)

Utah Retirement Systems

Last Ten Plan (Calendar) Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Noncontributory Retirement System:										
District's proportion of the net pension liability (asset)	0.6053102%	0.5916112%	0.5817319%	0.6040703%	0.6013232%	0.5887845%	0.5362673%	0.5345900%	0.5391934%	0.5406280%
District's proportionate share of the net pension liability (asset)	\$ 13,692,848	\$ 12,122,032	\$ 12,561,192	\$ (4,127,276)	\$ 8,016,371	\$ 13,081,036	\$ 19,951,917	\$ 13,072,662	\$ 17,474,810	\$ 16,982,674
District's covered-employee payroll	\$ 15,215,946	\$ 14,146,436	\$ 13,573,234	\$ 14,172,505	\$ 13,959,121	\$ 13,646,951	\$ 13,418,312	\$ 13,562,081	\$ 13,888,888	\$ 13,982,342
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	90.0%	85.7%	92.5%	-29.1%	57.4%	95.9%	148.7%	96.4%	125.8%	121.5%
Plan fiduciary net position as a percentage of the total pension liability (asset)	92.1%	92.5%	91.6%	102.7%	94.3%	90.1%	84.1%	89.2%	84.9%	84.5%
Contributory Retirement System:										
District's proportion of the net pension liability (asset)	1.9600154%	1.5257394%	1.1476706%	0.8512645%	0.9122582%	0.8165023%	0.9023387%	0.8549635%	0.8227239%	0.7933442%
District's proportionate share of the net pension liability (asset)	\$ 579,771	\$ 141,690	\$ 149,986	\$ (766,564)	\$ (216,970)	\$ 56,370	\$ 640,664	\$ 56,260	\$ 450,818	\$ 497,151
District's covered-employee payroll	\$ 86,162	\$ 79,219	\$ 75,356	\$ 72,054	\$ 87,981	\$ 91,092	\$ 175,120	\$ 194,529	\$ 220,546	\$ 251,313
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	672.9%	178.9%	199.0%	-1063.9%	-246.6%	61.9%	365.8%	28.9%	204.4%	197.8%
Plan fiduciary net position as a percentage of the total pension liability	95.2%	98.5%	97.9%	114.1%	103.7%	98.9%	91.4%	99.2%	93.4%	92.4%
Tier 2 Public Employees Retirement System:										
District's proportion of the net pension liability (asset)	0.5262264%	0.5299184%	0.5063518%	0.5268532%	0.5452274%	0.5351658%	0.5284115%	0.5105785%	0.5325539%	0.5729846%
District's proportionate share of the net pension liability (asset)	\$ 1,569,412	\$ 1,031,423	\$ 551,363	\$ (222,984)	\$ 78,419	\$ 120,363	\$ 226,307	\$ 45,016	\$ 59,406	\$ (1,251)
District's covered-employee payroll	\$ 15,634,465	\$ 13,701,524	\$ 11,112,327	\$ 9,823,937	\$ 8,737,381	\$ 7,451,482	\$ 6,213,178	\$ 5,015,314	\$ 4,367,361	\$ 3,700,062
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	10.04%	7.53%	4.96%	-2.27%	0.90%	1.62%	3.64%	0.90%	1.36%	-0.03%
Plan fiduciary net position as a percentage of the total pension liability	87.4%	89.6%	92.3%	103.8%	98.3%	96.5%	90.8%	97.4%	95.1%	100.2%

DUCHESNE COUNTY SCHOOL DISTRICT
Required Supplementary Information
June 30, 2025

Schedules of District Contributions Utah Retirement Systems Last Ten Fiscal Years										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Noncontributory System:										
Actuarial determined contributions	\$ 3,272,683	\$ 3,247,418	\$ 2,979,729	\$ 3,018,407	\$ 3,153,336	\$ 3,025,528	\$ 2,963,475	\$ 2,940,618	\$ 3,031,156	\$ 3,071,026
Contributions in relation to the contractually required contribution	(3,272,683)	(3,247,418)	(2,979,729)	(3,018,407)	(3,153,336)	(3,025,528)	(2,963,475)	(2,940,618)	(3,031,156)	(3,071,026)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 15,414,718	\$ 14,904,327	\$ 13,615,301	\$ 13,688,739	\$ 14,285,476	\$ 13,706,297	\$ 13,467,730	\$ 13,367,503	\$ 13,855,869	\$ 14,035,482
Contributions as a percentage of covered payroll	21.2%	21.8%	21.9%	22.1%	22.1%	22.1%	22.0%	22.0%	21.9%	21.9%
Contributory System:										
Actuarial determined contributions	\$ 20,091	\$ 14,556	\$ 13,620	\$ 12,958	\$ 13,111	\$ 16,930	\$ 19,732	\$ 36,254	\$ 35,228	\$ 43,461
Contributions in relation to the contractually required contribution	(20,091)	(14,556)	(13,620)	(12,958)	(13,111)	(16,930)	(19,732)	(36,254)	(35,228)	(43,461)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 113,113	\$ 82,239	\$ 76,947	\$ 73,210	\$ 74,075	\$ 95,652	\$ 111,481	\$ 204,825	\$ 199,028	\$ 245,467
Contributions as a percentage of covered payroll	17.8%	17.7%	17.7%	17.7%	17.7%	17.7%	17.7%	17.7%	17.7%	17.7%
Tier 2 Public Employees System:										
Actuarial determined contributions	\$ 3,139,312	\$ 3,008,446	\$ 2,439,689	\$ 1,989,364	\$ 1,761,834	\$ 1,558,688	\$ 1,280,332	\$ 1,021,966	\$ 837,240	\$ 755,181
Contributions in relation to the contractually required contribution	(3,139,312)	(3,008,446)	(2,439,689)	(1,989,364)	(1,761,834)	(1,558,688)	(1,280,332)	(1,021,966)	(837,240)	(755,181)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 16,105,237	\$ 15,288,551	\$ 12,345,823	\$ 10,275,999	\$ 9,217,102	\$ 8,211,914	\$ 6,802,400	\$ 5,550,604	\$ 4,585,630	\$ 4,139,328
Contributions as a percentage of covered payroll	19.5%	19.7%	19.8%	19.4%	19.1%	19.0%	18.8%	18.4%	18.3%	18.2%
Tier 2 Public Employees DC Only:										
Actuarial determined contributions	\$ 241,389	\$ 193,063	\$ 168,753	\$ 144,990	\$ 120,219	\$ 82,288	\$ 83,531	\$ 66,555	\$ 61,719	\$ 53,019
Contributions in relation to the contractually required contribution	(241,389)	(193,063)	(168,753)	(144,990)	(120,219)	(82,288)	(83,531)	(66,555)	(61,719)	(53,019)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,507,955	\$ 1,865,821	\$ 1,680,466	\$ 1,426,568	\$ 1,197,274	\$ 821,233	\$ 833,645	\$ 664,222	\$ 615,957	\$ 526,689
Contributions as a percentage of covered payroll	9.6%	10.3%	10.0%	10.2%	10.0%	10.0%	10.0%	10.0%	10.0%	10.1%

DUCHESNE COUNTY SCHOOL DISTRICT
Required Supplementary Information
June 30, 2025

Notes to Required Supplementary Information

Changes in Assumptions:

There were no changes in the actuarial assumptions or methods since the prior actuarial valuation.

Statistical Section

Unaudited

DUCHESNE COUNTY SCHOOL DISTRICT
General Fund - Per Capita Operating Costs By School
Year Ended June 30, 2025

SCHOOL	CODE	PER CAPITA	AVERAGE DAILY MEMBERSHIP	% OF	% OF	TOTAL OPERATION COSTS	TOTAL OPERATION COSTS	INSTRUCTION	SUPPORT SERVICES						PUPIL TRANS.
				AVERAGE DAILY MEMBERSHIP	TOTAL OPERATION COSTS				STUDENTS	INSTRUCTION STAFF	GENERAL ADMIN.	SCHOOL ADMIN.	BUSINESS ADMIN.	BUILDING OPER. & MTN.	
Altamont Elementary	104	\$ 13,983	318	6.45%	6.71%	\$ 4,448,004	\$ 2,630,947	\$ 55,439	\$ 311,134	\$ 25,492	\$ 248,377	\$ 152,383	\$ 745,065	\$ 279,167	
Centennial Elementary	106	13,282	428	8.68%	8.58%	5,689,522	3,823,474	169,547	297,012	34,328	293,302	203,638	490,597	377,625	
Duchesne Elementary	108	12,882	379	7.68%	7.36%	4,880,767	3,209,876	164,053	312,729	30,363	202,705	180,114	442,069	338,859	
East Elementary	110	14,871	327	6.63%	7.33%	4,863,964	3,342,212	110,498	228,982	26,210	239,568	156,973	473,121	286,400	
Myton Elementary	112	16,883	116	2.34%	2.94%	1,951,068	1,150,340	36,987	113,045	9,261	226,351	56,099	257,385	101,599	
Neola Elementary	116	13,755	137	2.78%	2.85%	1,889,829	1,077,714	49,597	125,403	11,010	200,352	66,953	237,518	121,283	
Tabiona Elementary	124	14,859	109	2.22%	2.45%	1,626,112	1,095,310	25,599	69,419	8,770	95,387	52,022	171,075	108,531	
Kings Peak Elementary	304	10,672	476	9.66%	7.67%	5,084,176	3,124,160	139,677	265,172	38,176	286,103	227,358	587,112	416,419	
Roosevelt Junior High	404	11,992	762	15.44%	13.77%	9,132,913	5,999,754	407,649	397,792	61,031	545,541	364,395	687,998	668,752	
Altamont High	704	15,173	266	5.38%	6.07%	4,028,516	2,122,007	213,750	173,389	21,277	302,242	128,515	783,116	284,219	
Duchesne High	708	16,167	384	7.78%	9.36%	6,204,925	2,915,134	264,850	229,999	30,757	308,861	185,261	1,860,796	409,267	
Tabiona High	712	21,899	76	1.55%	2.52%	1,673,337	949,574	187,677	56,205	6,123	161,594	38,076	185,743	88,346	
Union High	714	11,095	1,084	21.97%	18.13%	12,026,630	6,658,285	840,437	473,746	86,863	801,824	516,395	1,547,304	1,101,777	
Basin Online	800	24,273	44	0.90%	1.62%	1,074,625	853,328	25,784	25,841	3,548	127,351	21,046	17,728	-	
Con Amore	802	64,574	27	0.55%	2.63%	1,743,503	1,234,722	54,910	14,434	2,164	178,052	13,509	216,303	29,410	
Totals			4,934	100.00%	100.00%	\$ 66,317,893	\$ 40,186,836	\$ 2,746,453	\$ 3,094,301	\$ 395,374	\$ 4,217,608	\$ 2,362,739	\$ 8,702,929	\$ 4,611,653	

District Average: \$ 13,442

Average Daily Membership	Special Education Included
Instruction	Direct & Prorated Indirect
Support Services:	
Students	Direct & Prorated Indirect
General Administration	Average Daily Membership
School Administration	Direct & Prorated Indirect
Business Administration	Average Daily Membership
Building Oper. & Maint.	Direct & Prorated Indirect
Transportation	Direct & Prorated Indirect

Continuing Disclosure Undertaking

Unaudited

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Continuing Disclosure Memorandum of the Board of Education of Duchesne County School District

This supplemental information is provided for the benefit of the Beneficial Owners of general obligation bonds. Additional information is included annually pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

No events described in paragraph (b)(5)(i)(c) of the Rule has occurred that are required to be disclosed.

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DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

1. Debt Structure of Duchesne County School District, Utah

Outstanding General Obligation Bonded Indebtedness

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2016 (1)	School buildings	\$ 39,000,000	June 1, 2032	\$ 33,175,000
2022 (2)	Refunding	15,803,000	June 1, 2029	10,555,000
Total general obligation debt				<u>\$ 43,730,000</u>

(1) Rated “Aaa” (State of Utah Guaranty; underlying “A1”) by Moody’s, on the date of issuance.

(2) Not rated; issued as a direct placement and no rating was applied for.

Debt Service Schedule of Outstanding General Obligation Bonds by Fiscal Year

Fiscal Year Ending June 30	Series 2022 Refunding (Original 2014) \$15,803,000		Series 2016 \$39,000,000		Totals		
	Interest cost 1.92%		Interest cost 2.99%		Total	Total	Total Debt
	Principal	Interest	Principal	Interest	Principal	Interest	Service
2026	\$ 2,568,000	\$ 192,101	\$ 1,500,000	\$ 1,436,500	\$ 4,068,000	\$ 1,628,601	\$ 5,696,601
2027	2,615,000	145,363	3,000,000	1,361,500	5,615,000	1,506,863	7,121,863
2028	2,662,000	97,770	3,150,000	1,211,500	5,812,000	1,309,270	7,121,270
2029	2,710,000	49,322	3,300,000	1,054,000	6,010,000	1,103,322	7,113,322
2030			7,125,000	889,000	7,125,000	889,000	8,014,000
2031			7,400,000	604,000	7,400,000	604,000	8,004,000
2032			7,700,000	308,000	7,700,000	308,000	8,008,000
Totals	<u>\$ 10,555,000</u>	<u>\$ 484,556</u>	<u>\$ 33,175,000</u>	<u>\$ 6,864,500</u>	<u>\$ 43,730,000</u>	<u>\$ 7,349,056</u>	<u>\$ 51,079,056</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Municipal Building Authority of Duchesne County School District, Utah

The Board created the Municipal Building Authority of Duchesne County School District, Utah (the “Authority”) as a nonprofit corporation in accordance with the provisions of the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code (the “Nonprofit Corporation Act”) and as provided in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code. The purpose of the Authority is to finance building acquisition or improvement projects on behalf of the Board.

The Authority is to be of perpetual duration as set forth in its Articles of Incorporation. The Board serves as the governing Board of Trustees of the Authority. The Authority has no property, money or other assets, except for the projects that are or have been constructed by the Authority. The principal place of business of the Authority is at the Board offices.

Debt Issuance. For each school construction project built by the Authority, the Authority has entered into an indenture and annual leases with the Board. The Authority leases the school building projects to the Board, pursuant to individual master lease agreements. The Authority has granted to a trustee, for the benefit of the owners of lease revenue bonds issued under each master lease, a security interest in all of the Authority’s right, title and interest in the school building project financed with lease revenue bonds issued under each separate indenture. Debt issued by the Authority is being paid from rental payments received by the Authority from the Board. Rental payments by the Board are being made from the capital projects fund from property taxes which are annually budgeted and appropriated by the Board for such purpose.

Outstanding Municipal Building Authority lease revenue bonds

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2022 (1)	School Building	\$ 36,730,000	June 1, 2041	\$ 35,650,000
2019 (2)	School Building/Refunding	22,683,000	June 1, 2035	13,933,000
2017 (2)	School building / CIB	2,684,000	March 1, 2038	1,722,000
2025 (1)	School building	23,610,000	June 1, 2032	23,610,000
2005 (2)	School building / CIB	3,000,000	June 15, 2026	150,000
2011A (3)	School building / QSCB	9,000,000	March 1, 2026	643,000
Total				<u>\$ 75,708,000</u>

(1) Rated Moody’s “A2”.

(2) This bond was privately placed and is not rated.

(3) This bond was privately placed and is not rated. The 2011A MBA Bonds are federally taxable, Qualified School Construction Bonds, (“QSCB”), authorized by the American Recovery and Reinvestment Act of 2009. The QSCB tax credit rate is approximately 4.59% depending on congressional sequestration. The 2011A MBA Bonds will mature on March 1, 2026.

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Debt Service Schedule of Outstanding Lease Revenue Bonds of the Municipal Building Authority of Duchesne County School District, Utah by Fiscal Year

Fiscal Year Ending June 30	Series 2011A \$9,000,000 Interest cost 0.44% (1)			Series 2005 \$3,000,000 Interest cost 0%		Series 2025 \$23,610,000 Interest cost 3.49%				
			Federal Interest Subsidy							
	Principal	Interest		Principal		Principal	Interest			
2026	\$ 643,000	\$ 32,342	\$ (29,528)	\$ 150,000		\$ 2,155,000	\$ 1,354,296			
2027						2,430,000	1,072,750			
2028						2,560,000	951,250			
2029						4,185,000	823,250			
2030						3,895,000	614,000			
2031						4,090,000	419,250			
2032						4,295,000	214,750			
Totals	<u>\$ 643,000</u>	<u>\$ 32,342</u>	<u>\$ (29,528)</u>	<u>\$ 150,000</u>		<u>\$ 23,610,000</u>	<u>\$ 5,449,546</u>			

Fiscal Year Ending June 30	Series 2017 \$2,684,000 Interest cost 2.50%		Series 2019 \$22,683,000 Interest cost 2.74%		Series 2022 \$22,683,000 Interest cost 2.74%		Total Lease Revenue Bonds		
							Total	Total	Total Debt
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Service
2026	\$ 125,000	\$ 47,275	\$ 1,074,000	\$ 394,372	\$ 310,000	\$ 1,690,856	\$ 4,457,000	\$ 3,489,613	\$ 7,946,613
2027	128,000	44,150	459,000	376,651	325,000	1,675,356	3,342,000	3,168,907	6,510,907
2028	131,000	40,950	466,000	368,389	345,000	1,659,106	3,502,000	3,019,695	6,521,695
2029	134,000	37,675	476,000	359,069	360,000	1,641,856	5,155,000	2,861,850	8,016,850
2030	138,000	34,325	25,000	348,835	380,000	1,623,856	4,438,000	2,621,016	7,059,016
2031	141,000	30,875	25,000	348,260	400,000	1,604,856	4,656,000	2,403,241	7,059,241
2032	145,000	27,350	25,000	347,647	420,000	1,584,856	4,885,000	2,174,603	7,059,603
2033	148,000	23,725	3,688,000	346,997	440,000	1,563,856	4,276,000	1,934,578	6,210,578
2034	152,000	20,025	3,791,000	243,733	460,000	1,541,856	4,403,000	1,805,614	6,208,614
2035	156,000	16,225	3,904,000	130,003	485,000	1,518,856	4,545,000	1,665,084	6,210,084
2036	160,000	12,325			5,010,000	1,494,606	5,170,000	1,506,931	6,676,931
2037	164,000	8,325			5,260,000	1,244,106	5,424,000	1,252,431	6,676,431
2038	*				5,520,000	981,106	5,520,000	981,106	6,501,106
2039					5,740,000	760,306	5,740,000	760,306	6,500,306
2040					6,030,000	473,306	6,030,000	473,306	6,503,306
2041					4,165,000	171,806	4,165,000	171,806	4,336,806
Totals	<u>\$ 1,722,000</u>	<u>\$ 343,225</u>	<u>\$ 13,933,000</u>	<u>\$ 3,263,955</u>	<u>\$ 35,650,000</u>	<u>\$ 21,230,550</u>	<u>\$ 75,708,000</u>	<u>\$ 30,290,090</u>	<u>\$ 105,998,090</u>

* Final payment from reserve fund.

- (1) Federally taxable QSCB bond. Interest is based on a coupon rate of 5.03% per annum. The interest due is partially paid by a federal subsidy. The Authority contributes \$643,000 annually for mandatory sinking fund principal payments which will retire the 2011A bonds on March 1, 2026.

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Outstanding Loan obligations

In 2023, the Board entered into a \$10,000,000 loan, issued through the Utah State Board of Education Revolving Loan Fund. The loan has a 1% rate of interest and is currently outstanding in the amount of \$10,000,000. The loan has a maximum term of five years and principal is due January 1, 2024 through January 1, 2028.

Fiscal Year Ending June 30,	Loan - Revolving Loan Fun		Total Loans		
	\$10,000,000				Total
	Interest cost 1%		Total	Total	Debt
	Principal	Interest	Principal	Interest	Service
2026	\$ 1,999,802	\$ 60,596	\$ 1,999,802	\$ 60,596	\$ 2,060,398
2027	2,019,800	40,598	2,019,800	40,598	2,060,398
2028	2,031,665	20,400	2,031,665	20,400	2,052,065
Totals	<u>\$ 6,051,267</u>	<u>\$ 121,594</u>	<u>\$ 6,051,267</u>	<u>\$ 121,594</u>	<u>\$ 6,172,861</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

2. Financial Information Regarding Duchesne County School District, Utah

Five-Year Financial Summaries

		Statement of Net Position				
		Governmental Activities				
		As of June 30				
		2025	2024	2023	2022	2021
Assets:						
Cash and investments	\$	51,500,476	\$ 54,862,036	\$ 57,451,689	\$ 36,480,342	\$ 32,080,428
Receivables:						
Property taxes		33,223,276	31,407,861	28,584,390	26,750,598	23,219,309
Other governments		1,124,442	1,253,224	2,148,567	2,659,676	1,330,299
Local		-	50,532	103,572	16,742	97,110
Inventories and repaid expenses		688,650	582,315	572,474	411,598	271,762
Net pension asset		-	-	-	5,116,824	216,970
Capital assets:						
Land and construction in progress		11,328,586	65,418,745	66,200,973	7,892,999	5,977,788
Buildings and other capital assets, net of depreciation		234,536,520	168,935,087	168,130,446	179,594,192	185,534,077
Technology subscriptions, net of amortization		4,717	4,717	19,333		
Total assets		<u>332,406,667</u>	<u>322,514,517</u>	<u>323,211,444</u>	<u>258,922,971</u>	<u>248,727,743</u>
Deferred outflows of resources						
relating to pensions		10,954,030	9,614,217	8,619,026	7,238,769	4,766,851
Total assets and deferred outflows		<u>343,360,697</u>	<u>332,128,734</u>	<u>331,830,470</u>	<u>266,161,740</u>	<u>253,494,594</u>
Liabilities:						
Accounts payable		2,825,955	3,353,099	4,534,564	1,240,769	713,818
Accrued interest		482,883	338,573	351,628	231,549	279,155
Accrued salaries and benefits		5,868,789	5,446,170	4,598,766	4,794,334	4,492,252
Unearned revenue, State		898,592	983,824	1,399,030	814,357	611,538
Noncurrent liabilities:						
Due within one year		14,862,861	9,253,101	8,599,123	7,542,942	7,149,588
Due after one year		119,328,671	105,255,061	152,966,704	76,942,825	84,798,285
Net pension liability		15,842,032	13,295,145	13,262,542	-	8,094,790
Technology subscription liability		4,717	4,717	19,333		
Total liabilities		<u>160,114,500</u>	<u>137,929,690</u>	<u>185,731,690</u>	<u>91,566,776</u>	<u>106,139,426</u>
Deferred inflows of resources:						
Deferred taxes levied for future year		31,954,538	30,338,148	27,588,679	25,729,156	22,339,152
Resources relating to pensions		33,928	132,499	230,902	17,956,516	8,764,284
Total deferred inflows		<u>31,988,466</u>	<u>30,470,647</u>	<u>27,819,581</u>	<u>43,685,672</u>	<u>31,103,436</u>
Net position:						
Net invested in capital assets		115,665,728	120,636,983	73,445,415	103,851,259	113,595,946
Restricted for:						
Programs		2,103,547	2,166,907	2,612,090	2,257,007	1,995,539
School lunch		183,401	664,415	1,276,141	1,593,527	650,616
Non K-12 programs		-	-	-	-	-
Trust fund		1,831,621	1,489,461	1,345,553	1,242,218	1,136,522
Student activities		1,545,241	1,453,081	1,364,783	1,386,219	1,145,592
Capital projects		46,290,292	27,612,637	43,384,229	17,272,516	1,740,845
Debt service		122,591	28,736	(14,050)	23,218	41,654
Unrestricted		6,628,858	9,676,177	8,123,759	3,283,328	(4,054,982)
Total net position	\$	<u>174,371,279</u>	<u>\$ 163,728,397</u>	<u>\$ 131,537,920</u>	<u>\$ 130,909,292</u>	<u>\$ 116,251,732</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Statement of Activities (1)
Total Governmental Activities

	Net (Expense) Revenue and Changes in Net Position				
	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Governmental activities:					
Instructional services	\$ (33,380,330)	\$ (33,278,246)	\$ (25,438,576)	\$ (26,091,038)	\$ (22,392,335)
Supporting services:					
Students	(871,796)	(1,327,006)	(687,098)	(561,947)	(463,792)
Instructional staff	(1,887,932)	(2,032,133)	(1,198,951)	(1,059,666)	(926,452)
District administration	(572,348)	(530,568)	(598,531)	(451,115)	(452,853)
School administration	(4,392,371)	(3,999,721)	(3,474,124)	(2,411,946)	(2,752,038)
Business	(2,281,365)	(1,990,250)	(1,822,567)	(1,447,509)	(1,477,242)
Operation and maintenance of facilities	(3,285,524)	(6,924,336)	(6,200,842)	(6,457,436)	(6,233,696)
Transportation	(485,552)	282,192	(565,303)	(1,459,906)	(596,201)
School lunch services	(855,671)	(808,549)	(236,431)	790,237	84,682
Interest on long-term liabilities	(3,825,253)	(3,692,870)	(3,941,596)	(1,879,148)	(2,595,141)
Capital outlay	-	-	-	-	-
Total school district	<u>(51,838,142)</u>	<u>(54,301,487)</u>	<u>(44,164,019)</u>	<u>(41,029,474)</u>	<u>(37,805,068)</u>
General revenues:					
Property taxes levied for:					
General purposes	17,231,116	16,459,660	14,890,527	13,632,024	13,337,449
Debt service	5,788,893	4,363,076	3,910,866	1,000,158	978,546
Capital outlay	11,565,133	11,119,563	10,096,510	10,336,049	10,112,697
Transportation	-	-	-	-	-
Recreation	-	-	-	-	-
Federal and state aid not restricted to specific purposes	25,615,548	33,186,600	24,504,093	27,988,817	20,114,196
Earnings on investments	2,641,764	3,556,795	2,795,209	179,616	152,606
Miscellaneous	2,640,827	2,466,269	3,765,432	2,550,371	2,103,348
Total general revenues	<u>65,483,281</u>	<u>71,151,963</u>	<u>59,962,637</u>	<u>55,687,035</u>	<u>46,798,842</u>
Change in net assets	13,645,139	16,850,476	15,798,618	14,657,561	8,993,774
Net position-beginning (as restated)	160,726,140	146,877,921	115,739,303	116,251,731	107,257,958
Net position-ending	<u>\$ 174,371,279</u>	<u>\$ 163,728,397</u>	<u>\$ 131,537,921</u>	<u>\$ 130,909,292</u>	<u>\$ 116,251,732</u>

(1) This report is presented in summary format concerning the single item of "Net (Expense) Revenue and Changes in net Assets-Total Governmental Activities" and is not intended to be complete.

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

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Balance Sheet--Governmental Funds--Major Funds
General Fund

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Assets:					
Cash and investments	\$ 21,960,042	\$ 20,880,983	\$ 19,914,965	\$ 14,783,411	\$ 14,269,084
Accounts receivables:					
Property taxes	16,347,863	15,517,351	14,073,129	13,706,132	12,390,991
Local	-	50,532	103,572	16,742	5,025
Due from other funds	456,884	-	-	-	-
State of Utah	249,885	388,202	307,216	405,521	133,612
Federal government	712,969	763,644	1,664,860	2,182,916	1,001,350
Prepaid expenses	-	-	9,900	-	-
Total assets	<u>\$ 39,727,643</u>	<u>\$ 37,600,712</u>	<u>\$ 36,073,642</u>	<u>\$ 31,094,722</u>	<u>\$ 27,800,062</u>
Liabilities:					
Accounts payable	\$ 303,929	\$ 308,222	\$ 758,563	\$ 644,949	\$ 673,960
Accrued payroll and benefits	5,782,023	5,366,561	4,503,253	4,794,334	4,492,252
Unearned revenue, State	898,592	983,824	1,399,030	814,357	611,538
Deferred property taxes	-	-	-	-	-
Total liabilities	<u>6,984,544</u>	<u>6,658,607</u>	<u>6,660,846</u>	<u>6,253,640</u>	<u>5,777,750</u>
Deferred inflows of resources:					
Unavailable property tax revenue	594,069	513,791	494,761	490,801	433,112
Property taxes levied for future years	15,721,961	14,970,304	13,541,828	13,157,774	11,919,936
Total deferred inflows of resources	<u>16,316,030</u>	<u>15,484,095</u>	<u>14,036,589</u>	<u>13,648,575</u>	<u>12,353,048</u>
Fund balances:					
Restricted:					
Programs	2,103,547	2,166,907	2,612,090	2,257,007	1,995,539
Committed:					
Economic stabilization	2,900,000	2,900,000	2,900,000	2,735,000	2,450,000
Self insurance	375,000	375,000	375,000	375,000	375,000
Employee benefit obligations	1,790,223	1,540,296	1,049,279	1,185,884	929,994
Unassigned	9,258,299	8,475,807	8,439,838	4,639,616	3,918,731
Total fund balances	<u>16,427,069</u>	<u>15,458,010</u>	<u>15,376,207</u>	<u>11,192,507</u>	<u>9,669,264</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,727,643</u>	<u>\$ 37,600,712</u>	<u>\$ 36,073,642</u>	<u>\$ 31,094,722</u>	<u>\$ 27,800,062</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds--Major Fund
General Fund

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
Revenues:					
Property taxes	\$ 16,897,873	\$ 16,225,148	\$ 14,726,643	\$ 13,224,675	\$ 13,161,280
Earnings on investments	1,178,462	1,041,218	697,189	83,215	63,493
Other local sources	781,641	900,484	722,165	953,089	233,828
State sources	45,119,796	48,496,407	40,256,738	35,805,445	33,591,025
Federal sources	3,309,179	4,115,686	5,558,037	6,173,738	4,562,877
Total revenues	<u>67,286,951</u>	<u>70,778,943</u>	<u>61,960,772</u>	<u>56,240,162</u>	<u>51,612,503</u>
Expenditures:					
Current:					
Instructional services	40,186,836	40,524,105	33,824,093	33,817,643	30,895,457
Supporting services					
Students	2,746,453	2,280,438	2,006,510	1,725,394	1,835,596
Instructional staff	3,094,301	2,822,429	2,043,946	1,654,050	1,444,264
District administration	395,374	397,720	458,948	377,815	342,493
School administration	4,217,608	4,240,803	3,716,282	3,214,089	3,140,689
Business	2,362,739	2,139,298	1,958,974	1,802,352	1,703,566
Operation and maintenance of facilities	8,702,929	13,126,319	9,636,408	8,371,756	7,177,417
Transportation	4,611,653	5,166,028	4,165,860	3,753,820	2,779,998
Capital outlay	-	-	-	-	-
Total expenditures	<u>66,317,893</u>	<u>70,697,140</u>	<u>57,811,021</u>	<u>54,716,919</u>	<u>49,319,480</u>
Excess (deficiency) of revenues over (under) expenditures	<u>969,058</u>	<u>81,803</u>	<u>4,149,751</u>	<u>1,523,243</u>	<u>2,293,023</u>
Other financing sources (uses) / Technology subscriptions	-	-	33,949		
Net change in fund balances	969,058	81,803	4,183,700	1,523,243	2,293,023
Fund balances-beginning	15,458,011	15,376,207	11,192,507	9,669,264	7,376,241
Fund balances-ending	<u>\$ 16,427,069</u>	<u>\$ 15,458,010</u>	<u>\$ 15,376,207</u>	<u>\$ 11,192,507</u>	<u>\$ 9,669,264</u>

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

Summary of State and Federal Funding

	Fiscal Year Ended June 30				
	2025	2024	2023	2022	2021
State funds:					
General	\$ 45,119,796	\$ 48,496,407	\$ 40,256,738	\$ 35,805,445	\$ 33,591,025
Other governmental	462,229	487,497	500,340	442,374	513,750
Capital projects	4,834,937	14,652	-	-	37,165
Total	<u>\$ 50,416,962</u>	<u>\$ 48,998,556</u>	<u>\$ 40,757,078</u>	<u>\$ 36,247,819</u>	<u>\$ 34,141,940</u>
% change over prior year	2.9%	20.2%	12.4%	6.2%	9.0%
Federal funds:					
General	\$ 3,309,179	\$ 4,115,686	\$ 5,558,037	\$ 6,173,738	\$ 4,562,877
Other governmental	1,486,838	1,682,636	1,727,306	2,888,915	2,281,550
Capital projects	-	-	-	-	-
Total	<u>\$ 4,796,017</u>	<u>\$ 5,798,322</u>	<u>\$ 7,285,343</u>	<u>\$ 9,062,653</u>	<u>\$ 6,844,427</u>
% change over prior year	-17.3%	-20.4%	-19.6%	32.4%	53.4%

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

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Historical Property Tax Rates of the District

Tax		Maximum Tax Rate (1)	Tax Rate				
			2025-26	2024-25	2023-24	2022-23	2021-22
Basic Program	(2)	Formula	0.001379	0.001408	0.001406	0.001652	0.001661
Voted Leeway	(3)	0.002000	0.001166	0.001133	0.001218	0.001431	0.001672
Board Leeway	(4)	0.002500	0.001091	0.001081	0.001130	0.001113	0.001528
Debt Service	(5)	Sufficient	0.001252	0.001286	0.001280	0.001172	0.000686
Capital Outlay	(6)	0.003000	0.002502	0.002432	0.002614	0.002837	0.003563
Judgement	(7)	Sufficient	-	-	-	-	-
Total			0.007390	0.007340	0.007648	0.008205	0.009110

1 Maximum tax rate where applicable under State law. (A decline in taxable value overrides maximum limit.)

2 Set by law to fund the State Minimum School Program.

3 General revenue. Tax rate of 0.000800 was authorized by vote of the District population on May 11, 1993, and an additional 0.000800 was approved on June 24, 2008 for a total of .0016 in voter authorization.

4 General revenue. Adopted by the Board of Education January 6, 2000 before restrictions on use were enacted by the State.

5 Limited to applicable levy to provide for payment of principal and interest on general obligation bonds authorized by voters.

6 Construction and remodeling of buildings and purchase of sites, equipment, etc.

7 Tax revenue shortfalls due to revaluation of taxable values may be levied in the succeeding tax year.

Taxable and Fair Market Value of Property Within the District

Tax Year	Taxable Value	Percentage Change	Fair Market/ Market Value (1)	Percentage Change
2025	\$ 4,323,971,975	11.5%	\$ 5,317,944,399	12.7%
2024	3,876,555,808	17.0%	4,718,381,898	18.9%
2023	3,314,128,120	24.2%	3,966,888,825	24.2%
2022	2,668,731,376	1.6%	3,194,761,822	3.4%
2021	2,626,033,598	-2.5%	3,088,775,488	-2.2%

(1) Estimated fair market values were calculated by dividing the taxable value of primary residential property by 55%, which eliminates the 45% exemption on primary residential property granted under the Property Tax Act. There are no redevelopment agencies within the County or the District.

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

Historical Summaries of Taxable Values of Property

	2023		2022		2021		2020		2019	
	Taxable Value	% of T. V.	Taxable Value		Taxable Value		Taxable Value		Taxable Value	
<i>Set by State Tax Commission (Centrally Assessed)</i>										
Total centrally assessed	\$ 1,537,138,650	39.4 %	\$ 1,431,659,336		\$ 1,082,249,364		\$ 1,259,567,712		\$ 1,300,113,199	
<i>Set by County Assessor (Locally Assessed)</i>										
Real Property:										
Primary residential	992,004,105	25.4	796,226,350		641,470,535		563,560,020		568,536,555	
Other residential	387,908,850	9.9	345,619,475		253,213,085		231,740,955		222,827,940	
Commercial and industrial	271,491,865	7.0	212,118,790		201,453,900		201,105,400		202,591,615	
FAA	21,744,650	0.6	22,290,410		21,730,670		21,194,590		21,842,145	
Unimproved non FAA	444,446,760	11.4	358,920,290		284,642,675		245,462,305		244,254,110	
Agricultural	25,810,065	0.7	24,362,420		18,353,360		17,322,190		17,329,595	
Total real property	2,143,406,295	54.9	1,759,537,735		1,420,864,225		1,280,385,460		1,277,381,960	
Personal property:										
Primary mobile homes	2,243,853	0.1	1,592,290		1,455,566		2,013,401		1,945,276	
Secondary mobile homes	4,384,771	0.1	1,865,533		1,780,568		318,136		190,077	
Other business personal	217,732,727	5.6	119,473,226		86,292,973		83,748,889		113,040,755	
Total personal property	224,361,351	5.7	122,931,049		89,529,107		86,080,426		115,176,108	
Total locally assessed	2,367,767,646	60.6	1,882,468,784		1,510,393,332		1,366,465,886		1,392,558,068	
Total taxable value	\$ 3,904,906,296	100.0 %	\$ 3,314,128,120		\$ 2,592,642,696		\$ 2,626,033,598		\$ 2,692,671,267	

(Source: Property Tax Division, Utah State Tax Commission.)

Tax Collection Record

Fiscal Year	Tax Levied	Current Collections (1)	Percent of Current Collections	Delinquent Collections (2)	Total Current and Delinquent Collections	Percent of Total Collections	Fee in Lieu (3)	Total Property Tax Collections
2025	\$ 30,338,148	\$ 28,476,309	93.9%	\$ 1,337,793	\$ 29,814,102	98.3%	\$ 4,211,972	\$ 34,026,074
2024	27,588,679	26,803,775	97.15	1,218,838	28,022,613	101.57	3,468,270	31,490,883
2023	25,729,156	24,704,510	96.00	1,402,612	26,107,122	101.50	2,578,866	28,685,988
2022	22,339,972	21,647,200	96.90	1,042,773	22,689,973	101.57	1,973,544	24,663,517
2021	22,274,017	21,460,156	96.35	1,237,344	22,697,500	101.90	1,858,850	24,556,350

(1) Ad valorem property taxes are due on November 30 of each year.

(2) Interest and penalties are not included.

(3) Uniform Fees from motor vehicles and other tangible personal property required to be registered with the State.

Some of the Largest Tax Payers

Taxpayer	Type of Business	2025 Taxable Value	% of the District's Tax Value
Sm Energy Company	Mining	\$ 381,223,710	8.8 %
Kinder Morgan Altamont	Mining	374,620,555	8.7
Fourpoint Resources	Mining	290,281,560	6.7
Javelin Energy Partners	Mining	244,340,745	5.7
Pacificorp	Mining	136,451,310	3.2
Scout Energy Management	Mining	124,676,075	2.9
Berry Petroleum Company	Mining	54,536,925	1.3
Mountainwest Pipeline	Mining	44,523,415	1.0
Moon Lake Electric Inc	Electricity Utility	43,037,705	1.0
Wasatch Energy Management	Mining	34,401,025	0.8
Totals		\$ 1,728,093,025	40.0 %



DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2025

General Obligation Legal Debt Limit And Additional Debt Incurring Capacity

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. The legal debt limit and additional debt incurring capacity of the District are based on estimated fair market value and uniform fees as follows:

2024 Fair market value for Duchesne County School District	\$ 5,317,944,399
Valuation from uniform fees	96,430,340
Estimated Fair Market Value for Debt Incurring Capacity	<u>\$ 5,414,374,739</u>
 Fair market value x 4% (Debt Limit)	 216,574,990
Less general obligation debt outstanding:	<u>(43,730,000)</u>
Additional debt incurring capacity	<u>\$ 172,844,990</u>

Historical October 1 Enrollment

School Year	Total	% Change Over Prior Year
2026	5,107	-0.5%
2025	5,132	-0.3%
2024	5,150	-1.8%
2023	5,243	2.1%
2022	5,134	2.9%
2021  (2)	4,990	(3.50)
2020	5,172	0.40
2019	5,151	0.90
2018	5,106	1.60
2017	5,024	(0.80)
2016	5,006	(2.30)
2015  (1)	5,183	3.10
2014	5,026	3.90
2013	4,839	5.70
2012	4,578	2.90

(1) In 2015 a charter school open within the boundaries of the District.

(2) 2021 temporary shift of students to online education during COVID-19.

Aycock, Miles & Associates, CPAs, P.C.

Certified Public Accountants

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Report on Compliance and Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Duchesne County School District

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 of the Duchesne County School District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Duchesne County School District's basic financial statements, and have issued our report thereon dated October 27, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Duchesne 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Duchesne County School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Duchesne 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 Duchesne 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*.

Purpose of this Report

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

Aycock, Miles & Associates, CPAs

October 27, 2025
Roosevelt, Utah

Aycock, Miles & Associates, CPAs, P.C.

Certified Public Accountants

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Independent Auditor's Report on Compliance and Report on Internal Control Over Compliance as Required by the State of Utah Compliance Audit Guide

Honorable Board of Education
Duchesne County School District

Report On Compliance

We have audited Duchesne County School District's compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the State Auditor, for the year ended June 30, 2025. State compliance requirements were tested for the year ended June 30, 2025.

State compliance requirements were tested for the year ended June 30, 2025, in the following areas: budgetary compliance, fund balance, restricted taxes and other related restricted revenues, fraud risk assessment, governmental fees, Utah Retirement system, crime insurance for public treasurers, minimum school program, and school fees.

Opinion on Compliance

In our opinion, Duchesne County School District complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2025.

Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (Government Auditing Standards); and the *State Compliance Audit Guide* (Guide). Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Duchesne County School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of Duchesne County School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Duchesne County School District's government programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Duchesne County School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Duchesne County School District's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Guide, we:

Aycock, Miles & Associates, CPAs, P.C.

Certified Public Accountants

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- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Duchesne County School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Duchesne County School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Duchesne County School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance which is required to be reported in accordance with the State Compliance Audit Guide.

Report On Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified. *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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Aycock, Miles & Associates, CPAs

Roosevelt, Utah
October 27, 2025