

DUCHESNE COUNTY SCHOOL DISTRICT

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

Financial Statements

Year Ended June 30, 2022



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

Prepared by
Dee E. Miles, CPA

DUCHESNE COUNTY SCHOOL DISTRICT

Table of Contents

Year Ended June 30, 2022

FINANCIAL SECTION:	Page
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	9
Statement of Activities	10
Fund Financial Statements:	
Balance Sheet - Governmental Funds	11
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	15
Notes to the Basic Financial Statements	16
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	31
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	32
Schedule of Revenues, Expenditures and Changes in Fund Balances <i>School Lunch</i> - Nonmajor Special Revenue Fund	33
Schedule of Revenues, Expenditures and Changes in Fund Balances <i>Pass-Through Taxes Fund</i>	34
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances <i>Trust Fund</i> - Nonmajor Special Revenue Fund	35
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances <i>Student Activities</i> - Nonmajor Special Revenue Fund	36
Schedule of Revenues, Expenditures and Changes in Fund Balances <i>Nonmajor Debt Service Fund</i>	37
Schedule of Revenues, Expenditures and Changes in Fund Balances <i>Major Capital Projects Fund</i>	38
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of Proportionate Share of the Net Pension Liability & Schedule of Contributions	39
STATISTICAL SECTION (Unaudited):	
General Fund - Per Capita Operating Costs by School	43
CONTINUING DISCLOSURE UNDERTAKING SECTION (Unaudited):	44

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

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and budgetary comparison information of Duchesne County School District as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Duchesne County School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the aggregate remaining fund information, and budget comparison information of the Duchesne County School District, as of June 30, 2022, 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. 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 the 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 the 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 School District's internal control. Accordingly, no such opinion is expressed.

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2022 on our consideration of the 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 the School District's internal control over financial reporting and compliance.

Aycock, Miles & Associates, CPAs

Roosevelt, Utah
November 21, 2022

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, 2022. 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 allocation formulas. State Legislative appropriations account for 64% of the funding and another 11% came from Federal restricted programs which increased significantly from Congressional funding for COVID related initiatives. The remaining 25% came from local sources. The taxable value of local property increased 1.6% due to increased value of residences and investments in business property.
- ❑ The District's financial status as measured by total net position in excess of liabilities was \$130.9 million as of the close of the fiscal year, which was a net increase of \$14.7 million from the prior year due to investments in new buildings, increases in reserves, and a large gain in net pension assets.
- ❑ The general fund balance increased \$1,523,243 due to increased economic stabilization reserves, and an increase in unassigned fund balance. Undistributed reserves were maintained at 5% of the budget as allowed by statute. The capital projects fund balance increased \$2.1 million in reserves with the Duchesne High project just getting under way at the end of the year. The fund also has an additional reserve for catastrophic events of \$2 million.
- ❑ District enrollment increased 144 students with 5,134 enrolled on October 1, 2021 due to local economic growth. Birth rates in the County remain steady and the ongoing operations and oil and gas investments in the County is contributing to a relatively stable economy and some growth in student enrollment. State base funding per student increased 5.92%.
- ❑ A master plan for buildings was moving forward with remodel plans for Duchesne High now under way.

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

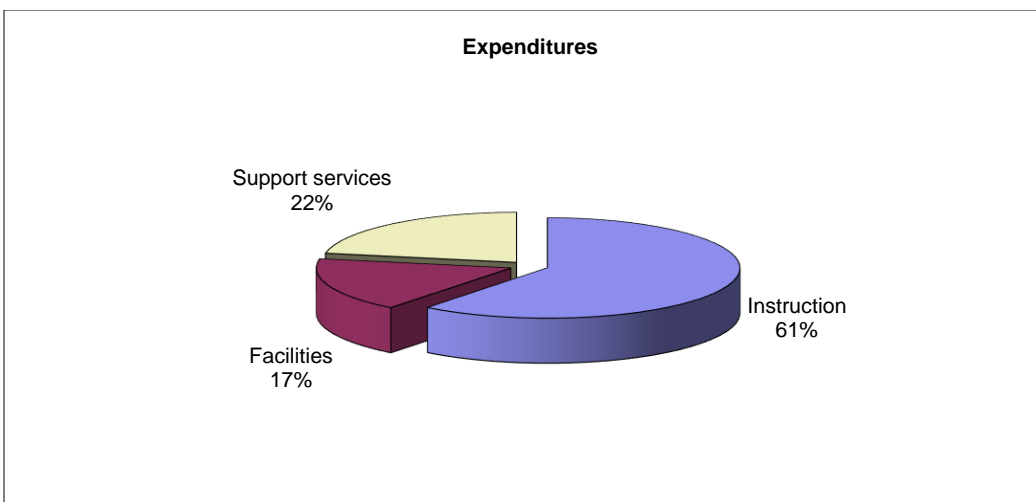
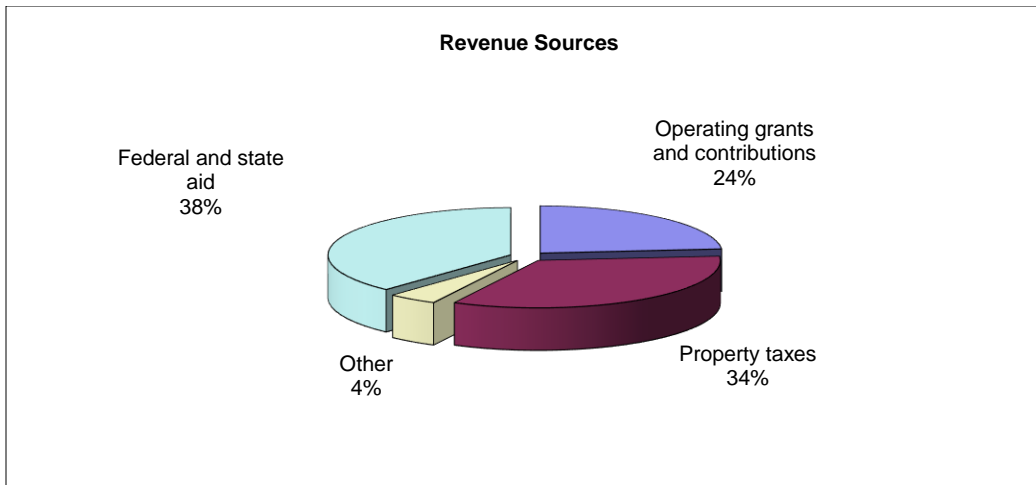
Net position. The District's assets are invested in land, buildings, and equipment less outstanding general obligation and revenue bonds used to acquire those assets. The net position of the District increased 12.6% with increased investment in buildings, debt reductions, depreciation of assets and an increase in net pension 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 6% of net assets.

Changes in net position. Net position increased \$14,657,561 due to increases in reserves, investment in buildings, and increased net pension assets. The District's total revenues increased 7% with increases in State, Federal and local revenues. Local tax values increased 1.6%. State revenues increased due to legislative appropriation increases, enrollment increases, and additional targeted funds for at-risk students. Federal funding increased 35% with extra funding to help students recover from the pandemic. These Federal funds will be used over the next two to three years. Expenditures increased 11% with cost increases in fuel and utilities, wage increases and supplies from the Federal grants..

The District reports deferred outflows and inflows of resources related to participation in Utah Retirement Systems pension plans. Deferred outflows of \$7,238,769 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 \$17,956,516.

Net Position	<u>2022</u>	<u>2021</u>	<u>Total Change</u>
Current and other assets	\$ 66,318,956	\$ 56,998,907	\$ 9,320,049
Capital assets	192,604,015	191,728,835	875,180
Total assets	<u>258,922,971</u>	<u>248,727,742</u>	<u>10,195,229</u>
Deferred outflows of resources	7,238,769	4,766,851	2,471,918
Total assets and deferred outflows	<u>266,161,740</u>	<u>253,494,593</u>	<u>12,667,147</u>
Current and other liabilities	7,081,009	6,096,763	984,246
Long-term liabilities outstanding	84,485,767	91,947,873	(7,462,106)
Net pension liability	<u>-</u>	<u>8,094,790</u>	<u>(8,094,790)</u>
Total liabilities	<u>91,566,776</u>	<u>106,139,426</u>	<u>(14,572,650)</u>
Deferred Inflows of resources	<u>43,685,672</u>	<u>31,103,436</u>	<u>12,582,236</u>
Net Position			
Invested in capital assets, net of related debt	103,851,259	113,595,945	(9,744,686)
Restricted	23,774,705	6,710,768	17,063,937
Unrestricted	<u>3,283,328</u>	<u>(4,054,982)</u>	<u>7,338,310</u>
Total net position	<u>\$ 130,909,292</u>	<u>\$ 116,251,731</u>	<u>\$ 14,657,561</u>

Changes in Net Position	<u>2022</u>	<u>2021</u>	<u>Total Change</u>
Revenues			
Program revenues			
Charges for services	\$ 1,030,393	\$ 764,310	\$ 266,083
Operating grants and contributions	17,321,655	20,835,006	(3,513,351)
Capital grants and contributions	-	37,165	(37,165)
General revenues			
Property taxes	24,968,231	24,428,692	539,539
Federal and state aid	27,988,817	20,114,196	7,874,621
Earnings on investments	179,616	152,606	27,010
Miscellaneous	2,550,371	2,103,348	447,023
Total revenues	<u>74,039,083</u>	<u>68,435,323</u>	<u>5,603,760</u>
Expenses			
Instructional services	36,966,068	36,140,593	825,475
Supporting services:			
Students	1,586,680	1,784,650	(197,970)
Instructional staff	1,410,614	1,354,856	55,758
District administration	451,115	453,364	(2,249)
School administration	2,580,434	3,024,836	(444,402)
Business	1,484,582	1,620,094	(135,512)
Operation and maintenance of facilities	7,073,651	6,711,898	361,753
Transportation	3,304,977	2,914,397	390,580
School lunch services	2,644,253	2,841,720	(197,467)
Interest on long-term liabilities	1,879,148	2,595,141	(715,993)
Total Expenses	<u>59,381,522</u>	<u>59,441,549</u>	<u>(60,027)</u>
Increase (decrease) in net assets	14,657,561	8,993,773	5,663,788
Net position - beginning	<u>116,251,731</u>	<u>107,257,958</u>	<u>8,993,773</u>
Net position - ending	<u><u>\$ 130,909,292</u></u>	<u><u>\$ 116,251,731</u></u>	<u><u>\$ 14,657,561</u></u>



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. Any unassigned balance at the end of the fiscal year must be appropriated in the following fiscal year’s budget. 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 \$32.8 million, \$4.8 million more than the prior year. Saving for building projects contributed to the increase. The general fund stabilization balance increased by \$.3 million placing the total at the statutory maximum.

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 minor 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 of Duchesne High had begun construction.

Capital assets as of June 30, 2022 (Net of accumulated depreciation)	<u>2022</u>	<u>2021</u>	<u>Total Change</u>
Land	\$ 5,242,150	\$ 5,242,150	\$ -
Construction in progress	2,650,849	735,638	1,915,211
Buildings and improvements	176,300,948	182,291,849	(5,990,901)
Furniture and equipment	<u>3,293,244</u>	<u>3,242,228</u>	<u>51,016</u>
Total capital assets	<u>\$187,487,191</u>	<u>\$191,511,865</u>	<u>\$ (4,024,674)</u>

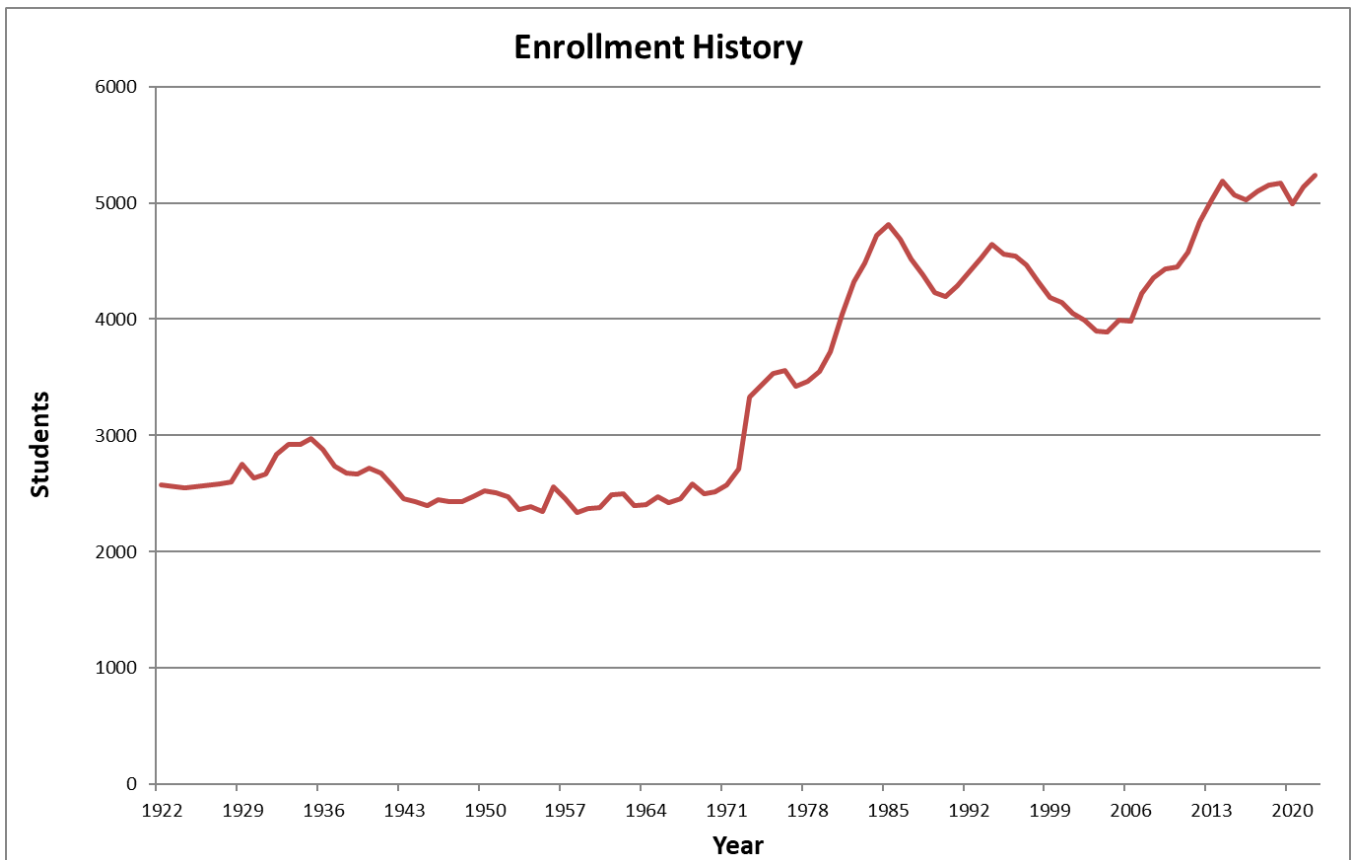
Debt Administration.

General obligation debt is limited by Utah Law to 4% of the market value of property. Current unused legal debt capacity is \$72 million or 57%.

Outstanding long-term debt as of June 30, 2022	<u>2022</u>	<u>2021</u>	<u>Total Change</u>
General obligation bonds	\$ 55,094,000	\$ 57,890,000	\$ (2,796,000)
Lease revenue bonds	22,347,051	24,282,077	(1,935,026)
Loans	1,497,183	2,941,794	(1,444,611)
Unamortized bond issuance premium	<u>4,697,698</u>	<u>6,213,377</u>	<u>(1,515,679)</u>
Total debt	<u>\$ 83,635,932</u>	<u>\$ 91,327,248</u>	<u>\$ (7,691,316)</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 enrollments and more online enrollments. In 2021 the students returned to the District and live instruction and new economic growth is also now increasing enrollment by 2% per annum.



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.

DUCHESNE COUNTY SCHOOL DISTRICT
Statement of Net Position
June 30, 2022

	Governmental Activities
Assets:	
Cash and investments	\$ 36,480,342
Receivables:	
Property taxes	26,750,598
Other governments	2,659,676
Local	16,742
Inventories and prepaid expenses	411,598
Net pension asset	5,116,824
Capital assets:	
Land and construction in progress	7,892,999
Buildings and other capital assets, net of depreciation	179,594,192
Total assets	258,922,971
 Deferred Outflows of Resources:	
Deferred outflows of resources relating to pensions	7,238,769
Total assets and deferred outflows	266,161,740
 Liabilities:	
Accounts payable	1,240,769
Accrued interest	231,549
Accrued salaries and benefits	4,794,334
Unearned revenue, State	814,357
Noncurrent liabilities:	
Due within one year	7,542,942
Due after one year	76,942,825
Net pension liability	-
Total liabilities	91,566,776
 Deferred Inflows of Resources:	
Property taxes levied for future year	25,729,156
Resources relating to pensions	17,956,516
Total deferred inflows	43,685,672
 Net Position:	
Net investment in capital assets	103,851,259
Restricted for:	
Programs	2,257,007
School lunch	1,593,527
Pass-Through Taxes	-
Trust Fund	1,242,218
Student Activities	1,386,219
Capital projects	17,272,516
Debt service	23,218
Unrestricted	3,283,328
Total net position	\$ 130,909,292

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

DUCHESNE COUNTY SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2022

Functions	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Total Governmental Activities
Governmental activities:					
Instructional services	\$ 36,966,068	\$ 850,530	\$ 10,024,500	\$ -	\$ (26,091,038)
Supporting services:					
Students	1,586,680	-	1,024,733	-	(561,947)
Instructional staff	1,410,614	-	350,948	-	(1,059,666)
District administration	451,115	-	-	-	(451,115)
School administration	2,580,434	-	168,488	-	(2,411,946)
Business	1,484,582	-	37,073	-	(1,447,509)
Operation and maintenance of facilities	7,073,651	-	616,215	-	(6,457,436)
Transportation	3,304,977	76,662	1,768,409	-	(1,459,906)
School lunch services	2,644,253	103,201	3,331,289	-	790,237
Interest on long-term liabilities	1,879,148	-	-	-	(1,879,148)
Total school district	<u>\$ 59,381,522</u>	<u>\$ 1,030,393</u>	<u>\$ 17,321,655</u>	<u>\$ -</u>	<u>\$ (41,029,474)</u>
General revenues:					
Property taxes levied for:					
General purposes					13,632,024
Debt service					1,000,158
Capital outlay					10,336,049
Federal and state aid not restricted to specific purposes					27,988,817
Earnings on investments					179,616
Miscellaneous					2,550,371
Total general revenues					<u>55,687,035</u>
Change in net position					14,657,561
Net position - beginning					<u>116,251,731</u>
Net position - ending					<u>\$ 130,909,292</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2022

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Capital Projects</u>		
Assets:				
Cash and investments	\$ 14,783,411	\$ 18,027,173	\$ 3,669,758	\$ 36,480,342
Accounts receivable:				
Property tax	13,706,132	9,306,486	3,737,980	26,750,598
Local	16,742	-	-	16,742
Due from lunch fund	-	-	-	-
State of Utah	405,521	-	44,247	449,768
Federal government	2,182,916	-	26,992	2,209,908
Inventories	-	20,720	390,878	411,598
Total assets	<u>\$ 31,094,722</u>	<u>\$ 27,354,379</u>	<u>\$ 7,869,855</u>	<u>\$ 66,318,956</u>
Liabilities:				
Accounts payable	\$ 644,949	\$ 587,352	\$ 8,468	\$ 1,240,769
Accrued payroll and benefits	4,794,334	-	-	4,794,334
Unearned revenue, State	814,357	-	-	814,357
Due to general fund	-	-	-	-
Total liabilities	<u>6,253,640</u>	<u>587,352</u>	<u>8,468</u>	<u>6,849,460</u>
Deferred Inflows of Resources:				
Unavailable property tax revenue	\$ 490,801	\$ 366,726	\$ 56,339	\$ 913,866
Property taxes levied for future year	13,157,774	8,896,236	3,675,146	25,729,156
Total deferred inflows of resources	<u>13,648,575</u>	<u>9,262,962</u>	<u>3,731,485</u>	<u>26,643,022</u>
Fund Balances:				
Nonspendable:				
Inventories	-	20,720	390,878	411,598
Restricted:				
Capital projects	-	15,483,345	-	15,483,345
Debt service	-	-	23,218	23,218
Nutrition services	-	-	1,087,369	1,087,369
Schools	-	-	134,567	134,567
Extra-curricular	-	-	-	-
Committed:				
Economic stabilization	2,735,000	-	-	2,735,000
Self insurance	375,000	2,000,000	-	2,375,000
Employee benefit obligations	1,185,884	-	-	1,185,884
Assigned:				
Students	-	-	2,493,870	2,493,870
Programs	2,257,007	-	-	2,257,007
Unassigned:	4,639,616	-	-	4,639,616
Total fund balances	<u>11,192,507</u>	<u>17,504,065</u>	<u>4,129,902</u>	<u>32,826,474</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 31,094,722</u>	<u>\$ 27,354,379</u>	<u>\$ 7,869,855</u>	<u>\$ 66,318,956</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, 2022

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

Total fund balance for governmental funds	\$	32,826,474
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:		
Land	\$	5,242,150
Construction in progress		2,650,849
Buildings and improvements, net of \$66,123,918 accumulated depreciation		176,300,948
Furniture and equipment, net of \$9,152,276 accumulated depreciation		3,293,244
		187,487,191
The net pension asset is not an available resource and therefore is not reported in the governmental funds.		5,116,824
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.		913,866
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		-
Deferred outflows of resources related to pensions		7,238,769
Deferred inflows of resources related to pensions		(17,956,516)
Debt payable		(78,938,234)
Unamortized bond issuance premiums		(4,697,698)
Accrued interest		(231,549)
Compensated absences payable		(849,835)
		(95,435,063)
Total net assets of governmental activities	\$	130,909,292

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, 2022

	<u>Major Funds</u>		<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Capital Projects</u>		
Revenues:				
Property taxes	\$ 13,224,675	\$ 9,669,136	\$ 1,970,064	\$ 24,863,875
Earnings on investments	83,215	85,795	10,606	179,616
School lunch sales	-	-	103,201	103,201
Other local sources	953,089	664,682	2,062,402	3,680,173
State sources	35,805,445	-	442,374	36,247,819
Federal sources	6,173,738	-	2,888,915	9,062,653
Total revenues	<u>56,240,162</u>	<u>10,419,613</u>	<u>7,477,562</u>	<u>74,137,337</u>
Expenditures:				
Current:				
Instructional services	33,740,092	-	1,876,685	35,616,777
Supporting services:				
Students	1,725,394	-	-	1,725,394
Instructional staff	1,654,050	-	-	1,654,050
District administration	377,815	-	-	377,815
School administration	3,214,089	-	-	3,214,089
Business	1,728,474	-	-	1,728,474
Operation and maintenance of facilities	6,890,224	-	-	6,890,224
Transportation	3,346,822	-	-	3,346,822
School lunch services	-	-	2,564,520	2,564,520
Capital outlay	2,039,959	595,211	-	2,635,170
Debt service:				
Principal retirement	-	4,985,637	1,838,000	6,823,637
Interest and fiscal charges	-	3,351,655	500	3,352,155
Bond issuance and service costs	-	90,278	-	90,278
Total expenditures	<u>54,716,919</u>	<u>9,022,781</u>	<u>6,279,705</u>	<u>70,019,405</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,523,243</u>	<u>1,396,832</u>	<u>1,197,857</u>	<u>4,117,932</u>
Other financing sources (uses):				
Transfers	-	-	-	-
Bond & Loan Proceeds	-	15,803,000	-	15,803,000
Bond Refunding	-	(15,155,000)	-	(15,155,000)
Sale of capital assets	-	27,904	-	27,904
Total other financing sources (uses)	<u>-</u>	<u>675,904</u>	<u>-</u>	<u>675,904</u>
Net change in fund balances	1,523,243	2,072,736	1,197,857	4,793,836
Fund balances - beginning	<u>9,669,264</u>	<u>15,431,329</u>	<u>2,932,045</u>	<u>28,032,638</u>
Fund balances - ending	<u>\$ 11,192,507</u>	<u>\$ 17,504,065</u>	<u>\$ 4,129,902</u>	<u>\$ 32,826,474</u>

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, 2022

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

Net change in fund balances-total governmental funds \$ 4,793,836

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	\$ 2,635,170	
Gain on disposal of capital assets	27,904	
Proceeds from sales of capital assets	(27,904)	
Depreciation expense	(6,659,843)	(4,024,673)

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	(15,803,000)	
Bond refunding escrow payment	15,712,722	
Repayment of bond principal	6,265,915	
Amortization of bond premium	1,515,679	
Interest expense - bonds and loans	47,606	7,738,922

Delinquent property taxes are reported as deferred revenue in the governmental funds. However, they are reported as revenues in the statement of activities. 104,356

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 \$40,983 and early retirement payable increased by \$188,227. (229,210)

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		6,274,330
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Change in net assets of governmental activities \$ 14,657,561

DUCHESNE COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property taxes	\$ 13,541,000	\$ 13,285,000	\$ 13,224,675	\$ (60,325)
Earnings on investments	50,000	50,000	83,215	33,215
Other local sources	155,000	250,000	953,089	703,089
State sources	34,013,000	40,157,000	35,805,445	(4,351,555)
Federal sources	2,716,000	4,822,000	6,173,738	1,351,738
Total revenues	<u>50,475,000</u>	<u>58,564,000</u>	<u>56,240,162</u>	<u>(2,323,838)</u>
Expenditures:				
Current:				
Instructional services	32,215,000	36,100,000	33,817,643	2,282,357
Supporting services:				
Students	1,812,000	2,022,000	1,725,394	296,606
Instructional staff	1,364,000	1,745,000	1,654,050	90,950
District administration	367,000	369,000	377,815	(8,815)
School administration	3,188,000	3,249,000	3,214,089	34,911
Business	1,553,000	1,784,000	1,802,352	(18,352)
Operation and maintenance of facilities	7,173,000	7,775,000	8,371,756	(596,756)
Transportation	3,374,000	3,885,000	3,753,820	131,180
Total expenditures	<u>51,046,000</u>	<u>56,929,000</u>	<u>54,716,919</u>	<u>2,212,081</u>
Excess of revenues over expenditures	<u>(571,000)</u>	<u>1,635,000</u>	<u>1,523,243</u>	<u>(111,757)</u>
Other financing sources (uses):				
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Net change in fund balances	<u>(571,000)</u>	<u>1,635,000</u>	<u>1,523,243</u>	<u>(111,757)</u>
Fund balances - beginning	<u>9,669,264</u>	<u>9,669,264</u>	<u>9,669,264</u>	<u>-</u>
Fund balances - ending	<u>\$ 9,098,264</u>	<u>\$ 11,304,264</u>	<u>\$ 11,192,507</u>	<u>\$ (111,757)</u>

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

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2022

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, 2022

- ❑ 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, 2022

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	\$ 2,909,657
Investments	33,570,685
Total cash and investments	<u>\$ 36,480,342</u>
Cash and investments - governmental funds, balance sheet	<u>\$ 36,480,342</u>
Total cash and investments	<u>\$ 36,480,342</u>

We comply 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, 2022

Deposits

The carrying amount of bank deposits at year-end was \$2,909,656 and the bank balance was \$3,836,314 of which \$746,052 was covered by federal depository insurance, \$0 was collateralized, and \$3,090,262 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, 3.4%; first-tier commercial paper, 2.5%; and certificates of deposit, 0.1%. The portfolio has a weighted average maturity of 48 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	\$ 33,570,685	\$ 33,570,685	-	-	-
		-	-	-	-	-
		-	-	-	-	-
Total Investments		\$ 33,570,685	\$ 33,570,685	\$ -	\$ -	\$ -

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, 2022

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 \$33,570,685 held in the PTIF are valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).
- Certificates of deposit of \$113,754 was valued at the original amount deposited at the financial institutions plus interest earned on the certificate through the end of the fiscal year (Level 1 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 \$26,643,022. A major portion of this accrual, \$25,729,156, 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. Capital Assets

Construction is under way to replace the older portion of Duchesne High School with \$2,650,849 expended. The project will be financed with Capital Fund revenues, a loan from the State, and lease revenue bonds.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2022

Capital asset activity for the year ended June 30, 2022 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 5,242,150	\$ -	\$ -	\$ 5,242,150
Construction in progress	735,638	1,915,211	-	2,650,849
Total capital assets, not being depreciated	5,977,788	1,915,211	-	7,892,999
Capital assets, being depreciated:				
Buildings and improvements	242,424,866	-	-	242,424,866
Furniture and equipment	12,025,933	719,959	(300,372)	12,445,520
Total capital assets, being depreciated	254,450,799	719,959	(300,372)	254,870,386
Accumulated depreciation for:				
Buildings and improvements	(60,133,017)	(5,990,901)	-	(66,123,918)
Furniture and equipment	(8,783,705)	(668,943)	300,372	(9,152,276)
Total accumulated depreciation	(68,916,722)	(6,659,844)	300,372	(75,276,194)
Total capital assets, being depreciated, net	185,534,077	(5,939,885)	-	179,594,192
Governmental activities capital assets, net	<u>\$ 191,511,865</u>	<u>\$ (4,024,674)</u>	<u>\$ -</u>	<u>\$ 187,487,191</u>

Depreciation expense for the year ended June 30, 2022 was allocated to functions of the District as follows:

Governmental activities:	
Instructional services	\$ 5,037,240
Supporting services:	
District administration	142,628
School administration	217,158
Business	19,376
Operation and maintenance of facilities	567,370
Transportation	278,448
School lunch services	397,623
Total depreciation expense, governmental activities	<u>\$ 6,659,844</u>

The District is obligated at June 30, 2022 under construction commitments for remodeling of Duchesne High School with \$53,909,969 authorized for the project, \$1,330,849 costs to date, and \$52,579,120 still to complete.

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, 2022

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, 2022

	Employee Paid	Paid by employer for employee	Employer Contribution Rate	Employer rate for 401(k) plan
Contributory System				
12 State School Div - Tier 1	1.00	5.00	17.70	n/a
112 State School Div – Tier 2			19.40	0.62

Noncontributory System				
16 State School Div – Tier 1	N/A		22.19	1.50

Tier 2 DC Only				
212 State and School	N/A		10.02	10.00

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

	Employer	Employee
Employer and employee contributions for the fiscal year were:		
Noncontributory System	\$ 3,018,407	N/A
Contributory System	12,958	732
Tier 2 Public Employees System	1,989,364	-
Tier 2 DC Only System	144,990	N/A
Total Contributions	\$ 5,165,718	\$ 732

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:

	Measurement Date: December 31, 2021				
	Net Pension Asset	Net Pension Liability	Proportionate Share	Proportionate Share December 31, 2020	Change
Noncontributory System	\$ 4,127,276	\$ -	0.6040703%	0.6013232%	0.0027471%
Contributory System	766,564	-	0.8512645%	0.9122582%	-0.0609937%
Tier 2 Public Employees System	222,984	-	0.5268532%	0.5452274%	-0.0183742%
Total	\$ 5,116,824	\$ -			

The net pension asset and liability were measured as of December 31, 2020 and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2020 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 (\$1,114,414).

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,584,040	\$ 28,730
Changes in assumptions	1,817,267	2,108
Net difference between projected and actual earnings on pension plan investments	-	17,925,678
Changes in proportion and differences between contributions and proportionate share of contributions	315,106	-
Contributions subsequent to the measurement date	2,522,356	-
Total	\$ 7,238,769	\$ 17,956,516

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2022

\$2,522,356 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, 2021. 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 Ending December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (2,075,927)
2023	(4,394,477)
2024	(4,077,539)
2025	(2,936,446)
2026	43,543
Thereafter	200,743

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

For the year ended June 30, we recognized pension expense of (\$1,654,048). At June 30 we reported deferred outflows 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	\$ 2,475,710	\$ -
Changes in assumptions	1,609,351	-
Net difference between projected and actual earnings on pension plan investments	-	16,645,726
Changes in proportion and differences between District contributions and proportionate share of contributions	191,387	-
Contributions subsequent to the measurement date	1,459,491	-
Total	<u>\$ 5,735,939</u>	<u>\$ 16,645,726</u>

\$ 1,459,491 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, 2021. 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:

<u>Year Ended December 31,</u>	<u>Net Deferred Outflows (Inflows) of Resources</u>
2022	\$ (1,787,642)
2023	(4,007,630)
2024	(3,806,793)
2025	(2,767,214)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, we recognized pension expense of (\$235,111). 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, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	728,987
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	6,496	-
Total	<u>\$ 6,496</u>	<u>\$ 728,987</u>

\$ 6,496 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, 2021. 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 Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (185,218)
2023	(254,586)
2024	(174,927)
2025	(114,256)
2026	-
Thereafter	-

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

For the year ended June 30, 2022, we recognized pension expense of \$ 774,745. At June 30 we reported deferred outflows of resources 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	\$ 108,330	\$ 28,730
Changes in assumptions	207,916	2,108
Net difference between projected and actual earnings on pension plan investments	-	550,965
Changes in proportion and differences between District contributions and proportionate share of contributions	123,719	-
Contributions subsequent to the measurement date	1,056,369	-
Total	<u>\$ 1,496,334</u>	<u>\$ 581,803</u>

\$1,056,369 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, 2021. 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, 2022

Year Ended December 31,	Net Deferred Outflows (Inflows) of Resources
2022	\$ (103,067)
2023	(132,261)
2024	(95,819)
2025	(54,976)
2026	43,543
Thereafter	200,742

Actuarial Assumptions: The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: Inflation 2.50 percent; Salary increases 3.25 – 9.75 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, 2020. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using 80% of the ultimate rates from the MP-2019 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, 2021, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

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	37%	6.58%	2.43%
Debt securities	20%	-0.28%	-0.06%
Real assets	15%	5.77%	0.87%
Private equity	12%	9.85%	1.18%
Absolute return	16%	2.91%	0.47%
Cash and cash equivalents	0%	-1.01%	0.00%
Total	100%		4.89%
Inflation			2.50%
Expected arithmetic nominal return			7.39%

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. The discount rate was reduced from 6.95 percent to 6.85 percent from the prior measurement date.

DUCHESNE COUNTY SCHOOL DISTRICT
Notes to the Financial Statements
June 30, 2022

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-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current rate:

<u>System</u>	<u>1% Decrease (5.85%)</u>	<u>Discount Rate (6.85%)</u>	<u>1% Increase (7.85%)</u>
Noncontributory System	\$ 14,822,472	\$ (4,127,276)	\$ (19,969,401)
Contributory System	(270,249)	(766,564)	(1,192,687)
Tier 2 Public Employees System	1,328,587	(222,984)	(1,414,268)
Total	<u>\$ 15,880,810</u>	<u>\$ (5,116,824)</u>	<u>\$ (22,576,356)</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
2022	\$ 413,348	\$ 437,009	\$ 2,666	\$ 84,814
2021	412,185	390,359	2,250	73,298
2020	367,199	384,647	3,128	58,829

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 132% 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, 2022		Total
	2022	2021	Change
Early retirement incentive	\$ 450,264	\$ 273,455	\$ 176,809
Retiree health plan	30,767	19,349	11,418
Total early retirement benefits payable	<u>\$ 481,031</u>	<u>\$ 292,804</u>	<u>\$ 188,227</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, 2022

8. Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2022 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 57,890,000	\$ 15,803,000	\$ (18,599,000)	\$ 55,094,000	\$ 3,585,000
Lease revenue bonds	24,282,077	-	(1,935,026)	22,347,051	1,955,026
Loans	2,941,794	-	(1,444,611)	1,497,183	1,458,750
Unamortized bond premiums	6,213,377	-	(1,515,679)	4,697,698	-
Total debt payable	91,327,248	15,803,000	(23,494,316)	83,635,932	6,998,776
Other Liabilities					
Net pension liability	8,094,790	-	(8,094,790)	-	-
Accrued vacation payable	327,821	360,608	(319,625)	368,804	359,584
Early retirement benefits payable	292,804	323,553	(135,326)	481,031	184,582
Total other liabilities	8,715,415	684,161	(8,549,741)	849,835	544,166
Total long-term liabilities	<u>\$ 100,042,663</u>	<u>\$ 16,487,161</u>	<u>\$ (32,044,057)</u>	<u>\$ 84,485,767</u>	<u>\$ 7,542,942</u>

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 2019 - Union High School; Series 2017 - Tabiona Community Center; Series 2011A - Altamont High School; Series 2005 - Jr. High School Auditorium. The outstanding loans are unsecured.

General Obligation Debt

Annual amortization of general obligation debt, including interest, as of June 30, 2022 is as follows:

Issue Date	Lease Revenue Building Bonds		Lease Revenue Building Bonds		Qualified School Construction Bonds (QSCB)		Lease Revenue Building Loan		General Obligation Building Bonds	
	2019	2005	2011	2017	2011	2017	2017	2022		
Original Amount	\$22,683,000	\$3,000,000	\$9,000,000	\$7,000,000	\$9,000,000	\$7,000,000	\$15,803,000			
Interest Rate	2.74%	0.00%	0.44%	1.00%	0.44%	1.00%	1.92%			
Maturity Date	6/1/2035	6/15/2026	3/1/2026	10/30/2022	3/1/2026	10/30/2022	6/1/2029			
Year Ending										
June 30,	Principal	Principal	Principal	Principal	Principal	Principal	Principal	Interest		
2023	\$ 1,018,000	\$ 150,000	\$ 643,000	\$ 1,427,999	\$ 11,255	\$ 14,280	\$ 115,000	\$ 343,295		
2024	1,035,000	150,000	643,000	-	8,441	-	2,480,000	283,174		
2025	1,054,000	150,000	643,000	-	5,628	-	2,524,000	238,038		
2026	1,074,000	150,000	643,000	-	2,814	-	2,568,000	192,101		
2027	459,000	-	-	-	-	-	2,615,000	145,363		
2028-2032	1,017,000	-	-	-	-	-	5,372,000	147,092		
2033-2035	11,383,000	-	-	-	-	-	-	-		
Total	\$ 17,040,000	\$ 600,000	\$ 2,572,000	\$ 1,427,999	\$ 28,138	\$ 14,280	\$ 15,674,000	\$ 1,349,063		

Issue Date	General Obligation Building Bonds		Lease Revenue Building Bonds		Energy Efficiency Loan		Total	
	2014	2016	2017	2011	2011	2011	Principal	Grand Total
Original Amount	\$29,000,000	\$39,000,000	\$2,684,000	\$369,011	\$369,011	-	-	-
Interest Rate	2.93%	2.99%	2.50%	0.00%	0.00%	-	-	-
Maturity Date	6/1/2029	6/1/2032	3/1/2038	1/1/2024	1/1/2024	-	-	-
Year Ending								
June 30,	Principal	Principal	Principal	Principal	Principal	Principal	Interest	Grand Total
2023	\$ 2,195,000	\$ 1,275,000	\$ 144,026	\$ 30,751	\$ 30,751	\$ 6,998,776	\$ 2,611,686	\$ 9,610,462
2024	-	1,350,000	147,025	30,751	30,751	5,835,776	2,344,837	8,180,613
2025	-	1,425,000	122,000	7,682	7,682	5,925,682	2,211,923	8,137,605
2026	-	1,500,000	125,000	-	-	6,060,000	2,073,062	8,133,062
2027	-	3,000,000	128,000	-	-	6,202,000	1,927,664	8,129,664
2028-2032	-	28,675,000	689,000	-	-	35,753,000	6,156,966	41,909,966
2033-2037	-	-	780,000	-	-	12,163,000	801,359	12,964,359
Total	\$ 2,195,000	\$ 37,225,000	\$ 2,135,051	\$ 69,184	\$ 69,184	\$ 78,938,234	\$ 18,127,495	\$ 97,065,729

Individual Fund Statements

DUCHESNE COUNTY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	<u>Special Revenue</u>					<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>School Lunch</u>	<u>Pass-Through Taxes</u>	<u>Trust Fund</u>	<u>Student Activities</u>	<u>Total</u>		
Assets:							
Cash and investments	\$ 1,024,598	\$ -	\$ 1,242,218	\$ 1,386,219	\$ 3,653,035	\$ 16,723	\$ 3,669,758
Accounts receivable:							
Local	-	-	-	-	-		-
Property tax	-	-	-	-	-	3,737,980	3,737,980
State of Utah	44,247	-	-	-	44,247	-	44,247
Federal government	26,992	-	-	-	26,992	-	26,992
Inventories	390,878	-	-	-	390,878	-	390,878
Total assets	<u>\$ 1,486,715</u>	<u>\$ -</u>	<u>\$ 1,242,218</u>	<u>\$ 1,386,219</u>	<u>\$ 4,115,152</u>	<u>\$ 3,754,703</u>	<u>\$ 7,869,855</u>
Liabilities:							
Accounts payable	\$ 8,468	\$ -	\$ -	\$ -	\$ 8,468	\$ -	\$ 8,468
Accrued payroll and benefits	-	-	-	-	-	-	-
Due to general fund	-	-	-	-	-	-	-
Deferred property tax revenue	-	-	-	-	-	-	-
Total liabilities	<u>8,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,468</u>	<u>-</u>	<u>8,468</u>
Deferred Inflows of Resources:							
Unavailable property tax revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,339	\$ 56,339
Property taxes levied for future year	-	-	-	-	-	3,675,146	3,675,146
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,731,485</u>	<u>3,731,485</u>
Fund balances:							
Nonspendable:							
Inventories	390,878	-	-	-	390,878	-	390,878
Restricted:							
Debt service	-	-	-	-	-	23,218	23,218
Schools	-	-	134,567	-	134,567	-	134,567
Nutrition services	1,087,369	-	-	-	1,087,369	-	1,087,369
Extra-curricular	-	-	-	-	-	-	-
Assigned:							
Students	-	-	1,107,651	1,386,219	2,493,870	-	2,493,870
Total fund balances	<u>1,478,247</u>	<u>-</u>	<u>1,242,218</u>	<u>1,386,219</u>	<u>4,106,684</u>	<u>23,218</u>	<u>4,129,902</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,486,715</u>	<u>\$ -</u>	<u>\$ 1,242,218</u>	<u>\$ 1,386,219</u>	<u>\$ 4,115,152</u>	<u>\$ 3,754,703</u>	<u>\$ 7,869,855</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022

	<u>Special Revenue</u>					<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>School Lunch</u>	<u>Pass-Through Taxes</u>	<u>Trust Fund</u>	<u>Student Activities</u>	<u>Total</u>		
Revenues:							
Property tax	\$ -	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ 1,820,064	\$ 1,970,064
Student fees	-	-	-	766,410	766,410	-	766,410
Lunch sales	103,201	-	-	-	103,201	-	103,201
Earnings on investments	-	-	9,967	639	10,606	-	10,606
Other local revenues	-	-	203,923	1,092,069	1,295,992	-	1,295,992
State aid	442,374	-	-	-	442,374	-	442,374
Federal aid	2,888,915	-	-	-	2,888,915	-	2,888,915
Total revenues	<u>3,434,490</u>	<u>150,000</u>	<u>213,890</u>	<u>1,859,118</u>	<u>5,657,498</u>	<u>1,820,064</u>	<u>7,477,562</u>
Expenditures:							
Current:							
Instructional services	-	150,000	108,194	1,618,491	1,876,685	-	1,876,685
School lunch services	2,564,520	-	-	-	2,564,520	-	2,564,520
Debt service:							
Principal retirement	-	-	-	-	-	1,838,000	1,838,000
Interest and fiscal charges	-	-	-	-	-	500	500
Total expenditures	<u>2,564,520</u>	<u>150,000</u>	<u>108,194</u>	<u>1,618,491</u>	<u>4,441,205</u>	<u>1,838,500</u>	<u>6,279,705</u>
Excess of revenues over expenditures	869,970	-	105,696	240,627	1,216,293	(18,436)	1,197,857
Other financing sources:							
Transfer in (out)	-	-	-	-	-	-	-
Net change in fund balances	869,970	-	105,696	240,627	1,216,293	(18,436)	1,197,857
Fund balances - beginning	<u>608,277</u>	<u>-</u>	<u>1,136,522</u>	<u>1,145,592</u>	<u>2,890,391</u>	<u>41,654</u>	<u>2,932,045</u>
Fund balances - ending	<u>\$ 1,478,247</u>	<u>\$ -</u>	<u>\$ 1,242,218</u>	<u>\$ 1,386,219</u>	<u>\$ 4,106,684</u>	<u>\$ 23,218</u>	<u>\$ 4,129,902</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
School Lunch
Nonmajor Special Revenue Fund
Year Ended June 30, 2022
With Comparative Totals for 2021

	<u>2022</u>	<u>2021</u>
	<u>Actual Amounts</u>	<u>Actual Amounts</u>
Revenues:		
Local sources:		
Lunch sales - students	\$ 58,390	\$ 98,762
Lunch Sales - adult	30,375	21,885
Earnings on investments	-	-
Other sales	<u>14,436</u>	<u>10,455</u>
Total local sources	<u>103,201</u>	<u>131,102</u>
State sources:		
State lunch program	<u>442,374</u>	<u>513,750</u>
Total state sources	<u>442,374</u>	<u>513,750</u>
Federal sources:		
Child nutrition program	2,696,027	2,140,217
Donated commodities	<u>192,888</u>	<u>141,333</u>
Total federal sources	<u>2,888,915</u>	<u>2,281,550</u>
Total revenues	<u>3,434,490</u>	<u>2,926,402</u>
Expenditures:		
Current:		
Salaries	860,798	900,758
Employee benefits	235,680	253,539
Purchased services	4,947	1,409
Food	1,080,447	1,123,663
Other supplies	173,083	206,512
Equipment	6,955	-
Indirect cost allocation	<u>202,610</u>	<u>272,000</u>
Total expenditures	<u>2,564,520</u>	<u>2,757,881</u>
Excess (deficiency) of revenues over expenditures	<u>869,970</u>	<u>168,521</u>
Other financing sources (uses):		
Transfer in (out)	<u>-</u>	<u>-</u>
Net change in fund balances	869,970	168,521
Fund balances - beginning	<u>608,277</u>	<u>439,756</u>
Fund balances - ending	<u>\$ 1,478,247</u>	<u>\$ 608,277</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, 2022
With Comparative Totals for 2021

	2022	2021
	Actual Amounts	Actual Amounts
Revenues:		
Local sources:		
Property taxes	\$ 150,000	\$ 95,000
Expenditures:		
Contributions to other governments:		
Statewide charter school program	150,000	95,000
Redevelopment agencies	-	-
Total contributions to other governments	150,000	95,000
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, 2022 and 2021

	2022	2021
Revenues:		
Local sources:		
Contributions	\$ 203,923	\$ 121,120
Earnings on investments	9,967	14,959
Total revenues	213,890	136,079
Expenditures:		
Current:		
Program services - Instruction Support	9,094	3,041
Program services - graduating student scholarships	99,100	111,750
Total expenditures	108,194	114,791
Net change in fund balances	105,696	21,288
Fund balances - beginning	1,136,522	1,115,234
Fund balances - ending	\$ 1,242,218	\$ 1,136,522

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Student Activities
Nonmajor Special Revenue Fund
Year Ended June 30, 2022
With Comparative Totals for 2021

	<u>2022</u>	<u>2021</u>
	<u>Actual Amounts</u>	<u>Actual Amounts</u>
Revenues:		
Local sources:		
Fees	\$ 748,372	\$ 437,762
Earnings on investments	639	1,118
School vending	38,526	84,437
Rentals	18,038	32,736
Other local sources	<u>1,053,543</u>	<u>988,583</u>
Total revenues	<u>1,859,118</u>	<u>1,544,636</u>
Expenditures:		
Current:		
Purchased professional services	57,550	330,628
Other purchased services	267,431	15,313
Supplies	1,107,159	994,917
Equipment	-	-
Other objects and fees	<u>186,351</u>	<u>366,244</u>
Total expenditures	<u>1,618,491</u>	<u>1,707,102</u>
Excess (deficiency) of revenues over expenditures	<u>240,627</u>	<u>(162,466)</u>
Fund balances - beginning	<u>1,145,592</u>	<u>1,308,058</u>
Fund balances - ending	<u><u>\$ 1,386,219</u></u>	<u><u>\$ 1,145,592</u></u>

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Fund
Year Ended June 30, 2022
With Comparative Totals for 2021

	2022	2021
	Actual Amounts	Actual Amounts
Revenues:		
Property tax	\$ 1,820,064	\$ 1,816,917
Earnings on Investments	-	-
Total revenues	1,820,064	1,816,917
Expenditures:		
Debt service:		
Bond principal	1,838,000	1,800,000
Bond interest	-	-
Fees	500	500
Total expenditures	1,838,500	1,800,500
Net change in fund balances	(18,436)	16,417
Fund balance - beginning	41,654	25,237
Fund balance - ending	\$ 23,218	\$ 41,654

DUCHESNE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance
Major Capital Projects Fund
Year Ended June 30, 2022
With Comparative Totals for 2021

	<u>2022</u>	<u>2021</u>
	<u>Actual</u>	<u>Actual</u>
	<u>Amounts</u>	<u>Amounts</u>
Revenues:		
Property taxes	\$ 9,669,136	\$ 9,659,850
Earnings on investments	85,795	73,036
Other local	664,682	1,110,090
State sources - capital outlay foundation	-	37,165
Federal sources	-	-
Total revenues	<u>10,419,613</u>	<u>10,880,141</u>
Expenditures:		
Capital outlay:		
Salaries	-	-
Employee benefits	-	-
Purchased services	-	-
Supplies and materials	-	11,663
Land and improvements	-	742,993
Buildings	595,211	-
Total capital outlay	<u>595,211</u>	<u>754,656</u>
Debt Service:		
Principal	4,985,637	4,813,638
Interest	3,351,655	3,221,772
Bond issuance and service costs	90,278	-
Total debt service	<u>8,427,570</u>	<u>8,035,410</u>
Total expenditures	<u>9,022,781</u>	<u>8,790,066</u>
Excess (deficiency) of revenues over expenditures	1,396,832	2,090,075
Other Financing Sources (Uses):		
Bond proceeds	-	-
Proceeds of refunding bonds	15,803,000	-
Retirement of refunded bonds	(15,155,000)	-
Loan Proceeds	-	-
Sale of capital assets	27,904	36,183
Total other financing sources (uses)	<u>675,904</u>	<u>36,183</u>
Net change in fund balances	2,072,736	2,126,258
Fund balance - beginning	<u>15,431,329</u>	<u>13,305,071</u>
Fund balance - ending	<u>\$ 17,504,065</u>	<u>\$ 15,431,329</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Required Supplementary Information
 June 30, 2021

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

Utah Retirement Systems

Last Eight Plan (Calendar) Years *

	2021	2020	2019	2018	2017	2016	2015	2014
Noncontributory Retirement System:								
District's proportion of the net pension liability (asset)	0.6040703%	0.6013232%	0.5887845%	0.5362673%	0.5345900%	0.5391934%	0.5406280%	0.5319443%
District's proportionate share of the net pension liability (asset)	\$ (4,127,276)	\$ 8,016,371	\$ 13,081,036	\$ 19,951,917	\$ 13,072,662	\$ 17,474,810	\$ 16,982,674	\$ 13,365,253
District's covered-employee payroll	\$ 14,172,505	\$ 13,959,121	\$ 13,646,951	\$ 13,418,312	\$ 13,562,081	\$ 13,888,888	\$ 13,982,342	\$ 14,274,698
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-29.1%	57.4%	95.9%	148.7%	96.4%	125.8%	121.5%	93.6%
Plan fiduciary net position as a percentage of the total pension liability (asset)	102.7%	94.3%	90.1%	84.1%	89.2%	84.9%	84.5%	87.2%
Contributory Retirement System:								
District's proportion of the net pension liability (asset)	0.8512645%	0.9122582%	0.8165023%	0.9023387%	0.8549635%	0.8227239%	0.7933442%	0.6958214%
District's proportionate share of the net pension liability (asset)	\$ (766,564)	\$ (216,970)	\$ 56,370	\$ 640,664	\$ 56,260	\$ 450,818	\$ 497,151	\$ 76,296
District's covered-employee payroll	\$ 72,054	\$ 87,981	\$ 91,092	\$ 175,120	\$ 194,529	\$ 220,546	\$ 251,313	\$ 254,743
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-1063.9%	-246.6%	61.9%	365.8%	28.9%	204.4%	197.8%	30.0%
Plan fiduciary net position as a percentage of the total pension liability	114.1%	103.7%	98.9%	91.4%	99.2%	93.4%	92.4%	98.7%
Tier 2 Public Employees Retirement System:								
District's proportion of the net pension liability (asset)	0.5268532%	0.5452274%	0.5351658%	0.5284115%	0.5105785%	0.5325539%	0.5729846%	0.5697140%
District's proportionate share of the net pension liability (asset)	\$ (222,984)	\$ 78,419	\$ 120,363	\$ 226,307	\$ 45,016	\$ 59,406	\$ (1,251)	\$ (17,265)
District's covered-employee payroll	\$ 9,823,937	\$ 8,737,381	\$ 7,451,482	\$ 6,213,178	\$ 5,015,314	\$ 4,367,361	\$ 3,700,062	\$ 2,788,955
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-2.27%	0.90%	1.62%	3.64%	0.90%	1.36%	-0.03%	-0.62%
Plan fiduciary net position as a percentage of the total pension liability	103.8%	98.3%	96.5%	90.8%	97.4%	95.1%	100.2%	103.5%

* These schedules only present information for the 2014 and subsequent measurement periods of the plans; prior-year information is not available.

DUCHESNE COUNTY SCHOOL DISTRICT
Required Supplementary Information
June 30, 2021

Schedules of District Contributions
Utah Retirement Systems
Last Nine Reporting Years *

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Noncontributory System:									
Actuarial determined contributions	\$ 3,018,407	\$ 3,153,336	\$ 3,025,528	\$ 2,963,475	\$ 2,940,618	\$ 3,031,156	\$ 3,071,026	\$ 3,028,313	\$ 2,820,302
Contributions in relation to the contractually required contribution	<u>(3,018,407)</u>	<u>(3,153,336)</u>	<u>(3,025,528)</u>	<u>(2,963,475)</u>	<u>(2,940,618)</u>	<u>(3,031,156)</u>	<u>(3,071,026)</u>	<u>(3,028,313)</u>	<u>(2,820,302)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 13,688,739	\$ 14,285,476	\$ 13,706,297	\$ 13,467,730	\$ 13,367,503	\$ 13,855,869	\$ 14,035,482	\$ 14,070,924	\$ 14,246,988
Contributions as a percentage of covered payroll	22 1%	22 1%	22 1%	22 0%	22 0%	21 9%	21 9%	21 5%	19 8%
Contributory System:									
Actuarial determined contributions	\$ 12,958	\$ 13,111	\$ 16,930	\$ 19,732	\$ 36,254	\$ 35,228	\$ 43,461	\$ 45,199	\$ 39,864
Contributions in relation to the contractually required contribution	<u>(12,958)</u>	<u>(13,111)</u>	<u>(16,930)</u>	<u>(19,732)</u>	<u>(36,254)</u>	<u>(35,228)</u>	<u>(43,461)</u>	<u>(45,199)</u>	<u>(39,864)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 73,210	\$ 74,075	\$ 95,652	\$ 111,481	\$ 204,825	\$ 199,028	\$ 245,467	\$ 259,244	\$ 254,703
Contributions as a percentage of covered payroll	17 7%	17 7%	17 7%	17 7%	17 7%	17 7%	17 7%	17 4%	15 7%
Tier 2 Public Employees System:									
Actuarial determined contributions	\$ 1,989,364	\$ 1,761,834	\$ 1,558,688	\$ 1,280,332	\$ 1,021,966	\$ 837,240	\$ 755,181	\$ 592,177	\$ 366,396
Contributions in relation to the contractually required contribution	<u>(1,989,364)</u>	<u>(1,761,834)</u>	<u>(1,558,688)</u>	<u>(1,280,332)</u>	<u>(1,021,966)</u>	<u>(837,240)</u>	<u>(755,181)</u>	<u>(592,177)</u>	<u>(366,396)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 10,275,999	\$ 9,217,102	\$ 8,211,914	\$ 6,802,400	\$ 5,550,604	\$ 4,585,630	\$ 4,139,328	\$ 3,275,786	\$ 2,212,017
Contributions as a percentage of covered payroll	19 4%	19 1%	19 0%	18 8%	18 4%	18 3%	18 2%	18 1%	16 6%
Tier 2 Public Employees DC Only:									
Actuarial determined contributions	\$ 144,990	\$ 120,219	\$ 82,288	\$ 83,531	\$ 66,555	\$ 61,719	\$ 53,019	\$ 29,719	\$ 15,313
Contributions in relation to the contractually required contribution	<u>(144,990)</u>	<u>(120,219)</u>	<u>(82,288)</u>	<u>(83,531)</u>	<u>(66,555)</u>	<u>(61,719)</u>	<u>(53,019)</u>	<u>(29,719)</u>	<u>(15,313)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,426,568	\$ 1,197,274	\$ 821,233	\$ 833,645	\$ 664,222	\$ 615,957	\$ 526,689	\$ 301,885	\$ 187,424
Contributions as a percentage of covered payroll	10 2%	10 0%	10 0%	10 0%	10 0%	10 0%	10 1%	9 8%	8 2%

* These schedules only present information for the District's 2014 and subsequent reporting periods; prior-year information is not available

DUCHESNE COUNTY SCHOOL DISTRICT
Required Supplementary Information
June 30, 2021

Notes to Required Supplementary Information

Changes in Assumptions:

The investment return assumption was decreased by 0.10% to 6.85% for use in the January 1, 2021 actuarial valuation. This assumption change was based on analysis performed by the actuary and adopted by the Utah State Retirement Board. In aggregate, this assumption change resulted in a \$509 million increase in the Total Pension Liability, which is about 1.3% of the Total Pension Liability of as December 31, 2020 for all systems combined. The demographic assumptions were reviewed and updated in the January 1, 2020 actuarial valuation and are currently scheduled to be reviewed in the year 2023.

Statistical Section

Unaudited

DUCHESNE COUNTY SCHOOL DISTRICT
 General Fund - Per Capita Operating Costs By School
 Year Ended June 30, 2022

SCHOOL	CODE	PER CAPITA	AVERAGE DAILY MEMBERSHIP	% OF AVERAGE DAILY MEMBERSHIP	% OF TOTAL OPERATION COSTS	TOTAL OPERATION COSTS	INSTRUCTION	STUDENTS	SUPPORT SERVICES					PUPIL TRANS.
									INSTRUCTION STAFF	GENERAL ADMIN.	SCHOOL ADMIN.	BUSINESS ADMIN.	BUILDING OPER. & MTN.	
Altamont Elementary	104	\$ 11,375	282	5.75%	5.85%	\$ 3,208,242	\$ 2,140,231	\$ 40,774	\$ 124,676	\$ 21,716	\$ 201,919	\$ 103,783	\$ 347,699	\$ 227,445
Centennial Elementary	106	10,475	488	9.95%	9.32%	5,115,319	3,441,803	116,587	133,784	37,601	278,367	177,522	576,933	352,722
Duchesne Elementary	108	10,312	398	8.12%	7.49%	4,108,475	2,721,036	92,072	140,099	30,676	210,331	145,308	466,066	302,887
East Elementary	110	12,857	269	5.49%	6.31%	3,463,590	2,336,431	69,381	97,272	20,742	215,393	99,090	434,870	190,410
Myton Elementary	112	14,830	105	2.14%	2.83%	1,554,392	1,047,334	16,618	32,576	8,070	120,562	39,282	214,850	75,100
Neola Elementary	116	12,751	141	2.86%	3.27%	1,791,909	1,201,290	27,049	43,928	10,820	106,069	52,335	246,896	103,522
Tabiona Elementary	124	13,111	95	1.94%	2.28%	1,249,874	857,915	13,142	26,945	7,340	51,465	34,655	182,856	75,555
Kings Peak Elementary	304	9,235	429	8.75%	7.23%	3,966,263	2,572,968	63,784	98,283	33,068	241,458	157,002	494,136	305,563
Roosevelt Junior High	404	8,951	854	17.40%	13.93%	7,641,353	4,651,556	341,465	283,010	65,731	362,623	312,745	1,013,130	611,094
Altamont High	704	12,817	242	4.94%	5.66%	3,104,597	1,947,999	150,341	117,496	18,651	69,197	90,367	500,871	209,674
Duchesne High	708	15,649	362	7.39%	10.34%	5,672,254	2,504,151	140,262	129,951	27,908	277,456	134,663	2,151,129	306,733
Tabiona High	712	17,898	78	1.60%	2.56%	1,404,495	878,439	11,032	35,333	6,042	154,277	30,421	205,571	83,381
Union High	714	9,263	1,031	21.01%	17.41%	9,550,928	5,243,011	618,574	366,946	79,386	632,634	377,661	1,414,989	817,727
Basin Online	800	13,208	89	1.81%	2.14%	1,171,793	836,103	13,193	15,982	6,831	106,441	32,250	98,548	62,444
Con Amore	802	44,383	42	0.86%	3.40%	1,864,071	1,437,376	11,121	7,767	3,234	185,897	15,751	163,668	39,257
Totals			4,907	100.00%	100.00%	\$ 54,867,553	\$ 33,817,643	\$ 1,725,394	\$ 1,654,050	\$ 377,815	\$ 3,214,089	\$ 1,802,836	\$ 8,512,211	\$ 3,763,515

District Average: \$ 11,182

Average Daily Membership Kindergarten 55%, 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, 2022

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.

Table of Contents

1. Debt Structure of Duchesne County School District, Utah	Page
Outstanding General Obligation Bonded Indebtedness	46
Debt Service Schedule of Outstanding General Obligation Bonds by Fiscal Year	46
Municipal Building Authority of Duchesne County School District, Utah	47
Debt Service Schedule of Outstanding Lease Revenue Bonds of the Municipal Building Authority of Duchesne County School District, Utah by Fiscal Year	48
Outstanding Loan Obligations	49
 2. Financial Information Regarding Duchesne County School District, Utah	
Five-Year Financial Summaries	
Net Position	50
Statement of Activities	51
General Fund — Balance Sheet	52
Statement of Revenues, Expenditures and Changes in Fund Balances—General Fund	53
Summary of State and Federal Funding	53
Historical Tax Rates	54
Taxable, Fair Market and Market Value of Property	54
Historical Summaries of Taxable Value of Property	55
Tax Collection Record	55
Some of the Largest Taxpayers	55
General Obligation Debt Limit and Additional Debt Incurring Capacity	56
Historical October 1 Enrollment	56

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2022

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	\$ 37,225,000
2014 (2)	School buildings	29,000,000	June 1, 2023	2,195,000
2022 (3)	Refunding	15,803,000	June 1, 2029	15,674,000
Total general obligation debt				<u><u>\$ 55,094,000</u></u>

- (1) Rated “Aaa” (State of Utah Guaranty; underlying “A 1”) by Moody’s, on the date of issuance.
(2) Rated “Aaa” (State of Utah Guaranty; underlying “A 1”) by Moody’s, on the date of issuance. Refunded by the Series 2022 Convertible General Obligation Refunding Bonds.
(3) 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 2014 \$29,000,000 Interest cost 2.93%		Series 2022 \$15,803,000 Interest cost 1.92%		Series 2016 \$39,000,000 Interest cost 2.99%		Totals		
	Principal	Interest	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total Debt Service
2023	\$ 2,195,000	\$ 109,750	\$ 115,000	\$ 343,295	\$ 1,275,000	\$ 1,639,000	\$ 3,585,000	\$ 2,092,045	\$ 5,677,045
2024			2,480,000	283,174	1,350,000	1,575,250	3,830,000	1,858,424	5,688,424
2025			2,524,000	238,038	1,425,000	1,507,750	3,949,000	1,745,788	5,694,788
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><u>\$ 2,195,000</u></u>	<u><u>\$ 109,750</u></u>	<u><u>\$ 15,674,000</u></u>	<u><u>\$ 1,349,063</u></u>	<u><u>\$ 37,225,000</u></u>	<u><u>\$ 11,586,500</u></u>	<u><u>\$ 55,094,000</u></u>	<u><u>\$ 13,045,313</u></u>	<u><u>\$ 68,139,313</u></u>

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2022

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
2019 (1)	School Building/Refunding	\$ 22,683,000	June 1, 2035	\$ 17,040,000
2011A (2)	School building / QSCB	9,000,000	March 1, 2026	2,572,000
Total				<u>\$ 19,612,000</u>

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

(2) 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, 2022

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%		
	Principal	Interest	Federal Interest Subsidy	Principal		
2023	\$ 643,000	\$ 129,372	\$ (118,117)	\$ 150,000		
2024	643,000	97,029	(88,588)	150,000		
2025	643,000	64,686	(59,058)	150,000		
2026	643,000	32,342	(29,528)	150,000		
Totals	<u>\$ 2,572,000</u>	<u>\$ 323,429</u>	<u>\$ (295,291)</u>	<u>\$ 600,000</u>		

Fiscal Year Ending June 30,	Series 2017 \$2,684,000 Interest cost 2.50%		Series 2019 \$22,683,000 Interest cost 2.74%		Total Lease Revenue Bonds		
	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total Debt Service
2023	\$ 144,026	\$ 56,200	\$ 1,018,000	\$ 437,906	\$ 1,955,026	\$ 505,361	\$ 2,460,387
2024	147,025	53,300	1,035,000	424,672	1,975,025	486,413	2,461,438
2025	122,000	50,325	1,054,000	410,182	1,969,000	466,135	2,435,135
2026	125,000	47,275	1,074,000	394,372	1,992,000	444,461	2,436,461
2027	128,000	44,150	459,000	376,651	587,000	420,801	1,007,801
2028	131,000	40,950	466,000	368,389	597,000	409,339	1,006,339
2029	134,000	37,675	476,000	359,069	610,000	396,744	1,006,744
2030	138,000	34,325	25,000	348,835	163,000	383,160	546,160
2031	141,000	30,875	25,000	348,260	166,000	379,135	545,135
2032	145,000	27,350	25,000	347,647	170,000	374,997	544,997
2033	148,000	23,725	3,688,000	346,997	3,836,000	370,722	4,206,722
2034	152,000	20,025	3,791,000	243,733	3,943,000	263,758	4,206,758
2035	156,000	16,225	3,904,000	130,003	4,060,000	146,228	4,206,228
2036	160,000	12,325			160,000	12,325	172,325
2037	164,000	8,325			164,000	8,325	172,325
2038	*				-	-	-
Totals	<u>\$ 2,135,051</u>	<u>\$ 503,050</u>	<u>\$ 17,040,000</u>	<u>\$ 4,536,714</u>	<u>\$ 22,347,051</u>	<u>\$ 5,067,902</u>	<u>\$ 27,414,953</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, 2022

Outstanding Loan obligations

In 2011, the Board entered into a \$369,011 loan, issued through a combined federal and state program for energy efficiencies. The loan has a 0% rate of interest and is currently outstanding in the amount of \$69,184. Principal is due January 1, 2013 through October 1, 2024.

In 2017, the Board entered into a \$7,000,000 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 \$1,427,999. The loan has a maximum term of five years and principal is due October 31, 2018 through October 31, 2022.

Fiscal Year Ending June 30,	Energy Loan 2011	Loan - Revolving Loan Fund		Total Loans		
	\$369,011	\$7,000,000		Total	Total	Total
	Interest 0%	Interest cost 1%		Principal	Interest	Debt Service
	Principal	Principal	Interest	Principal	Interest	Service
2023	\$ 30,751	\$ 1,427,999	\$ 14,280	\$ 1,458,750	\$ 14,280	\$ 1,473,030
2024	30,751			30,751	-	30,751
2025	7,682			7,682	-	7,682
Totals	<u>\$ 69,184</u>	<u>\$ 1,427,999</u>	<u>\$ 14,280</u>	<u>\$ 1,497,183</u>	<u>\$ 14,280</u>	<u>\$ 1,511,463</u>

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2022

2. Financial Information Regarding Duchesne County School District, Utah

Five-Year Financial Summaries

Statement of Net Position
Governmental Activities

	As of June 30				
	2022	2021	2020	2019	2018
Assets:					
Cash and investments	\$ 36,480,342	\$ 32,080,428	\$ 27,287,602	\$ 24,776,471	\$ 34,357,791
Receivables:					
Property taxes	26,750,598	23,219,309	23,524,866	23,567,562	23,664,192
Other governments	2,659,676	1,330,299	956,954	764,389	865,449
Local	16,742	97,110	10,984	16,196	3,670
Inventories and repaid expenses	411,598	271,762	424,371	366,011	362,024
Net pension asset	5,116,824	216,970	-	-	-
Capital assets:					
Land and construction in progress	7,892,999	5,977,788	4,514,235	16,168,992	78,266,216
Buildings and other capital assets, net of depreciation	179,594,192	185,534,077	191,815,831	184,859,258	112,641,111
Total assets	<u>258,922,971</u>	<u>248,727,743</u>	<u>248,534,843</u>	<u>250,518,879</u>	<u>250,160,453</u>
Deferred outflows of resources					
relating to pensions	7,238,769	4,766,851	3,624,846	8,092,129	7,848,913
Total assets and deferred outflows	<u>266,161,740</u>	<u>253,494,594</u>	<u>252,159,689</u>	<u>258,611,008</u>	<u>258,009,366</u>
Liabilities:					
Accounts payable	1,240,769	713,818	553,294	1,863,647	3,486,168
Accrued interest	231,549	279,155	300,093	381,896	352,747
Accrued salaries and benefits	4,794,334	4,492,252	3,915,009	3,630,603	3,408,519
Unearned revenue, State	814,357	611,538	776,840	860,842	
Noncurrent liabilities:					
Due within one year	7,542,942	7,149,588	7,104,717	6,791,617	6,517,791
Due after one year	76,942,825	84,798,285	92,171,111	99,233,194	106,350,245
Net pension liability	-	8,094,790	13,257,769	20,818,888	13,173,938
Total liabilities	<u>91,566,776</u>	<u>106,139,426</u>	<u>118,078,833</u>	<u>133,580,687</u>	<u>133,289,408</u>
Deferred inflows of resources:					
Deferred taxes levied for future year	25,729,156	22,339,152	22,276,172	22,468,109	21,681,465
Resources relating to pensions	17,956,516	8,764,284	4,546,726	457,860	6,954,030
Total deferred inflows	<u>43,685,672</u>	<u>31,103,436</u>	<u>26,822,898</u>	<u>22,925,969</u>	<u>28,635,495</u>
Net position:					
Net invested in capital assets	103,851,259	113,595,946	109,042,671	106,741,404	98,438,414
Restricted for:					
Programs	2,257,007	1,995,539	1,213,717	1,206,199	1,776,822
School lunch	1,593,527	650,616	421,474	130,552	274,876
Non K-12 programs	-	-	-	-	402,892
Trust fund	1,242,218	1,136,522	1,115,234	966,404	906,831
Student activities	1,386,219	1,145,592	1,308,058	1,240,681	1,311,095
Capital projects	17,272,516	1,740,845	1,745,293	828,887	854,906
Debt service	23,218	41,654	25,237	24,444	32,152
Unrestricted	3,283,328	(4,054,982)	(7,613,726)	(9,034,219)	(7,913,525)
Total net position	<u>\$ 130,909,292</u>	<u>\$ 116,251,732</u>	<u>\$ 107,257,958</u>	<u>\$ 102,104,352</u>	<u>\$ 96,084,463</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, 2022

Statement of Activities (1)
Total Governmental Activities

	Net (Expense) Revenue and Changes in Net Position				
	Fiscal Year Ended June 30				
	2022	2021	2020	2019	2018
Governmental activities:					
Instructional services	\$ (26,091,038)	\$ (22,392,335)	\$ (22,253,293)	\$ (19,082,069)	\$ (17,022,304)
Supporting services:					
Students	(561,947)	(463,792)	(331,541)	(322,328)	(210,385)
Instructional staff	(1,059,666)	(926,452)	(993,383)	(947,023)	(266,886)
District administration	(451,115)	(452,853)	(552,259)	(554,296)	(475,713)
School administration	(2,411,946)	(2,752,038)	(3,392,447)	(3,036,863)	(2,265,650)
Business	(1,447,509)	(1,477,242)	(1,761,451)	(1,338,822)	(1,089,671)
Operation and maintenance of facilities	(6,457,436)	(6,233,696)	(5,933,967)	(6,051,640)	(5,921,685)
Transportation	(1,459,906)	(596,201)	(2,903,082)	(2,888,089)	(1,890,378)
School lunch services	790,237	84,682	998	(382,847)	(198,383)
Interest on long-term liabilities	(1,879,148)	(2,595,141)	(2,823,126)	(3,100,997)	(2,752,345)
Capital outlay	-	-	-	-	-
Total school district	<u>(41,029,474)</u>	<u>(37,805,068)</u>	<u>(40,943,552)</u>	<u>(37,704,974)</u>	<u>(32,093,399)</u>
General revenues:					
Property taxes levied for:					
General purposes	13,632,024	13,337,449	13,828,582	12,986,006	12,470,071
Debt service	1,000,158	978,546	1,014,579	952,761	914,908
Capital outlay	10,336,049	10,112,697	10,485,082	9,846,227	9,455,035
Transportation	-	-	-	-	-
Recreation	-	-	-	-	-
Federal and state aid not restricted to specific purposes	27,988,817	20,114,196	18,745,451	17,841,745	16,004,005
Earnings on investments	179,616	152,606	312,561	742,951	545,976
Miscellaneous	2,550,371	2,103,348	1,710,903	1,355,173	1,767,794
Total general revenues	<u>55,687,035</u>	<u>46,798,842</u>	<u>46,097,158</u>	<u>43,724,863</u>	<u>41,157,789</u>
Change in net assets	14,657,561	8,993,774	5,153,606	6,019,889	9,064,390
Net position-beginning (as restated)	116,251,731	107,257,958	102,104,352	96,084,463	87,020,073
Net position-ending	<u>\$ 130,909,292</u>	<u>\$ 116,251,732</u>	<u>\$ 107,257,958</u>	<u>\$ 102,104,352</u>	<u>\$ 96,084,463</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, 2022

Balance Sheet—Governmental Funds—Major Funds
General Fund

	Fiscal Year Ended June 30				
	2022	2021	2020	2019	2018
Assets:					
Cash and investments	\$ 14,783,411	\$ 14,269,084	\$ 11,541,081	\$ 9,046,955	\$ 8,765,398
Accounts receivables:					
Property taxes	13,706,132	12,390,991	12,586,392	12,631,259	12,833,763
Local	16,742	5,025	10,984	16,196	3,670
Due from other funds	-	-	32,638	228,017	88,337
State of Utah	405,521	133,612	480,338	121,684	74,801
Federal government	2,182,916	1,001,350	276,925	499,848	657,812
Prepaid expenses	-	-	-	-	-
Total assets	<u>\$ 31,094,722</u>	<u>\$ 27,800,062</u>	<u>\$ 24,928,358</u>	<u>\$ 22,543,959</u>	<u>\$ 22,423,781</u>
Liabilities:					
Accounts payable	\$ 644,949	\$ 673,960	\$ 417,372	\$ 607,073	\$ 1,271,364
Accrued payroll and benefits	4,794,334	4,492,252	3,842,438	3,498,531	3,286,080
Unearned revenue, State	814,357	611,538	776,840	860,842	-
Deferred property taxes	-	-	-	-	-
Total liabilities	<u>6,253,640</u>	<u>5,777,750</u>	<u>5,036,650</u>	<u>4,966,446</u>	<u>4,557,444</u>
Deferred inflows of resources:					
Unavailable property tax revenue	490,801	433,112	598,212	524,446	891,231
Property taxes levied for future years	13,157,774	11,919,936	11,917,255	12,066,726	11,779,697
Total deferred inflows of resources	<u>13,648,575</u>	<u>12,353,048</u>	<u>12,515,467</u>	<u>12,591,172</u>	<u>12,670,928</u>
Fund balances:					
Committed:					
Economic stabilization	2,735,000	2,450,000	2,200,000	1,900,000	1,875,000
Self insurance	375,000	375,000	370,000	370,000	370,000
Employee benefit obligations	1,185,884	929,994	1,012,340	1,055,481	951,891
Assigned:					
Programs	2,257,007	1,995,539	1,213,717	1,206,199	1,776,822
Unassigned	4,639,616	3,918,731	2,580,184	454,661	221,696
Total fund balances	<u>11,192,507</u>	<u>9,669,264</u>	<u>7,376,241</u>	<u>4,986,341</u>	<u>5,195,409</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 31,094,722</u>	<u>\$ 27,800,062</u>	<u>\$ 24,928,358</u>	<u>\$ 22,543,959</u>	<u>\$ 22,423,781</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, 2022

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

	Fiscal Year Ended June 30				
	2022	2021	2020	2019	2018
Revenues:					
Property taxes	\$ 13,224,675	\$ 13,161,280	\$ 13,543,265	\$ 13,243,050	\$ 11,323,541
Earnings on investments	83,215	63,493	237,209	349,358	207,155
Other local sources	953,089	233,828	462,665	386,187	460,422
State sources	35,805,445	33,591,025	30,815,324	27,064,161	25,580,126
Federal sources	6,173,738	4,562,877	2,800,964	2,829,077	1,956,964
Total revenues	<u>56,240,162</u>	<u>51,612,503</u>	<u>47,859,427</u>	<u>43,871,833</u>	<u>39,528,208</u>
Expenditures:					
Current:					
Instructional services	33,817,643	30,895,457	28,484,320	24,788,955	23,486,271
Supporting services					
Students	1,725,394	1,835,596	1,362,861	988,745	955,240
Instructional staff	1,654,050	1,444,264	1,496,549	1,324,374	1,231,882
District administration	377,815	342,493	364,143	394,493	344,089
School administration	3,214,089	3,140,689	3,163,292	2,856,399	2,618,621
Business	1,802,352	1,703,566	1,794,665	1,433,954	1,381,933
Operation and maintenance of facilities	8,371,756	7,177,417	5,565,230	9,191,398	5,602,845
Transportation	3,753,820	2,779,998	3,238,467	3,102,583	3,113,395
Capital outlay	-	-	-	-	-
Total expenditures	<u>54,716,919</u>	<u>49,319,480</u>	<u>45,469,527</u>	<u>44,080,901</u>	<u>38,734,276</u>
Excess (deficiency) of revenues over (under) expenditures	1,523,243	2,293,023	2,389,900	(209,068)	793,932
Net change in fund balances	1,523,243	2,293,023	2,389,900	(209,068)	793,932
Fund balances—beginning	9,669,264	7,376,241	4,986,341	5,195,409	4,401,477
Fund balances—ending	<u>\$ 11,192,507</u>	<u>\$ 9,669,264</u>	<u>\$ 7,376,241</u>	<u>\$ 4,986,341</u>	<u>\$ 5,195,409</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				
	2022	2021	2020	2019	2018
State funds:					
General	\$ 35,805,445	\$ 33,591,025	\$ 30,815,324	\$ 27,064,161	\$ 25,580,126
Other governmental	442,374	513,750	494,930	1,108,569	942,537
Capital projects	-	37,165	17,328	-	-
Total	<u>\$ 36,247,819</u>	<u>\$ 34,141,940</u>	<u>\$ 31,327,582</u>	<u>\$ 28,172,730</u>	<u>\$ 26,522,663</u>
% change over prior year	6.2%	9.0%	11.2%	6.2%	8.5%
Federal funds:					
General	\$ 6,173,738	\$ 4,562,877	\$ 2,800,964	\$ 2,829,077	\$ 1,956,964
Other governmental	2,888,915	2,281,550	1,662,264	1,225,968	1,265,763
Capital pi Students	-	-	-	-	-
Total	<u>\$ 9,062,653</u>	<u>\$ 6,844,427</u>	<u>\$ 4,463,228</u>	<u>\$ 4,055,045</u>	<u>\$ 3,222,727</u>
% change over prior year	32.4%	53.4%	10.1%	25.8%	-19.8%

(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, 2022

Historical Property Tax Rates of the District

Tax	Maximum Tax Rate (1)	Tax Rate				
		2022-23	2021-22	2020-21	2019-20	2018-19
Basic Program (2)	Formula	0.001652	0.001661	0.001628	0.001661	0.001666
Voted Leeway (3)	0.002000	0.001431	0.001672	0.001623	0.001600	0.001624
Board Leeway (4)	0.002500	0.001113	0.001528	0.001499	0.001485	0.001570
Debt Service (5)	Sufficient	0.001172	0.000686	0.000670	0.000681	0.000499
Capital Outlay (6)	0.003000	0.002837	0.003563	0.003458	0.003410	0.003586
Judgement (7)	Sufficient	-	-	-	-	-
Total		<u>0.008205</u>	<u>0.009110</u>	<u>0.008878</u>	<u>0.008837</u>	<u>0.008945</u>

- 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. Taxrate 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
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%
2020	2,692,671,267	3.5%	3,159,429,129	3.4%
2019	2,601,388,054	0.2%	3,055,165,870	0.8%
2018	2,596,717,812	3.5%	3,031,307,256	2.5%

- (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, 2022

Historical Summaries of Taxable Values of Property

	2021		2020		2019		2018		2017	
	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	\$ 1,082,249,364	41.7 %	\$ 1,259,567,712		\$ 1,300,113,199		\$ 1,285,713,203		\$ 1,221,741,625	
<i>Set by County Assessor (Locally Assessed)</i>										
Real Property:										
Primary residential	641,470,535	24.7	563,560,020		568,536,555		552,419,530		547,536,625	
Other residential	253,213,085	9.8	231,740,955		222,827,940		163,353,250		159,357,550	
Commercial and industrial	201,453,900	7.8	201,105,400		202,591,615		183,298,495		180,301,300	
FAA	21,730,670	0.8	21,194,590		21,842,145		24,338,225		24,294,430	
Unimproved non FAA	284,642,675	11.0	245,462,305		244,254,110		237,855,855		231,474,040	
Agricultural	18,353,360	0.7	17,322,190		17,329,595		15,630,580		15,484,360	
Total real property	1,420,864,225	54.8	1,280,385,460		1,277,381,960		1,176,895,935		1,158,448,305	
Personal property:										
Primary mobile homes	1,455,566	0.1	2,013,401		1,945,276		2,197,801		2,166,124	
Secondary mobile homes	1,780,568	0.1	318,136		190,077		139,156		138,488	
Other business personal	86,292,973	3.3	83,748,889		113,040,755		136,441,959		125,510,072	
Total personal property	89,529,107	3.5	86,080,426		115,176,108		138,778,916		127,814,684	
Total locally assessed	1,510,393,332	58.3	1,366,465,886		1,392,558,068		1,315,674,851		1,286,262,989	
Total taxable value	\$ 2,592,642,696	100.0 %	\$ 2,626,033,598		\$ 2,692,671,267		\$ 2,601,388,054		\$ 2,508,004,614	

(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
2022	\$ 22,274,017	\$ 21,647,200	97.2%	\$ 1,042,773	\$ 22,689,973	101.9%	\$ 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
2020	22,468,110	21,576,875	96.03	1,080,264	22,657,139	100.84	2,436,815	25,093,954
2019	21,681,465	20,769,074	95.79	1,307,230	22,076,304	101.82	2,364,047	24,440,351
2018	20,232,158	18,285,255	90.40	1,443,604	19,728,859	97.50	2,469,796	22,198,655

(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	2022 Taxable Value	% of the District's Tax Value
Ep Energy E&P Company	Mining	\$ 382,493,730	14.3 %
Ovintiv Production	Mining	278,452,955	10.4
Kinder Morgan	Mining	165,094,670	6.2
XCL Asset Co LLC	Mining	157,180,220	5.9
Uintah Wax Operating	Mining	106,176,785	4.0
Berry Petroleum	Mining	77,728,610	2.9
Questar Pipeline Corp	Mining	45,026,795	1.7
Moon Lake Electric	Electricity Utility	39,357,050	1.5
Altamont Energy	Mining	36,499,075	1.4
Strata Networks	Communications Utility	36,322,160	1.4
Totals		\$ 1,324,332,050	49.6 %

DUCHESNE COUNTY SCHOOL DISTRICT
Continuing Disclosure Undertaking
June 30, 2022

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:

2021 Fair market value for Duchesne County School District	\$ 3,118,673,142
Valuation from uniform fees	76,088,680
Estimated Fair Market Value for Debt Incurring Capacity	<u>\$ 3,194,761,822</u>
Fair market value x 4% (Debt Limit)	127,790,473
Less general obligation debt outstanding:	<u>(55,094,000)</u>
Additional debt incurring capacity	<u>\$ 72,696,473</u>

Historical October 1 Enrollment

School Year	Total	% Change Over Prior Year
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.