

## FINANCIAL STATEMENTS

For the  
Fiscal Year Ended  
June 30, 2012

350 South Main  
Spanish Fork, Utah 84660  
[www.Nebo.edu](http://www.Nebo.edu)

NEBO SCHOOL DISTRICT  
 Table of Contents  
 Year Ended June 30, 2012

Page

---

***Introductory Section***

---

Letter of Transmittal.....	1
List of Elected and Appointed Officials.....	6
Organizational Chart.....	7

***Financial Section***

---

Independent Auditor's Report.....	9
Management's Discussion and Analysis.....	11
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets.....	22
Statement of Activities.....	23
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	24
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets.....	25
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	27
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund.....	28
Notes to Basic Financial Statements.....	29
Required Supplementary Information - Schedule of Funding Progress.....	44
Combining and Individual Fund Statements and Schedules:	
Major Governmental Funds:	
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund.....	47
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Debt Service Fund.....	48
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Capital Projects Fund.....	49
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	52

**NEBO SCHOOL DISTRICT**  
**Table of Contents**  
Year Ended June 30, 2012

Page

---

***Financial Section Continued***

---

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Food Services Fund.....	53
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - School Activity Fund.....	54
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Non K-12 Programs Fund.....	55
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances Nebo Education Foundation.....	56

---

***Other Information Section (Unaudited)***

---

Comparative Statements of Net Assets - Governmental Activities.....	57
Comparative Statements of Activities - Governmental Activities.....	58
Comparative Balance Sheets - Governmental Funds.....	59
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	60
Comparative Balance Sheets - General Fund.....	61
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund.....	62
Comparative Balance Sheets - Debt Service Fund.....	63
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Debt Service Fund.....	64
Comparative Balance Sheets - Capital Projects Fund.....	65
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Capital Projects Fund.....	66
Comparative Balance Sheets - Food Services Fund.....	67
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Food Services Fund.....	68
Comparative Balance Sheets - School Activity Fund.....	69
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - School Activity Fund.....	70
Comparative Balance Sheets - Non K-12 Programs Fund.....	71
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Non K-12 Programs Fund.....	72
Comparative Balance Sheets - Nebo Education Foundation.....	73

NEBO SCHOOL DISTRICT  
Table of Contents  
Year Ended June 30, 2012

Page

---

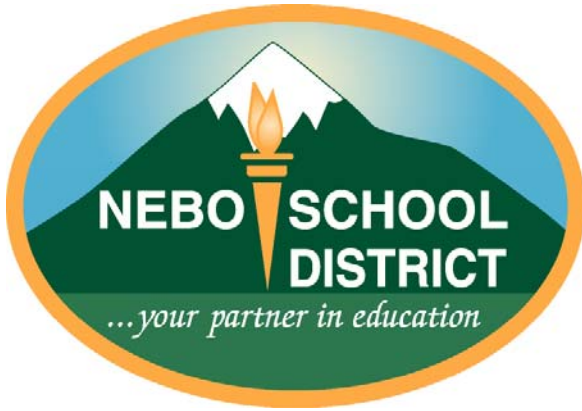
*Other Information Section (Unaudited) Continued*

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Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Nebo Education Foundation.....	74
Outstanding General Obligation Debt Issues.....	75
Debt Service Schedule of Outstanding General Obligation Bonds.....	76
General Obligation Underlying and Overlapping Indebtedness.....	77
Debt Limit and Additional Debt Incurring Capacity.....	78
Debt Ratios.....	79
Taxable and Estimated Fair Market Value.....	80
Summary of Taxable Value.....	81
Composition of Taxable Value.....	82
Ten Largest Taxable Values.....	83
Property Tax Rates.....	84
Tax Collection Record.....	85
Property Tax Collections.....	86
Population Estimate.....	87
Enrollment Statistics.....	88
Expenditures by Function - General Fund.....	89
Expenditures per Pupil - General Fund.....	90
Expenditures per Pupil Comparisons.....	91
Teacher Salary Schedule.....	92
Teacher Salary Comparisons.....	93
Principal Employers.....	94
Unemployment Information.....	95
Facilities Information.....	96
Food Service Information.....	98

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*Introductory  
Section*



**Rick Nielsen**  
**Superintendent**

**Tracy Olsen**  
**Business Administrator**

**350 SOUTH MAIN STREET □ SPANISH FORK, UTAH 84660**  
**PHONE (801) 354-7400 □ FAX (801) 798-4010**

October 10, 2012

To the Members of the Board of Education and the Patrons of Nebo School District:

We are pleased to introduce Nebo School District's annual financial report for the fiscal year ended June 30, 2012. This report is published to provide information, both financial and non-financial in nature, to be used not only by the Board of Education and other administrative officers of the District, but also by taxpayers and patrons of the District, investors, creditors, grantor agencies, oversight entities, consumer groups, and District employees.

This report is prepared in accordance with generally accepted accounting principles in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. Management assumes full responsibility for all of the information presented in this report. The District believes that the presentation of the report is accurate in all material respects, and the financial position and results of operations are presented fairly.

Designed to meet the needs of a broad spectrum of readers, this report is divided into three major sections: an introductory section, a financial section, and an other information section.

The *introductory section* introduces the reader to the report and includes this transmittal letter, the list of elected and appointed officials, and the organizational chart of the District.

The *financial section* consists of the independent auditor's report, management's discussion and analysis, the basic financial statements, required supplementary information, and combining and individual fund statements and schedules.

The *other information section* is presented to comply with the requirements of various bond issuances and contains both financial and non-financial information.

In this letter of transmittal, we wish to highlight several topics including internal controls, independent audit, management's discussion and analysis, District profile, budgetary control, cash management and investments, risk management, economic condition and outlook, and enrollment growth.

## Internal Controls

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

## Independent Audit

Utah State Law requires that school districts publish within five months of the close of each year a complete set of financial statements which are audited by a firm of licensed certified public accountants. Gilbert & Stewart, a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2012 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2012 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District includes a federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report.

## Management's Discussion and Analysis

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

## District Profile

The District was established by Article X, Section 6 of the Constitution of the State of Utah, which was passed by a vote of the people in November of 1875 and accepted by the United States government on January 4, 1896. The District is one of three independent school districts in Utah County and is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. The District is fiscally independent and the policymaking and legislative authority are vested in the Board of Education (Board) consisting of seven members.

The Board's responsibilities, among others, are to develop policy, adopt the budget, levy taxes, incur bonded debt, supervise committees, and hire both the Superintendent and the Business Administrator. The Superintendent and Business Administrator are responsible for carrying out the policies of the Board and overseeing the day-to-day



operations of the District. The Board is elected on a non-partisan basis and Board members serve four-year staggered terms with no more than four members elected every two years.

The major purpose of the District is to provide public education for those who reside within the boundaries of the District which is located in the southern portion of Utah County, Utah. The District serves a population of approximately 116,000 citizens spread over an area of 1,300 square miles comprising the land area in Utah County south of the Provo City boundary. The District currently serves over 30,000 students through 27 elementary schools, seven junior high schools, five high schools, one alternative high school, and three special purpose schools.

## **Budgetary Control**

During June of each year, the Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them and acts as the financial operating plan for the entire fiscal year. Revisions may be implemented during the year authorizing increased appropriations of available resources through a public hearing and approval from the Board.

A public hearing is held prior to June 22 of each year at which time the budget is legally adopted by resolution of the Board after consideration of the proposed budget and after obtaining taxpayer input. If the District exceeds the certified tax rate the rates are adopted in August when data is available to set the tax rates.

All annual appropriations lapse at fiscal year end with the exception of those indicated as a fund balance reserve. The level by which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budgeted expenditures of a given fund.

## **Cash Management and Investments**

The State of Utah Money Management Act with the State Money Management Council (Council) governs the District's investment policies and provides a measure of depository protection. The Council issues a list of qualified depositories to public treasurers quarterly and monitors the maximum amount of public funds each depository is eligible to hold in accordance with the law and the rules of the Council. State law and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District considers the rules and actions of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

## **Risk Management**

The District is insured for workers' compensation by Utah School Boards Risk Management Mutual Insurance Association. Unemployment compensation is handled on a cost of benefits reimbursement basis with the State of Utah. The District participates in the State Risk Management system for property and liability insurance. This is a pooled arrangement where the participating entities pay annual premiums, which are designed to pay claims and build sufficient reserves so that the system will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base.

## **Economic Condition and Outlook**

The economic outlook of the District is heavily dependent on state aid which provides 75.2% of *General Fund* revenues. The state Uniform School Fund was established constitutionally in 1938 and is used to equitably allocate funding for public education statewide. Beginning in 1947 all taxes based on income were constitutionally required to be used for public education. In 1996, however, voters in Utah approved a constitutional change providing that these revenues

could also be used for higher education. Additionally, a statewide property tax rate is levied to finance the Uniform School Fund and is applied against the taxable value of real and personal property.

The 2012 Economic Outlook Report for the State of Utah, which was published by the Utah Governor's Office of Planning and Budget in January 2012, provides information concerning the Utah economy and indicates the following:

- Utah typically grows more rapidly than the nation after recessions and this pattern is taking hold in the current recovery. For the U.S., employment grew 0.9% in 2011, compared to 2.3% for Utah. While employment increased during 2011, Utah's unemployment rate improved, falling to 7.7% from 8.0% in 2010. Though housing stabilized, with building permits at 8,700 in 2011, home-building is not leading the economy as it does during a typical recovery.
- Economic growth in Utah is expected to accelerate during 2012. Employment is forecast to increase 2.7% for the year as a whole, with larger increases as the year progresses. Housing permits are forecast to move up slightly from historic lows. As the overall unemployment rate declines to 6.7%, the improving labor market will support increased consumer spending and a strengthening recovery.
- Utah's 2011 total population estimate was 2,817,222. This represents a population increase of 53,337 people or 1.9% from 2010, ranking Utah third among states and the District of Columbia in population growth. Utah grew more than twice as fast as the nation from 2010 to 2011 and Utah was the youngest state in the nation with a median age of 29.2 years. Utah will continue to experience population growth at a rate higher than most states in 2012 on account of strong natural increase in addition to in-migration. Natural increase (births less deaths) is anticipated to add 39,000 people to Utah's population. While net in-migration has slowed since the peak of the economic expansion, Utah's net migration is projected to remain positive at 5,000 people.
- Utah's 2011 average annual nonfarm wage was \$39,811, an increase of 2.5% from 2010. The average annual wage is forecast to increase 3.2% in 2012.
- Improving economic conditions were reflected in Utah's production and export levels through 2010 and 2011. Utah's total exports rose from \$13.8 billion in 2010 to an estimated \$19.0 billion in 2011, an increase of 37.9%, and exports for 2012 are forecast to grow to \$22.0 billion.

## **Enrollment Growth**

The District, which is the 7<sup>th</sup> largest in the State of Utah in terms of enrollment, has doubled the total number of students served over the last 25 years and growth is expected to continue. The October 1, 2012 enrollment count of 30,510 students is an increase of 757 students over the previous year's count. Consistent growth has required the District construct several new schools during the past several years to accommodate the new students and this construction program will be necessary for the foreseeable future. The District recently opened a new junior high school in Salem, made significant improvements to many of its existing schools, and will begin constructing a new junior high school in Springville to replace the existing Springville Junior High, one of the District's oldest facilities. The District is also in the planning and evaluation stages for other necessary future construction projects.

## **Acknowledgements**

The District expresses its appreciation to the entire finance department. The preparation of this report could not be accomplished without their efficient and dedicated services. The District also expresses appreciation to all the members of the departments and schools who assisted in the appropriate management of the District's financial records. Their

diligence and dedication is crucial to the proper management of the District's financial assets and the overall delivery of quality services to District patrons.

Finally, we express our appreciation to members of the Board of Education. Their interest and support in conducting the financial affairs of the District is critical to the success of District operations and achievements made during the fiscal year ended June 30, 2012, and more importantly, to the success of the District's students.

Respectfully submitted,

Handwritten signature of Rick Nielsen in black ink.

Rick Nielsen  
Superintendent

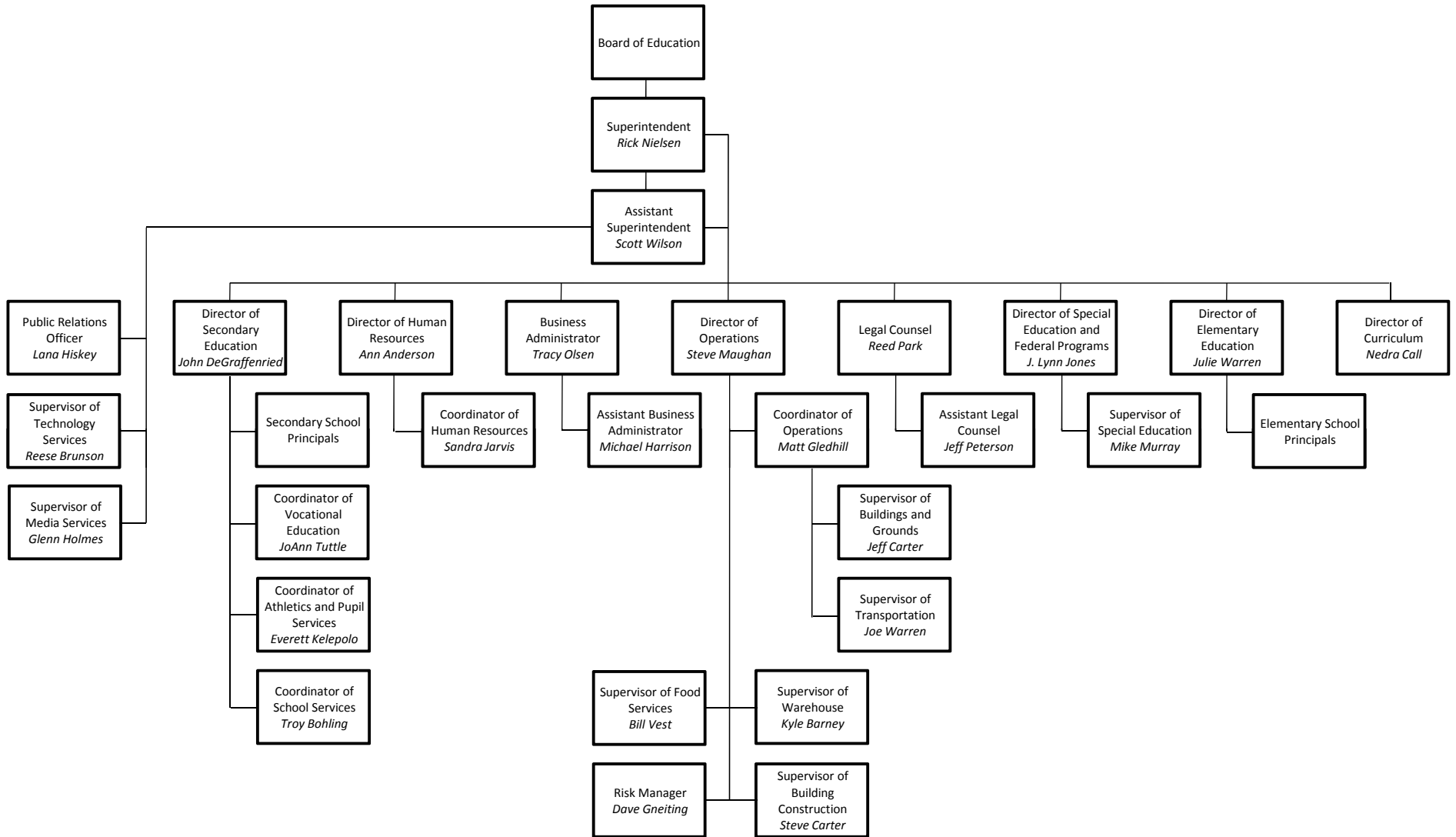
Handwritten signature of Tracy Olsen in black ink.

Tracy Olsen  
Business Administrator

**NEBO SCHOOL DISTRICT**  
**List of Elected and Appointed Officials**  
 June 30, 2012

Official	Title	Precinct Number	Present Term or Appointment Began	Present Term or Appointment Ends	Initial Term or Appointment	Years in Service
<i>Elected:</i>						
R. Dean Rowley	President of the Board of Education	6	January 1, 2005	December 31, 2012	January 1, 2005	7.5
Rod Oldroyd	Vice President of the Board of Education	5	January 1, 2011	December 31, 2014	January 1, 2007	5.5
K. L. Tischner	Member of the Board of Education	1	January 1, 2005	December 31, 2012	January 1, 2005	7.5
Kristin Betts	Member of the Board of Education	2	January 1, 2011	December 31, 2014	January 1, 2011	1.5
Randy Boothe	Member of the Board of Education	3	January 1, 2005	December 31, 2012	January 1, 2005	7.5
Rick Ainge	Member of the Board of Education	4	January 1, 2011	December 31, 2014	January 1, 2011	1.5
Christine Riley	Member of the Board of Education	7	January 1, 2009	December 31, 2012	January 1, 2009	3.5
<i>Appointed:</i>						
Rick Nielsen	Superintendent	N/A	October 6, 2010	June 30, 2012	October 6, 2010	1.7
Tracy Olsen	Business Administrator	N/A	July 1, 2009	June 30, 2013	July 1, 1997	15.0

**NEBO SCHOOL DISTRICT**  
**Organizational Chart**  
 June 30, 2012



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*Financial  
Section*



**GILBERT & STEWART**  
CERTIFIED PUBLIC ACCOUNTANTS  
A PROFESSIONAL CORPORATION  
ESTABLISHED 1974

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## Independent Auditor's Report

Board of Education  
Nebo School District  
Spanish Fork, Utah

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Nebo School District (District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Nebo School District as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 10, 2012, on our consideration of the 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* and should be considered in assessing the results of our audit.

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

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Nebo School District's financial statements as a whole. The introductory section, combining and individual non-major fund financial statements, budgetary comparison schedules, capital asset schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major fund financial statements, budgetary comparison schedules, and capital assets schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

  
GILBERT & STEWART, CPA'S

October 10, 2012

**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

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This Management's Discussion and Analysis (MD&A) section of Nebo School District's (District) annual financial report presents management's discussion and analysis of the District's performance during the year ended June 30, 2012. The MD&A is intended to provide an analysis directly related to the information presented in the transmittal letter found in the *introductory section* of this report and the District's basic financial statements, which follow this section.

### **Financial Highlights**

The following are considered by the District to be important factors in measuring the District's financial performance for the year ended June 30, 2012:

- The District's total assets exceeded liabilities by \$179.5 million at the close of the fiscal year.
- During the year, \$220.5 million generated from taxes and other revenues was \$0.1 million more than expenses for governmental activities. This \$0.1 million increase in net assets is less than the \$8.7 million increase in net assets for the year ended June 30, 2011.
- Total fund balances for governmental funds increased by \$4.9 million during the year ended June 30, 2012. For the year ended June 30, 2011, total fund balances for governmental funds decreased by \$2.8 million. The changes for both years were primarily a result of timing differences in the receipt and use of resources designated for capital projects.
- The District has committed \$8.0 million of the *General Fund* balances for economic stabilization. The undistributed reserve is allowed by state law and can be up to 5% of the current fiscal year's total *General Fund* budgeted revenues. The reserve is set aside for contingencies or possible reductions in state funding and not to be used in negotiation or settlement of contract salaries. The maintenance of a sufficient reserve is a key credit consideration in the District's bond rating.
- The District has assigned \$7.0 million of the *General Fund* balances for employee post-employment benefit obligations. These obligations primarily relate to the District's Separation Payments Plan which was established by the Board on July 1, 2006. The most recent actuarial valuation date for this plan was July 1, 2008, and the actuarial accrued liability was \$50,584,063. The Board amended the plan effective June 14, 2012, and the District anticipates that with the modifications made to the plan through that amendment the plan liability will be reduced. Another actuarial valuation is planned to occur during the upcoming year ending June 30, 2013.
- The District transferred \$13.0 million from the *Capital Projects Fund* to the *General Fund* during the year ended June 30, 2012. The purpose of the transfer was to provide funding for the deficiency of revenues under expenditures in the *General Fund* during the year ended June 30, 2012, provide funding for negotiated employee salary increases of approximately \$2.5 million during the upcoming year ending June 30, 2013, and to provide funds to allow the District to assign \$7.0 million of the *General Fund* balance to the District's employee post-employment benefit obligations referred to above.

NEBO SCHOOL DISTRICT  
Management's Discussion and Analysis  
June 30, 2012

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## Overview of the Financial Statements

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

### *Government-Wide Financial Statements*

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

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

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

The government-wide financial statements can be found on pages 22 and 23 of this report.

### *Fund Financial Statements*

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are categorized as governmental funds.

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

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

**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

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The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the *General Fund*, *Capital Projects Fund*, and *Debt Service Fund*, all of which are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The District adopts an annual appropriated budget for its *General Fund*. A budgetary comparison statement has been provided for the *General Fund* to demonstrate compliance with this budget.

The basic governmental fund statements can be found on pages 24 to 28 of this report.

***Notes to Basic Financial Statements***

The notes to basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 29 to 43 of this report.

***Supplementary and Other Information***

The schedule of funding progress on page 44 is supplemental information required by the Government Accounting Standards Board. The schedule is designed to show the extent to which the District's Separation Payments Plan has been successful over time in setting aside assets sufficient to cover its actuarial accrued liability.

The combining and individual fund statements and schedules referred to earlier are presented immediately following the notes to basic financial statements on pages 45 to 56 of this report. Additional financial and non-financial data are presented in the *other information section* of the report which starts on page 57.

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**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

**Government-Wide Financial Analysis**

***Net Assets***

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Below is information which summarizes the District's net assets and the changes from 2011 to 2012. All amounts are in millions of dollars:

	Governmental Activities		Total Change 2011-2012
	2012	2011	
Current and other assets	\$ 112.0	\$ 114.6	\$ (2.6)
Capital assets	361.5	343.4	18.1
Total assets	473.5	458.0	15.5
Current and other liabilities	62.4	68.0	(5.6)
Noncurrent liabilities	231.6	210.6	21.0
Total liabilities	294.0	278.6	15.4
Net assets:			
Invested in capital assets, net of related debt	158.3	157.2	1.1
Restricted	11.1	20.5	(9.4)
Unrestricted	10.1	1.7	8.4
Total net assets	\$ 179.5	\$ 179.4	\$ 0.1

The largest portion of the District's net assets, 88.2%, reflects its investment in capital assets less any related outstanding debt used to acquire those assets and net of unspent bond proceeds. The District uses these capital assets to provide services to students and consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The next largest portion of the District's net assets, 6.2%, represents resources that are subject to external restrictions on how they may be used while the remainder of net assets, 5.6%, represents resources that may be used to meet the District's ongoing obligations to students, employees, and creditors.

As of June 30, 2012, the District is able to report positive balances in all three categories of net assets for the District as a whole. The District also reports positive fund balances for all of its separate governmental funds. For the year ended June 30, 2011, the District was also able to report positive balances in all three categories of net assets and positive fund balances for all of its separate governmental funds.

**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

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*Changes in Net Assets*

Net assets of the District's governmental activities increased by \$0.1 million, or 0.1%, to \$179.5 million. This increase is less than the increase of \$8.7 million for the year ended June 30, 2011. Selected highlights concerning the change in the District's net assets for the year ended June 30, 2011 are as follows:

- The District's ongoing construction projects have increased net assets invested in capital assets, net of related debt, by \$1.1 million. Net capital asset additions were \$18.1 million and the related debt net increase was \$21.0 million.
- The District's total program and general revenues increased by \$0.2 million, or 0.1%, to \$220.5 million during the current year. Of the total, state and federal aid make up 68.5% while property taxes make up 24.9%. In the prior fiscal year the percentages of total revenues were 68.0% for state and federal aid and 26.2% for property taxes. Taken together, state and federal grants that are classified as program revenue and those not restricted to specific purposes increased by \$1.4 million while revenues related to property taxes decreased by \$2.7 million.
- The total cost of all programs and services increased by \$8.8 million, or 4.1%, to \$220.4 million during the current year. Instructional services account for 61.7% of the total while support services make up 29.9%. In the prior fiscal year the percentage of costs attributable to instructional services was 62.1% while support services made up 29.6%. Instructional services costs increased by \$4.6 million while costs related to support services increased by \$3.1 million.

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**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

Below is information which summarizes the District's net assets changes from 2011 to 2012. All amounts are in millions of dollars:

	Governmental Activities		Total Change 2011-2012
	2012	2011	
Revenues:			
Program revenues:			
Charges for services	\$ 4.6	\$ 4.2	\$ 0.4
Operating grants and contributions	67.6	68.5	(0.9)
General revenues:			
Property taxes	55.0	57.7	(2.7)
Federal and state aid not restricted to specific purpose	83.5	81.3	2.2
Earnings on investments	0.6	0.4	0.2
Miscellaneous	9.2	8.2	1.0
Total revenues	220.5	220.3	0.2
Expenses:			
Instructional services	136.0	131.4	4.6
Supporting services:			
Students	10.5	10.1	0.4
Instructional staff	8.6	6.6	2.0
District administration	1.2	1.4	(0.2)
School administration	12.5	12.2	0.3
Business	5.0	4.9	0.1
Operation and maintenance of facilities	19.3	19.0	0.3
Transportation	8.4	8.2	0.2
Central	0.3	0.3	-
Food services	10.6	9.9	0.7
Interest on long-term liabilities	8.0	7.6	0.4
Total expenses	220.4	211.6	8.8
Change in net assets	0.1	8.7	(8.6)
Net assets - beginning	179.3	170.6	8.7
Net assets - ending	\$ 179.5	\$ 179.3	\$ 0.1

### Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. Nonspendable includes inventories and prepaid expenditures that are not expected to be converted to cash. Restricted includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. The

**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

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

As the District completed the year, its governmental funds reported a combined fund balance of \$44.1 million. Of the total, \$1.7 million is nonspendable, \$5.7 million is restricted, \$11.1 million is committed, \$20.1 million is assigned, and \$5.5 million is unassigned.

### **General Fund Budgetary Highlights**

The District maintains up to 5% of the current fiscal year's total *General Fund* budgeted revenues (as defined in Utah law as an "undistributed reserve") as a committed balance for economic stabilization. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. The commitment is also necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). As defined by Utah law, the commitment is not to be used in the negotiation or settlement of contract salaries for District employees.

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between original budget and the final amended budget was an increase of \$8.1 million, or 5.0%, in total *General Fund* expenditures. Instructional services expenditures budget was increased by \$4.7 million and supporting services expenditures budget was increased by \$3.4 million. The budget increases were primarily a result of carryovers in various programs from the previous year not being included in the original budget. This carryover information was not available when the original budget was prepared. Other differences between original budget and final amended budget are due to on-going adjustments at the program and fund levels as new information is received by the District.

Significant differences exist between the final amended budget and the actual amount in both total revenues and total expenditures. Budgets generally assume the expenditure of all available resources. Therefore, when the budget is prepared, it is assumed these funds will not have a carryover of revenue to a subsequent year. Program revenue received but not spent is restricted and deferred to the subsequent fiscal year and as a result, overall fund revenue variances will be negative, and overall fund expenditure variances will be positive. These variances are largely a result of federal and state program revenues and related expenditures and do not have a direct impact on the undesignated fund balance.

### **Capital Assets**

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



**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

Below is a summary of the capital assets at June 30, 2012 and 2011. All amounts are net of accumulated depreciation and in millions of dollars:

	Governmental Activities		Total Change 2011-2012
	2012	2011	
Land and water stock	\$ 38.5	\$ 32.9	\$ 5.6
Construction in progress	22.5	19.8	2.7
Buildings and improvements	287.6	278.0	9.6
Furniture and equipment	12.9	12.7	0.2
Total capital assets, net of accumulated depreciation	<u>\$ 361.5</u>	<u>\$ 343.4</u>	<u>\$ 18.1</u>

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

### Debt Administration

The general obligation bonded debt of the District is limited by Utah State Law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2012 was \$340.9 million while the net general obligation debt at that date was \$203.1 million, resulting in a legal debt margin of \$137.8 million.

Below is summary information concerning the District's outstanding debt at June 30, 2012 and 2011. All amounts are net of unamortized deferred issuance premiums and deferred refunding costs and are in millions of dollars:

	Governmental Activities		Total Change 2011-2012
	2012	2011	
General obligation bonds, net	<u>\$ 203.1</u>	<u>\$ 186.3</u>	<u>\$ 16.8</u>

On June 23, 2009, District patrons voted to authorize the District to issue \$160.0 million in bonds for new school construction, school improvements, and land acquisitions. The District issued \$29.8 million of these bonds during the year ended June 30, 2012 and issued another \$24.9 million of the bonds subsequent to year end leaving \$63.4 million available for issuance.

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

### Changes in Student Enrollment

Estimated new growth for the next five years is expected to add 2,738 students to the District's current enrollment for an overall increase of 9.0%.

**NEBO SCHOOL DISTRICT**  
**Management's Discussion and Analysis**  
June 30, 2012

Below is a summary of actual enrollment data for the most recent fifteen years along with District estimates for the next ten years:

School Year	Enrollment (1)	Annual Increase	Annual Increase Percentage	5-Year Average Growth Rate
Actual:				
1998-1999	19,959	399	2.04%	2.34%
1999-2000	20,519	560	2.81%	2.39%
2000-2001	21,066	547	2.67%	2.49%
2001-2002	22,070	1,004	4.77%	2.92%
2002-2003	23,078	1,008	4.57%	3.60%
2003-2004	23,900	822	3.56%	3.95%
2004-2005	24,887	987	4.13%	4.26%
2005-2006	24,742	(145)	-0.58%	3.49%
2006-2007	25,734	992	4.01%	3.32%
2007-2008	26,588	854	3.32%	3.04%
2008-2009	27,592	1,004	3.78%	3.09%
2009-2010	28,282	690	2.50%	2.73%
2010-2011	29,136	854	3.02%	3.55%
2011-2012	29,753	617	2.12%	3.12%
2012-2013	30,510	757	2.54%	2.95%
Estimates:				
2013-2014	31,153	643	2.11%	2.58%
2014-2015	31,699	546	1.75%	2.42%
2015-2016	32,267	568	1.79%	2.15%
2016-2017	32,826	559	1.73%	2.07%
2017-2018	33,248	422	1.29%	1.79%
2018-2019	33,870	622	1.87%	1.74%
2019-2020	34,367	497	1.47%	1.68%
2020-2021	34,917	550	1.60%	1.64%
2021-2022	35,344	427	1.22%	1.53%
2022-2023	35,776	432	1.22%	1.52%

(1) Information based on October 1 enrollment counts.

### Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate its accountability for the funds it receives. If you have any questions concerning this report or need additional financial information, please contact the Office of the Business Administrator, Nebo School District, 350 South Main, Spanish Fork, Utah 84660, or call 801-354-7400.

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## BASIC FINANCIAL STATEMENTS

**NEBO SCHOOL DISTRICT**  
**Statement of Net Assets**  
June 30, 2012

	<b>Governmental Activities</b>
<b>Assets:</b>	
Cash and investments	\$ 50,599,997
Receivables:	
Property taxes	52,583,003
Other local	427,686
State	767,411
Federal	4,461,279
Inventories	1,735,933
Bond issuance costs, net of accumulated amortization	1,450,610
Capital assets:	
Land, construction in progress, and water stock	60,908,603
Other capital assets, net of accumulated depreciation	300,556,530
Total assets	473,491,052
<b>Liabilities:</b>	
Accounts payable	3,838,631
Accrued salaries	7,242,694
Deferred revenue:	
Property taxes	46,971,811
Other local	817,424
State	3,504,055
Noncurrent liabilities:	
Due within one year	18,463,276
Due in more than one year	213,165,921
Total liabilities	294,007,151
<b>Net Assets:</b>	
Invested in capital assets, net of related debt	158,336,736
Restricted for:	
Debt service	4,964,415
Capital projects	3,158,311
Food services	1,848,261
Other purposes	1,131,004
Unrestricted	10,045,174
Total net assets	\$ 179,483,901

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

**NEBO SCHOOL DISTRICT**  
**Statement of Activities**  
Year Ended June 30, 2012

	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Assets
				Total Governmental Activities
<b>Governmental activities or functions:</b>				
Instructional services	\$ 135,961,339	\$ 1,341,636	\$ 46,131,926	\$ (88,487,777)
Supporting services:				
Students	10,415,031	-	5,811,296	(4,603,735)
Instructional staff	8,604,628	-	2,939,085	(5,665,543)
District administration	1,225,790	-	964,337	(261,453)
School administration	12,539,318	-	286,800	(12,252,518)
Business	4,989,441	-	107,589	(4,881,852)
Operation and maintenance of facilities	19,300,448	-	26,247	(19,274,201)
Transportation	8,408,279	-	4,019,794	(4,388,485)
Central	313,810	-	-	(313,810)
Food services	10,560,994	3,209,518	7,361,301	9,825
Interest on long-term liabilities	8,048,242	-	-	(8,048,242)
Total school district	<u>\$ 220,367,320</u>	<u>\$ 4,551,154</u>	<u>\$ 67,648,375</u>	<u>(148,167,791)</u>
<b>General revenues:</b>				
Property taxes levied for:				
Basic state supported program for regular K-12 instruction				9,334,427
Voted leeway for regular K-12 instruction				7,627,125
Board leeway for class size reduction				2,346,808
Board leeway for K-3 reading program				709,909
Special transportation for hazardous bus routes				1,167,537
Tort liability claims and insurance				205,346
Community recreation				1,302,478
Debt service of general obligation bonds				23,063,251
Capital outlay				2,962,845
Ten percent of basic program for construction, textbooks, and supplies				6,254,242
Federal and state aid not restricted to specific purposes				83,483,292
Earnings on investments				592,453
Miscellaneous				9,232,301
Total general revenues				<u>148,282,014</u>
Change in net assets				114,223
<b>Net assets - beginning</b>				<u>179,369,678</u>
<b>Net assets - ending</b>				<u>\$ 179,483,901</u>

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

**NEBO SCHOOL DISTRICT**  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2012

	<u>Major Funds</u>			<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>		
<b>Assets:</b>					
Cash and investments	\$ 35,499,022	\$ 1,159,047	\$ 7,070,918	\$ 6,871,010	\$ 50,599,997
Receivables:					
Property taxes	25,740,666	21,950,257	3,676,945	1,215,135	52,583,003
Other local	417,043	-	8,640	2,003	427,686
State	181,919	-	-	585,492	767,411
Federal	4,041,559	-	-	419,720	4,461,279
Due from other funds	79,743	-	-	-	79,743
Inventories	579,615	-	674,442	481,876	1,735,933
Total assets	<u>\$ 66,539,567</u>	<u>\$ 23,109,304</u>	<u>\$ 11,430,945</u>	<u>\$ 9,575,236</u>	<u>\$ 110,655,052</u>
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 1,260,768	\$ -	\$ 2,430,668	\$ 147,195	\$ 3,838,631
Accrued salaries	7,242,694	-	-	-	7,242,694
Due to other funds	-	-	-	79,743	79,743
Deferred revenue:					
Property taxes	25,150,166	21,314,001	3,424,299	1,179,596	51,068,062
Other local	817,424	-	-	-	817,424
State	3,504,055	-	-	-	3,504,055
Federal	3,339	-	-	-	3,339
Total liabilities	<u>37,978,446</u>	<u>21,314,001</u>	<u>5,854,967</u>	<u>1,406,534</u>	<u>66,553,948</u>
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventories	579,615	-	674,442	481,876	1,735,933
<b>Restricted for:</b>					
Debt service	-	1,795,303	-	-	1,795,303
Capital projects	-	-	1,797,080	-	1,797,080
Food services	-	-	-	1,366,385	1,366,385
Other purposes	-	-	-	703,892	703,892
<b>Committed to:</b>					
Economic stabilization	8,000,000	-	-	-	8,000,000
Contractual obligations	-	-	3,104,456	-	3,104,456
<b>Assigned to:</b>					
Employee benefit obligations	7,000,000	-	-	-	7,000,000
Employee salary obligations	2,500,000	-	-	-	2,500,000
Schools	5,019,694	-	-	5,558,617	10,578,311
Students	-	-	-	57,932	57,932
Unassigned	5,461,812	-	-	-	5,461,812
Total fund balances	<u>28,561,121</u>	<u>1,795,303</u>	<u>5,575,978</u>	<u>8,168,702</u>	<u>44,101,104</u>
Total liabilities and fund balances	<u>\$ 66,539,567</u>	<u>\$ 23,109,304</u>	<u>\$ 11,430,945</u>	<u>\$ 9,575,236</u>	<u>\$ 110,655,052</u>

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

**NEBO SCHOOL DISTRICT**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Assets**  
June 30, 2012

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<b>Total fund balances for governmental funds</b>	\$	44,101,104
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Total net assets reported for governmental activities in the statement of net assets is different because of the following reconciling items:

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

Land	\$	38,431,328	
Construction in progress		22,456,314	
Water stock		20,961	
Buildings and improvements, net of \$130,709,709 accumulated depreciation		287,680,213	
Furniture and equipment, net of \$14,938,005 accumulated depreciation		<u>12,876,317</u>	361,465,133

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 deferred revenue in the funds.		4,096,251
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Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$3,408,274 and accumulated amortization is \$1,957,664.		1,450,610
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net assets. Balances at year-end are as follows:

Bonds payable		(197,815,000)	
Unamortized premiums		(6,818,268)	
Unamortized deferred amounts on refunding		1,504,871	
Accrued vacation		(1,307,248)	
Early retirement payable		(2,565,024)	
Separation payments payable		<u>(24,628,528)</u>	(231,629,197)

<b>Total net assets of governmental activities</b>	<b>\$</b>	<b><u>179,483,901</u></b>
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The notes to the financial statements are an integral part of this statement.



**NEBO SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
Year Ended June 30, 2012

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General	Debt Service	Capital Projects		
<b>Revenues:</b>					
Property taxes	\$ 24,122,405	\$ 23,851,666	\$ 7,532,172	\$ 1,347,003	\$ 56,853,246
Earnings on investments	321,949	72,856	161,695	35,953	592,453
Food sales	-	-	-	3,209,518	3,209,518
Other local sources	3,419,096	-	286,014	7,514,273	11,219,383
State sources	122,149,113	-	5,752,396	4,290,355	132,191,864
Federal sources	12,448,304	148,234	-	6,343,265	18,939,803
Total revenues	<u>162,460,867</u>	<u>24,072,756</u>	<u>13,732,277</u>	<u>22,740,367</u>	<u>223,006,267</u>
<b>Expenditures:</b>					
Current:					
Instructional services	103,579,632	-	-	12,029,891	115,609,523
Supporting services:					
Students	10,210,025	-	-	205,006	10,415,031
Instructional staff	8,604,628	-	-	-	8,604,628
District administration	1,138,429	-	-	-	1,138,429
School administration	12,018,624	-	-	-	12,018,624
Business	4,902,080	-	-	-	4,902,080
Operation and maint of facilities	17,714,652	-	-	-	17,714,652
Transportation	7,303,354	-	-	-	7,303,354
Noninstructional services					
Food services	-	-	-	10,433,735	10,433,735
Capital outlay	-	-	38,696,834	-	38,696,834
Debt service:					
Principal retirement	-	16,345,000	-	-	16,345,000
Bond issuance costs	-	-	216,555	-	216,555
Interest and fiscal charges	-	8,471,107	-	-	8,471,107
Total expenditures	<u>165,471,424</u>	<u>24,816,107</u>	<u>38,913,389</u>	<u>22,668,632</u>	<u>251,869,552</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,010,557)</u>	<u>(743,351)</u>	<u>(25,181,112)</u>	<u>71,735</u>	<u>(28,863,285)</u>
<b>Other financing sources (uses):</b>					
Transfers	13,000,000	-	(13,000,000)	-	-
Bond proceeds	-	-	29,800,000	-	29,800,000
Bond premiums	-	-	3,801,733	-	3,801,733
Sale of assets	-	-	158,127	7,950	166,077
Total other financing sources (uses)	<u>13,000,000</u>	<u>-</u>	<u>20,759,860</u>	<u>7,950</u>	<u>33,767,810</u>
Net change in fund balances	9,989,443	(743,351)	(4,421,252)	79,685	4,904,525
<b>Fund balances - beginning</b>	<u>18,571,678</u>	<u>2,538,654</u>	<u>9,997,230</u>	<u>8,089,017</u>	<u>39,196,579</u>
<b>Fund balances - ending</b>	<u>\$ 28,561,121</u>	<u>\$ 1,795,303</u>	<u>\$ 5,575,978</u>	<u>\$ 8,168,702</u>	<u>\$ 44,101,104</u>

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

**NEBO SCHOOL DISTRICT**  
**Reconciliation of the Statement of Revenues, Expenditures, and Changes in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
Year Ended June 30, 2012

<b>Net change in fund balances for governmental funds</b>	<b>\$</b>	<b>4,904,525</b>
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Amounts reported for governmental activities in the statement of activities are different because of the following reconciling items:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for land, furniture and equipment, and \$100,000 for buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlays	\$	32,904,708	
Gain on disposal of assets		63,930	
Proceeds from sales of assets		(166,077)	
Depreciation expense		<u>(14,782,903)</u>	18,019,658

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

General obligation bond proceeds		(29,800,000)	
Bond premium		(3,801,733)	
Bond issuance costs		216,555	
Repayment of bond principal		16,345,000	
Amortization of bond issuance costs		(170,387)	
Amortization of deferred amounts on bond refundings		(234,253)	
Amortization of bond premium		<u>657,118</u>	(16,787,700)

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. Therefore, those amounts are reported as deferred revenue in the funds. The deferred revenue for property taxes decreased this year. (1,879,279)

In the statement of activities, compensated absences (vacations) and termination benefits (early retirement and separation payments) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, accrued vacation increased by \$10,491, early retirement payable increased by \$1,760,673, and separation payments payable increased by \$2,371,817. (4,142,981)

<b>Change in net assets of governmental activities</b>	<b>\$</b>	<b><u>114,223</u></b>
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The notes to the financial statements are an integral part of this statement.

**NEBO SCHOOL DISTRICT**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**Year Ended June 30, 2012**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property taxes	\$ 21,812,170	\$ 23,519,709	\$ 24,122,405	\$ 602,696
Earnings on investments	250,000	350,000	321,949	(28,051)
Other local sources	3,136,129	4,124,783	3,419,096	(705,687)
State aid	123,230,952	124,743,055	122,149,113	(2,593,942)
Federal aid	10,916,124	13,271,171	12,448,304	(822,867)
Total revenues	<u>159,345,375</u>	<u>166,008,718</u>	<u>162,460,867</u>	<u>(3,547,851)</u>
<b>Expenditures:</b>				
Instructional services	103,161,195	107,856,033	103,579,632	(4,276,401)
Supporting services:				
Students	9,592,999	10,286,290	10,210,025	(76,265)
Instructional staff	7,026,275	8,952,502	8,604,628	(347,874)
District administration	1,614,319	1,609,547	1,138,429	(471,118)
School administration	11,677,025	12,050,171	12,018,624	(31,547)
Business	4,988,950	5,054,334	4,902,080	(152,254)
Operation and maintenance of facilities	18,016,497	18,115,970	17,714,652	(401,318)
Transportation	7,284,710	7,564,846	7,303,354	(261,492)
Total expenditures	<u>163,361,970</u>	<u>171,489,693</u>	<u>165,471,424</u>	<u>(6,018,269)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,016,595)</u>	<u>(5,480,975)</u>	<u>(3,010,557)</u>	<u>2,470,418</u>
<b>Other financing sources (uses):</b>				
Transfers	3,940,045	10,000,000	13,000,000	3,000,000
Total other financing sources (uses)	<u>3,940,045</u>	<u>10,000,000</u>	<u>13,000,000</u>	<u>3,000,000</u>
Net change in fund balances	(76,550)	4,519,025	9,989,443	5,470,418
<b>Fund balances - beginning</b>	<u>18,571,678</u>	<u>18,571,678</u>	<u>18,571,678</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 18,495,128</u>	<u>\$ 23,090,703</u>	<u>\$ 28,561,121</u>	<u>\$ 5,470,418</u>

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

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Reporting Entity** – The Board of Education, comprised of seven elected individuals, is the primary governing authority of the District. As required by GAAP, these financial statements present the District and its blended component unit, Nebo Education Foundation (Foundation), for which the District is considered to be financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the District's operations and is presented as a special revenue fund of the District. The Foundation is a nonprofit organization incorporated in the State of Utah and organized under Section 501(a) of the Internal Revenue Code and classified as a Section 501(c)(3) public charity. The Foundation exclusively serves the District and acts as a conduit for charitable contributions. The District is not a component unit of any other primary government.

**Government-Wide Financial Statements** – The *government-wide financial statements* (the statement of net assets and the statement of activities) display information about the District and its blended component unit. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double-counting of internal activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expenses for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instructional services but is also used for school administration and food services) are proportionally included in the direct expenses of the appropriate functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Interest on general long-term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line.

Program revenues include 1) fees and charges paid by students and other recipients of goods or services, offered by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

**Fund Financial Statements** – The *fund financial statements* provide information about the District's funds, including its blended component unit. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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The District reports the following major governmental funds:

- General Fund – The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
- Debt Service Fund – The *Debt Service Fund* accounts for resources accumulated and payments made for principal and interest on general obligation school building bonds.
- Capital Projects Fund – The *Capital Projects Fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within the District.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation** – The *government-wide financial statements* are reported using the economic resources measurement focus. The *government-wide financial statements* are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without directly giving equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental fund financial statements* are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met. Grants received in advance are recorded as deferred revenue until earned. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early retirement benefits, separation payments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**Fund Balance Classifications** – Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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provides more clearly defined fund balance categories 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. Fund balances for all prior years presented in these financial statements have been restated to reflect the new categories which are summarized as follows:

- Nonspendable – This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories and prepaid expenditures are classified as nonspendable.
- Restricted – This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include unspent revenue for specific purposes (capital projects, debt services, community recreation), remaining fund balances in the *Food Services Fund*, and funds held in the *Nebo Education Foundation Fund*.
- Committed – This category includes amounts that can only be used for specific purposes established by formal action of the District's Board of Education. Fund balance commitments can only be removed or changed by the same type of action (for example, a resolution) of the Board of Education. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Education has approved to commit fund balance amounts for economic stabilization. As defined in Utah law, the District may maintain an "undistributed reserve" for economic stabilization up to five (5) percent of the current fiscal year's total *General Fund* budgeted revenues. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). As defined by Utah law, the commitment is not to be used in the negotiation or settlement of contract salaries for District employees.
- Assigned – This category includes *General Fund* balance amounts that the District intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the District's management. This category also includes the remaining positive fund balance for other governmental funds. The District has assigned *General Fund* resources that are to be used for employee salary and benefit obligations, school textbooks and supplies allocations, new school start-up needs, and other unrestricted school programs. Resources held by schools in the other governmental funds are also assigned.
- Unassigned – Residual balances in the *General Fund* are classified as unassigned.

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

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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**Budgetary Data** – Budgets are presented on the modified accrual basis of accounting for all governmental funds except the *Nebo Education Foundation Fund*. Budgets are not adopted on a District level for the *Nebo Education Foundation Fund*. All annual appropriations lapse at fiscal year end with the exception of those indicated as a fund balance reserve. The following procedures are used in establishing the budgetary data reflected in the financial statements.

- During June of each year, the District Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the current year ending June 30.
- The proposed budget is made available for public inspection and review by the District's patrons before the public hearing which is held prior to June 22 of each year.
- After the public hearing the budget is legally adopted by resolution of the Board after consideration of the proposed budget and after obtaining taxpayer input. If the District exceeds the certified tax rate the rates are adopted in August when data is available to set the tax rates.
- Once adopted, the budget can be amended by subsequent Board action. The Board, upon recommendation of the Superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah State Law, interim adjustments may be made by administrative transfer of funds from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2012, have been included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

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

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

**Deposits and Investments** – The cash balances of substantially all funds are invested by the District for the purpose of increasing earnings through investment activities and providing efficient management of

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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temporary investments. The investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings in appropriate funds.

**Cash and Cash Equivalents** – The District considers cash and cash equivalents to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition, including investments in the Utah Public Treasurers' Investment Pool (PTIF).

**Inventories** – Inventories are accounted for under the consumption method, wherein inventories are recorded as assets when acquired and expenditures are recorded when the inventories are transferred to the schools or departments for consumption. Inventories recorded in the governmental funds are stated at cost or, if donated, at fair value when received, using a weighted moving average method. Inventories reported in the governmental funds are equally offset by an unspendable portion of fund balance, indicating that they are not expected to be converted to cash.

**Capital Assets** – Capital assets are reported in the government-wide financial statements and include land, water stock, and furniture and equipment with an individual cost of \$5,000 or more and buildings and improvement with a cost of \$100,000 or more so long as the estimated useful life of the building or improvement exceeds two years. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs is not capitalized.

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

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building Improvements	20
Furniture	20
Portable Classrooms	20
Machinery and Tools	15
Buses	15
Laboratory Equipment	10
Musical Instruments	10
Licensed Vehicles	10
Computers	5

**Compensated Absences** – Under terms of association agreements, twelve-month or full-year employees earn vacation leave in amounts varying with tenure and classification. In the event of retirement, an employee is reimbursed for accumulated vacation days to a maximum of 20 days. Sick leave is given to employees based on tenure and classification and no reimbursement or accrual is made for unused sick leave.



**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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

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

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

## **2. DEPOSITS AND INVESTMENTS**

The District follows the requirements of the Utah Money Management Act (Act), Section 51, Chapter 7 of the Utah Code, and related rules of the Money Management Council (Council) in handling its depository and investing transactions.

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

The Act authorizes the District to invest in the Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, banker's acceptances, repurchasing agreements, corporate bonds, restricted mutual funds, and obligations of governmental entities within the State of Utah.

The District invests primarily in the PTIF and the PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF, which is not rated. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Funds in the PTIF are held by the Utah State Treasurer and 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 has a weighted average life of 90 days or less and primarily consists of money market securities including certificates of deposit and top-rated domestic commercial paper.

The District also invests funds using the advisement services of Zions Wealth Advisors (ZWA). ZWA is a certified investment advisor with the Council. All investments with ZWA are held in the District's name and

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

are in accordance with the Act. With this account the District invests primarily in short-term corporate bonds and commercial paper in order to maximize its return while minimizing the risk of loss of the principal investment.

**District Cash and Investment Balances** – Deposits and investments at June 30, 2012 are summarized below:

Carrying amount of deposits	\$ 2,126,781
Carrying amount of investments	48,473,216
Total deposits and investments	\$ 50,599,997
Cash and investments, major governmental funds, balance sheet	\$ 43,728,987
Cash and investments, nonmajor governmental funds, balance sheet	6,871,010
Cash and investments, governmental activities, statement of net assets	\$ 50,599,997

The District's carrying amount of bank deposits at June 30, 2012 was \$2,126,781 and the bank balance was \$10,671,802. Of the bank balance, \$1,176,943 was covered by federal depository insurance and \$9,494,859 was uninsured. No deposits are collateralized, nor are they required to be by state statute.

At June 30, 2012, the District had the following investments:

Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	5-10	More Than 10
Utah Public Treasurers'					
Investment Fund	\$ 33,183,268	\$ 33,183,268	\$ -	\$ -	\$ -
Zions Wealth Advisors	15,279,602	10,311,109	4,968,493	-	-
Certificate of deposit	10,346	-	10,346	-	-
Total investments	\$ 48,473,216	\$ 43,494,377	\$ 4,978,839	\$ -	\$ -

Investments of the District are subject to various risks including interest rate risk, credit risk, concentration of credit risk, and custodial credit risk.

**Interest rate risk** is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy regarding interest rate risk but manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments not exceed the period of availability of the funds invested. The Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years. The Foundation can invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years.

**Credit risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing its exposure to credit risk is to comply with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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Standard and Poor's Corporation. The District has no investment policy that would further limit its investment choices.

**Concentration of credit risk** is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's policy for managing this risk is to comply with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5% of the District's total portfolio with a single issuer. The District places no other limits on the amount it may invest in any one issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than 5% of all funds are invested in any one issuer and no more than 25% of all funds are invested in a particular industry. Also, for the Foundation's investment in private funds, no more than 75% may be invested in equity securities and no more than 5% in collateralized mortgage obligations.

**Custodial credit risk** for investments is the risk that in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's policy for managing this risk is to comply with the Act and related rules. The District places no other limit on the amount of investments to be held by counterparties. The Act requires the Foundation's public treasurer to have custody of all securities purchased or held or deposit these securities with a bank or trust company to be held in safekeeping by that custodian.

### 3. **PROPERTY TAXES**

The property tax revenue of the District is collected and distributed by the Utah County Treasurer as an agent of the District. Utah Statutes establish the process by which taxes are levied and collected. The Utah County Assessor is required to assess real property as of January 1 and complete the tax rolls by May 15. By July 21, the Utah County Auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The County Auditor makes approved changes in assessed value by November 1 and on this same date the County Auditor is to deliver the completed assessment rolls to the County Treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 15 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at an annual rate equal to the federal discount rate plus 6%. The interest rate period is from January 1 until the date paid.

Motor vehicles are subject to an "age-based" fee that is due each time a vehicle is registered. The age-based fee is for passenger type vehicles and ranges from \$10 to \$150 based on the age of the vehicle. The revenues collected in each county from motor vehicle fees is distributed by the county to each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed. The District recognizes motor vehicle fees as property tax revenue when the county collects it.

As of June 30, 2012, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2012 or earlier. Taxes levied on January 1, 2012 for the next year are reported as deferred revenue. It is expected that all assessed taxes (including delinquencies plus accrued interest and

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

penalties) will be collected within a five-year period. If they are not collected after this time, the County Treasurer may force the sale of property to collect the delinquent portion.

**4. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2012 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 32,849,246	\$ 5,582,082	\$ -	\$ 38,431,328
Construction in progress	19,821,064	15,796,919	(13,161,669)	22,456,314
Water stock	20,961	-	-	20,961
	<u>52,691,271</u>	<u>21,379,001</u>	<u>(13,161,669)</u>	<u>60,908,603</u>
Total capital assets, not being depreciated				
Capital assets, being depreciated				
Buildings and improvements	395,740,777	22,649,145	-	418,389,922
Furniture and equipment	26,688,723	2,038,231	(912,632)	27,814,322
	<u>422,429,500</u>	<u>24,687,376</u>	<u>(912,632)</u>	<u>446,204,244</u>
Total capital assets, being depreciated				
Accumulated depreciation:				
Buildings and improvements	(117,760,867)	(12,948,842)	-	(130,709,709)
Furniture and equipment	(13,914,429)	(1,834,061)	810,485	(14,938,005)
	<u>(131,675,296)</u>	<u>(14,782,903)</u>	<u>810,485</u>	<u>(145,647,714)</u>
Total accumulated depreciation				
Total capital assets, being depreciated, net	<u>290,754,204</u>	<u>9,904,473</u>	<u>(102,147)</u>	<u>300,556,530</u>
Governmental activity capital assets, net	<u>\$ 343,445,475</u>	<u>\$ 31,283,474</u>	<u>\$ (13,263,816)</u>	<u>\$ 361,465,133</u>

For the year ended June 30, 2012 depreciation expense was charged to functions of the District as follows:

<b>Governmental activities:</b>	
Instructional services	\$ 10,246,322
Supporting services:	
District administration	87,361
School administration	520,694
Business	87,361
Operation and maintenance of facilities	1,585,796
Transportation	1,104,925
Central	313,810
Food services	836,634
Total depreciation expense, governmental activities	<u>\$ 14,782,903</u>

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

At June 30, 2012, the District was involved in several long-term construction and remodeling projects. The major projects are summarized as follows:

Project	Estimated Total Cost	Construction in Progress	Estimated Cost to Complete
Salem Junior High	\$ 25,500,000	\$ 22,359,193	\$ 3,140,807
Springville Junior High	22,500,000	97,121	22,402,879
	<u>\$ 48,000,000</u>	<u>\$ 22,456,314</u>	<u>\$ 25,543,686</u>

The District has a fund balance of \$4,901,536 in the *Capital Projects Fund* for payment of these projects. The funding for the remaining \$20,642,150 of these projects will come from the proceeds of future bond issuances.

**5. RETIREMENT PLANS**

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

The Systems are established and governed by the respective sections of Chapter 49 of the Utah Code Annotated 1953, as amended. The Utah State Retirement Office Act provides for the administration of the URS and Plans under the direction of the Utah State Retirement Board (URS Board) whose members are appointed by the Governor. The Systems issue a publicly available financial report that includes financial statements and required supplementary information for the Systems. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, UT 84102 or by calling 1-800-365-8772.

Plan members in the State and School Contributory Retirement System are required to contribute 1% of their annual covered salary (all or part may be paid by the employer for the employee) and the District is required to contribute 17.37% of their member's annual covered salary. In the State and School Noncontributory Retirement System the District is required to contribute 16.86% of the member's annual covered salary. The contribution rates are the actuarial determined rates. The contribution requirements of the Systems are authorized by statute and specified by the URS Board.

The District's contributions to the State and School Contributory Retirement System for the years ending June 30, 2012, 2011, and 2010 were \$336,788, \$62,286, and \$54,885, respectively. The Noncontributory Retirement System contributions for June 30, 2012, 2011, and 2010 were \$15,819,446, \$15,396,484, and \$13,594,071, respectively. The contributions were equal to the required contributions for each year.

**Defined Contribution Plan** – The District participates in a defined contribution plan under Internal Revenue Code Section 401(k) to supplement retirement benefits accrued by participants in the Systems. Employees covered by the State and School Noncontributory Retirement System have a contribution of 1.5% of covered salaries made by the District. The District contributions for the years ended June 30,

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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2012, 2011, and 2010 were \$1,494,458, \$1,478,687, and \$1,771,100, respectively. Employees who are participants in the Systems may make additional contributions and for the years ending June 30, 2012, 2011 and 2010 employee contributions were \$1,314,176, \$1,400,652, and \$1,455,918, respectively. The 401(k) plan funds are administered and held by URS and are fully vested to the participants at the time of deposit.

**Voluntary Contribution Plans** – The District allows its employees to voluntarily contribute to a variety of deferred compensation and other investment plans. Although several plans are available through a variety of vendors, the vast majority of employees utilize a plan administered and held by URS and organized under Section 457 of the Internal Revenue Code. This plan allows employees to defer a portion of their salary until future years. Contributions and earnings under this plan may be withdrawn by an employee upon termination or may be used as supplemental income upon retirement. Employee contributions to the 457 plan for the years ending June 30, 2012, 2011, and 2010 were \$73,337, \$97,958, and \$66,956, respectively.

**Separation Payments Plan** – The District has a separation payments plan for all eligible and approved employees who commenced their initial period of employment with the District prior to July 1, 2006, complete at least 15 years of service with the District, and retire in good standing from District service and the Utah Retirement System (URS).

The separation payments are paid out in five equal installments over a period of five years and are divided into base compensation and supplementary compensation components. The amount of the base compensation is calculated as a percentage of the employee's final base annual contract amount with the District. An amendment was made to the plan effective June 14, 2012, which modified the calculation and eligibility requirements for the supplementary compensation component. The amount of the supplementary compensation is either \$50,000 for full-time employees or a lesser prorated amount for less than full-time employees. In addition to the eligibility requirements discussed above, to be eligible for the supplementary component, an employee must be eligible for medical insurance benefits with the District at the time of retirement and have been eligible for medical insurance benefits during the past five consecutive years with the District.

The District finances the obligation on a pay-as-you-go basis. Payments to retirees for the years ended June 30, 2012, 2011, and 2010 were \$3,065,510, \$2,169,815, and \$1,936,246, respectively. The annual benefit cost (expense) for this plan is actuarially determined to be \$5,437,327. The net benefit liability at June 30, 2012 is \$24,628,528 and is recorded as a long-term liability on the Statement of Net Assets (see Note 7 for long-term debt). As of July 1, 2008, the most recent actuarial valuation date, the actuarial accrued liability for the plan was \$50,584,063. The covered payroll (annual payroll of active employees covered by the plan) was \$73,115,720 and the ratio of the unfunded actuarial accrued liability to the covered payroll was 69.2%.

Projections of the separation payments plan benefit for financial reporting purposes are based on a substantive agreement between the District and its eligible employees. The actuarial methods and assumptions used included techniques that are designed to reduce short-term volatility in the actuarial accrued liability, consistent with the long-term perspective of the calculations. In the July 1, 2008 actuarial valuation, the projected unit credit using full accrual at full eligibility age method was used. An interest rate

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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assumption of 4% was used along with demographic and other assumptions including mortality rates, public education retirement rates, the District's salary schedules with a 4.75% inflation rate, and employee termination rates by age, gender, and years of service.

**2009 Early Retirement Incentive Plan** – An early retirement incentive was offered by the Board to eligible employees during the year ended June 30, 2009. The plan provides early retirement compensation and medical and life insurance coverage for up to five years to qualified early-retired employees. There were 14 employees who opted for this plan and direct payments to retired employees and to medical and life insurance providers for the years ended June 30, 2012, 2011, and 2010 were \$255,843, \$255,074, and \$244,468, respectively. The District's estimate of future costs for this program, which is based on the estimated cash flows for those participating in the program, is \$516,345.

**2012 Early Retirement Incentive Plan** – An early retirement incentive was offered by the Board to eligible employees during the year ended June 30, 2012. The plan provides early retirement compensation and medical and life insurance coverage for up to five years to qualified early-retired employees. There were 18 employees who opted for this plan. The District's estimate of future costs for this program, which is based on the estimated cash flows for those participating in the program, is \$2,048,679.

**6. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries; and natural disasters. The District has joined with other public entities in a common risk management and insurance program operated by the State of Utah Division of Risk Management. The District pays experience rated premiums to this risk pool, the Utah State Risk Management Fund, for its general insurance coverage. The pool is self sustaining through member premiums and reinsures through commercial companies for claims in excess of specified amounts for certain types of risks. The District is subject to a minimal deductible for claims of the risk pool. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past five fiscal years.

The District also participates in the Utah School Boards Risk Management Mutual Insurance Association which is a risk pool for worker's compensation coverage. Unemployment compensation is handled on a cost of benefits reimbursement basis with the State of Utah. The District has purchased commercial insurance for other risks of loss including employee health and accident insurance.

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**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

**7. LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2012 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Noncurrent Liabilities Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 184,360,000	\$ 29,800,000	\$ (16,345,000)	\$ 197,815,000	\$ 13,420,000
Deferred amounts on issuance premium	3,673,653	3,801,733	(657,118)	6,818,268	-
Deferred amounts on refunding	(1,739,124)	-	234,253	(1,504,871)	-
Total bonds payable, net	186,294,529	33,601,733	(16,767,865)	203,128,397	13,420,000
Accrued vacation	1,296,757	1,177,572	(1,167,081)	1,307,248	1,176,523
Separation payments payable	22,256,711	5,437,327	(3,065,510)	24,628,528	3,220,828
Early retirement payable	804,351	2,016,516	(255,843)	2,565,024	645,925
Total governmental activities long-term liabilities	<u>\$ 210,652,348</u>	<u>\$ 42,233,148</u>	<u>\$ (21,256,299)</u>	<u>\$ 231,629,197</u>	<u>\$ 18,463,276</u>

Payments on the general obligation bonds are made by the *Debt Service Fund* from property taxes and earnings on investments. Employee benefits are paid by the fund in which the employee works.

**General Obligation Bonds and Advance Refundings** – The District issues general obligation bonds to finance the purchase of major capital items and the acquisition or construction of major capital facilities. Outstanding general obligation bonds at June 30, 2012 are as follows:

Series	Dated	Original Amount	Rate(s)	Maturity Date	Balance
Series 2004	July 20, 2004	10,000,000	3.00% to 5.00%	July 1, 2019	\$ 5,430,000
Series 2005A	March 1, 2005	15,945,000	2.55% to 5.00%	July 1, 2019	13,715,000
Series 2005B	April 5, 2005	59,555,000	2.50% to 4.50%	July 1, 2020	41,245,000
Series 2006	August 24, 2006	30,000,000	4.00% to 4.75%	July 1, 2021	22,225,000
Series 2007	August 28, 2007	35,000,000	4.00% to 5.00%	July 1, 2022	24,110,000
Series 2008	August 22, 2008	8,000,000	3.00% to 3.50%	July 1, 2016	1,495,000
Series 2009A	November 17, 2009	20,280,000	2.50% to 3.50%	July 1, 2018	8,860,000
Series 2009B	November 17, 2009	9,400,000	3.22% to 5.21%	July 1, 2024	9,400,000
Series 2010A	February 25, 2010	26,825,000	2.00% to 3.75%	July 1, 2018	21,210,000
Series 2010B	September 1, 2010	28,000,000	2.00% to 4.00%	July 1, 2025	25,425,000
Series 2011	August 31, 2011	29,800,000	2.00% to 5.00%	July 1, 2026	24,700,000
Total outstanding general obligation bonds payable					<u>\$ 197,815,000</u>



**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

The debt service requirements to maturity for the general obligation bonds are shown below:

Year Ending June 30	Principal	Interest	Total
2013	\$ 13,420,000	\$ 8,155,604	\$ 21,575,604
2014	13,800,000	7,665,954	21,465,954
2015	13,910,000	7,156,049	21,066,049
2016	14,470,000	6,649,681	21,119,681
2017	14,820,000	6,127,790	20,947,790
2018-2026	127,395,000	23,723,868	151,118,868
Totals	<u>\$ 197,815,000</u>	<u>\$ 59,478,946</u>	<u>\$ 257,293,946</u>

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements.

**Legal Debt Limit** – The general obligation indebtedness of the District is limited by Utah State Law to 4% of the fair market value of the total taxable property in the District. The legal debt limit and additional debt incurring capacity of the District, based on estimated fair market values for the calendar year 2011, is calculated as follows:

2011 Fair market value of properties within District (1)	\$ 8,521,827,840
Utah State Law debt limit	<u>4%</u>
Legal debt limit	340,873,114
Less general obligation debt outstanding, net of deferred amounts	<u>(203,128,397)</u>
Additional debt incurring capacity	<u>\$ 137,744,717</u>

(1) Valuation includes the value associated with the fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.

**8. GRANTS**

The District receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the District's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the *General Fund* or other applicable fund. Based on prior experience, District administration believes such disallowance, if any, would be immaterial.

**9. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

Utah law requires that actual expenditures not exceed budgeted appropriations for any fund. Actual expenditures in the *School Activity Fund* exceeded budgeted expenditures by \$1,175,875 or 19.4%. Revenues and fund balance were sufficient and available to fund the excess expenditures.

**NEBO SCHOOL DISTRICT**  
**Notes to Basic Financial Statements**  
June 30, 2012

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**10. BUDGET CONVERSION**

The original and final budgets presented to the Board and subsequently adopted by the Board were presented using a simplified budget report format. As such, the District budget reports are not comparable in presentation to the budget information as shown in the financial statements. The budget information presented in the financial statements has been converted from the District budget presentation format to be in accordance with accounting principles generally accepted in the United States of America (GAAP).

**11. SUBSEQUENT EVENTS**

On August 28, 2012, the District issued Series 2012A General Obligation School Building Bonds in the amount of \$24,850,000 to pay all or part of the cost of purchasing, constructing or otherwise acquiring one or more school sites, buildings, furnishings and improving existing school property under the charge of the Board. The bonds were authorized at a bond election on June 23, 2009.

On August 28, 2012, the District also issued Series 2012B General Obligation Refunding Bonds in the amount of \$4,015,000. The proceeds were placed in an irrevocable trust for the purpose of refunding prior to their maturity \$4,045,000 of the Board's currently outstanding Series 2004 General Obligation School Building Bonds.

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NEBO SCHOOL DISTRICT  
 Required Supplementary Information  
 Year Ended June 30, 2012

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District Separation Payments Plan  
 Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Eligibility Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a) / c]
07/01/2008	\$ -	\$ 50,584,063	\$ 50,584,063	0.0%	\$ 73,115,720	69.2%
07/01/2006	-	48,335,905	48,335,905	0.0%	69,903,239	69.1%

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

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND SCHEDULES**

## MAJOR GOVERNMENTAL FUNDS

### GENERAL FUND

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**General Fund** - This fund serves as the chief operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

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### DEBT SERVICE FUND

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**Debt Service Fund** - This fund is used to account for the accumulation of resources and payments of general obligation bond principal and interest. Financing is provided by property tax levies as authorized by Utah Code 53A-16-104 and 53A-17a-145.

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### CAPITAL PROJECTS FUND

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**Capital Projects Fund** - The purpose of this fund is to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment, textbooks, and supplies necessary for providing quality educational programs for all students within the District. Financing is provided by property tax levies as authorized by the Utah Code 53A-21-103 and 53A-17a-145. In addition, State funds can be obtained by qualifying under guidelines established for districts determined to be in critical need of construction building aid.

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**NEBO SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 23,519,709	\$ 24,122,405	\$ 602,696	\$ 23,450,819
Earnings on investments	350,000	321,949	(28,051)	188,777
Other local sources	4,124,783	3,419,096	(705,687)	3,109,097
State sources	124,743,055	122,149,113	(2,593,942)	118,033,136
Federal sources	13,271,171	12,448,304	(822,867)	16,285,694
Total revenues	<u>166,008,718</u>	<u>162,460,867</u>	<u>(3,547,851)</u>	<u>161,067,523</u>
<b>Expenditures:</b>				
Instructional services	107,856,033	103,579,632	(4,276,401)	106,085,468
Supporting services:				
Students	10,286,290	10,210,025	(76,265)	9,868,890
Instructional staff	8,952,502	8,604,628	(347,874)	6,588,300
District administration	1,609,547	1,138,429	(471,118)	1,280,885
School administration	12,050,171	12,018,624	(31,547)	11,729,067
Business	5,054,334	4,902,080	(152,254)	4,797,870
Operation and maintenance of facilities	18,115,970	17,714,652	(401,318)	17,538,737
Transportation	7,564,846	7,303,354	(261,492)	7,203,605
Total expenditures	<u>171,489,693</u>	<u>165,471,424</u>	<u>(6,018,269)</u>	<u>165,092,822</u>
Excess (deficiency) of revenues over (under) expenditures	(5,480,975)	(3,010,557)	2,470,418	(4,025,299)
<b>Other financing sources (uses):</b>				
Transfers	10,000,000	13,000,000	3,000,000	8,000,000
Total other financing sources (uses)	<u>10,000,000</u>	<u>13,000,000</u>	<u>3,000,000</u>	<u>8,000,000</u>
Net change in fund balances	4,519,025	9,989,443	5,470,418	3,974,701
<b>Fund balance - beginning</b>	<u>18,571,678</u>	<u>18,571,678</u>	-	<u>14,596,977</u>
<b>Fund balance - ending</b>	<u>\$ 23,090,703</u>	<u>\$ 28,561,121</u>	<u>\$ 5,470,418</u>	<u>\$ 18,571,678</u>

**NEBO SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Debt Service Fund**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Property tax	\$ 23,201,860	\$ 23,851,666	\$ 649,806	\$ 24,406,126
Earnings on investments	75,000	72,856	(2,144)	54,064
Total local sources	23,276,860	23,924,522	647,662	24,460,190
Federal Sources:				
Other federal revenues	150,000	148,234	(1,766)	148,234
Total federal sources	150,000	148,234	(1,766)	148,234
Total revenues	23,426,860	24,072,756	645,896	24,608,424
<b>Expenditures:</b>				
Debt service:				
Bond principal	16,345,000	16,345,000	-	15,500,000
Bond interest	8,462,008	8,462,007	(1)	7,813,181
Paying agent fees	20,000	9,100	(10,900)	10,000
Total expenditures	24,827,008	24,816,107	(10,901)	23,323,181
Net change in fund balances	(1,400,148)	(743,351)	656,797	1,285,243
<b>Fund balance - beginning</b>	2,538,654	2,538,654	-	1,253,411
<b>Fund balance - ending</b>	<u>\$ 1,138,506</u>	<u>\$ 1,795,303</u>	<u>\$ 656,797</u>	<u>\$ 2,538,654</u>

**NEBO SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Capital Projects Fund**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 7,272,481	\$ 7,532,172	\$ 259,691	\$ 7,753,757
Earnings on investments	125,000	161,695	36,695	158,700
Other local revenues	210,500	286,014	75,514	82,509
Total local sources	7,607,981	7,979,881	371,900	7,994,966
State sources:				
Capital outlay foundation	5,752,396	5,752,396	-	5,190,417
Total state sources	5,752,396	5,752,396	-	5,190,417
Total revenues	13,360,377	13,732,277	371,900	13,185,383
<b>Expenditures:</b>				
Capital outlay:				
Salaries	497,000	491,028	(5,972)	292,977
Benefits	162,150	157,126	(5,024)	111,020
Purchased services	61,500	50,486	(11,014)	157,546
Construction and remodeling	31,875,000	26,098,545	(5,776,455)	34,135,430
Supplies	500,000	500,728	728	4,000
Land and improvements	7,850,000	7,056,380	(793,620)	3,755,885
Equipment	3,244,305	2,937,463	(306,842)	2,887,196
Buses	1,200,000	1,183,133	(16,867)	1,169,010
Other vehicles	195,000	221,945	26,945	15,835
Total capital outlay	45,584,955	38,696,834	(6,888,121)	42,528,899
Debt service:				
Bond issuance costs	225,128	216,555	8,573	244,620
Interest and finance charges	-	-	-	932
Total debt service	225,128	216,555	8,573	245,552
Total expenditures	45,810,083	38,913,389	(6,879,548)	42,774,451
Excess (deficiency) of revenues over (under) expenditures	(32,449,706)	(25,181,112)	7,251,448	(29,589,068)
<b>Other financing sources (uses):</b>				
Transfers	(10,000,000)	(13,000,000)	(3,000,000)	(8,000,000)
Bond proceeds	29,800,000	29,800,000	-	28,000,000
Bond premium	3,801,733	3,801,733	-	132,990
Sale of assets	125,500	158,127	32,627	83,583
Total other financing sources (uses)	23,727,233	20,759,860	(2,967,373)	20,216,573
Net change in fund balances	(8,722,473)	(4,421,252)	4,284,075	(9,372,495)
Fund balance - beginning	9,997,230	9,997,230	-	19,369,725
Fund balance - ending	\$ 1,274,757	\$ 5,575,978	\$ 4,284,075	\$ 9,997,230



## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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**Food Services Fund** - The purpose of this fund is to account for the food service activities of the District as required by State and Federal law. Financing is provided by local sales along with substantial subsidies from the State of Utah and the U.S. Government to help ensure that students receive low-cost, nutritionally balanced meals.

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**School Activity Fund** - The purpose of this fund is to account for the revenues received and expenditures made at individual District schools.

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**Non K-12 Programs Fund** - The purpose of this fund is to account for the costs of programs that are not part of the basic educational program of kindergarten, elementary, and secondary students. Included in the fund are Federal and State funded programs for Special-Education Preschool, Adult Education and other non K-12 programs. The costs associated with providing recreational programs within the District are also included in this fund. The recreational programs are financed by a property tax levy as authorized by Utah Code 11-2-7 and the levy does not have a maximum statutory rate. Fees charged to users of services provide additional funds as necessary.

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**Nebo Education Foundation** - The purpose of this fund is to account for donations received on behalf of the District. The Foundation was formed to provide a continuing organization, outside the public school system, for the benefit of the students of Nebo School District. The Foundation is an independently organized nonprofit corporation under a Utah Charter and its activities and records are operated and maintained separate from the District. The Foundation is overseen by a twenty member Board of Trustees which includes one member of the Nebo School District Board of Education, the Superintendent of the District, and two non-voting employees of the District. All Board of Trustees members are elected by the current members of the Board of Trustees. The Board of Trustees has the exclusive care, custody, and control of the Foundation's properties and exercises all of the powers granted by the laws of the State of Utah, its Articles of Incorporation, and the Bylaws.

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**NEBO SCHOOL DISTRICT**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
June 30, 2012  
With Comparative Totals for 2011

	Special Revenue Funds				2012	2011
	Food Services	School Activity	Non K-12 Programs	Nebo Education Foundation	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>						
Cash and investments	\$ 854,121	\$ 5,558,617	\$ -	\$ 458,272	\$ 6,871,010	\$ 6,989,816
Receivables:						
Property taxes	-	-	1,215,135	-	1,215,135	1,291,716
Other Local	2,003	-	-	-	2,003	11,037
State	585,492	-	-	-	585,492	474,757
Federal	-	-	419,720	-	419,720	84,773
Inventories	481,876	-	-	-	481,876	523,147
Total assets	<u>\$ 1,923,492</u>	<u>\$ 5,558,617</u>	<u>\$ 1,634,855</u>	<u>\$ 458,272</u>	<u>\$ 9,575,236</u>	<u>\$ 9,375,246</u>
<b>Liabilities:</b>						
Accounts payable	\$ 75,231	\$ -	\$ 71,964	\$ -	\$ 147,195	\$ 38,039
Due to other funds	-	-	79,743	-	79,743	-
Deferred revenue:						
Property taxes	-	-	1,179,596	-	1,179,596	1,248,190
Total liabilities	<u>75,231</u>	<u>-</u>	<u>1,331,303</u>	<u>-</u>	<u>1,406,534</u>	<u>1,286,229</u>
<b>Fund balances:</b>						
Nonspendable:						
Inventories	481,876	-	-	-	481,876	523,147
Restricted for:						
Food services	1,366,385	-	-	-	1,366,385	1,180,080
Other purposes	-	-	303,552	400,340	703,892	694,655
Assigned to:						
Schools	-	5,558,617	-	-	5,558,617	5,605,969
Other purposes	-	-	-	57,932	57,932	85,166
Total fund balances	<u>1,848,261</u>	<u>5,558,617</u>	<u>303,552</u>	<u>458,272</u>	<u>8,168,702</u>	<u>8,089,017</u>
Total liabilities and fund balances	<u>\$ 1,923,492</u>	<u>\$ 5,558,617</u>	<u>\$ 1,634,855</u>	<u>\$ 458,272</u>	<u>\$ 9,575,236</u>	<u>\$ 9,375,246</u>

**NEBO SCHOOL DISTRICT**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	Special Revenue Funds				2012	2011
	Food Services	School Activity	Non K-12 Programs	Nebo Education Foundation	Total Nonmajor Governmental Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>						
Property tax	\$ -	\$ -	\$ 1,347,003	\$ -	\$ 1,347,003	\$ 1,341,064
Earnings on investments	-	31,141	1,985	2,827	35,953	24,884
Tuition and fees	-	816,068	149,025	-	965,093	800,581
Food sales	3,209,518	-	-	-	3,209,518	3,153,963
Other local revenues	-	6,331,314	1,116	216,750	6,549,180	6,045,689
State sources	1,568,042	-	2,722,313	-	4,290,355	3,943,853
Federal sources	5,793,259	-	550,006	-	6,343,265	6,174,954
Total revenues	<u>10,570,819</u>	<u>7,178,523</u>	<u>4,771,448</u>	<u>219,577</u>	<u>22,740,367</u>	<u>21,484,988</u>
<b>Expenditures:</b>						
Current:						
Instructional services	-	7,225,875	4,804,016	-	12,029,891	10,279,495
Noninstructional services	-	-	-	205,006	205,006	211,495
Food services	10,433,735	-	-	-	10,433,735	9,659,527
Total expenditures	<u>10,433,735</u>	<u>7,225,875</u>	<u>4,804,016</u>	<u>205,006</u>	<u>22,668,632</u>	<u>20,150,517</u>
Excess (deficiency) of revenues over (under) expenditures	137,084	(47,352)	(32,568)	14,571	71,735	1,334,471
<b>Other financing sources (uses):</b>						
Sale of assets	7,950	-	-	-	7,950	-
Total other financing sources (uses)	<u>7,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,950</u>	<u>-</u>
Net change in fund balances	145,034	(47,352)	(32,568)	14,571	79,685	1,334,471
<b>Fund balances - beginning</b>	<u>1,703,227</u>	<u>5,605,969</u>	<u>336,120</u>	<u>443,701</u>	<u>8,089,017</u>	<u>6,754,546</u>
<b>Fund balances - ending</b>	<u>\$ 1,848,261</u>	<u>\$ 5,558,617</u>	<u>\$ 303,552</u>	<u>\$ 458,272</u>	<u>\$ 8,168,702</u>	<u>\$ 8,089,017</u>

**NEBO SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Food Services**  
**Nonmajor Special Revenue Fund**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Food sales - students	\$ 3,350,000	\$ 2,919,150	\$ (430,850)	\$ 2,886,292
Food sales - adults	200,000	189,200	(10,800)	185,830
Other local revenue	75,000	101,168	26,168	81,841
Total local sources	3,625,000	3,209,518	(415,482)	3,153,963
State sources:				
State lunch program	1,675,000	1,568,042	(106,958)	1,409,763
Total state sources	1,675,000	1,568,042	(106,958)	1,409,763
Federal sources:				
Federal lunch program	750,000	782,607	32,607	735,969
Free and reduced assistance	3,350,000	3,553,499	203,499	3,384,164
Breakfast program	800,000	832,333	32,333	798,037
Commodities	600,000	624,820	24,820	678,222
Total federal sources	5,500,000	5,793,259	293,259	5,596,392
Total revenues	10,800,000	10,570,819	(229,181)	10,160,118
<b>Expenditures:</b>				
Current:				
Salaries	3,480,000	3,377,335	(102,665)	3,146,694
Benefits	1,190,500	1,103,061	(87,439)	1,145,879
Purchased services	466,500	371,330	(95,170)	375,407
Supplies	432,500	404,339	(28,161)	372,405
Food	4,325,000	4,358,409	33,409	3,962,096
Equipment	125,000	109,887	(15,113)	83,042
Other	500,000	709,374	209,374	574,004
Total expenditures	10,519,500	10,433,735	(85,765)	9,659,527
Excess (deficiency) of revenues over (under) expenditures	280,500	137,084	(143,416)	500,591
<b>Other financing sources (uses):</b>				
Sale of assets	10,000	7,950	2,050	-
Total other financing sources (uses)	10,000	7,950	2,050	-
Net change in fund balances	290,500	145,034	(141,366)	500,591
<b>Fund balances - beginning</b>	1,703,227	1,703,227	-	1,202,636
<b>Fund balances - ending</b>	\$ 1,993,727	\$ 1,848,261	\$ (141,366)	\$ 1,703,227

**NEBO SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**School Activity**  
**Nonmajor Special Revenue Fund**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Earnings on investments	\$ 100,000	\$ 31,141	\$ (68,859)	\$ 22,320
Tuition and fees	650,000	816,068	166,068	644,384
Other local revenue	5,300,000	6,331,314	1,031,314	5,831,552
Total revenues	6,050,000	7,178,523	1,128,523	6,498,256
<b>Expenditures:</b>				
Current:				
Purchased services	100,000	41,843	(58,157)	128,367
Supplies	5,800,000	7,095,195	1,295,195	5,469,882
Equipment	150,000	88,837	(61,163)	82,204
Total expenditures	6,050,000	7,225,875	1,175,875	5,680,453
Net change in fund balances	-	(47,352)	(47,352)	817,803
<b>Fund balances - beginning</b>	5,605,969	5,605,969	-	4,788,166
<b>Fund balances - ending</b>	\$ 5,605,969	\$ 5,558,617	\$ (47,352)	\$ 5,605,969

**NEBO SCHOOL DISTRICT**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Non K-12 Programs**  
**Nonmajor Special Revenue Fund**  
Year Ended June 30, 2012  
With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local sources:				
Property taxes	\$ 1,310,306	\$ 1,347,003	\$ 36,697	\$ 1,341,064
Earnings on investments	10,000	1,985	(8,015)	431
Tuition and fees	145,000	149,025	4,025	156,197
Other local revenue	-	1,116	1,116	8,802
Total local sources	<u>1,465,306</u>	<u>1,499,129</u>	<u>33,823</u>	<u>1,506,494</u>
State sources:				
Adult high school completion	152,694	152,694	-	166,895
Preschool	2,734,100	2,569,619	(164,481)	1,781,600
Other state revenue	-	-	-	585,595
Total state sources	<u>2,886,794</u>	<u>2,722,313</u>	<u>(164,481)</u>	<u>2,534,090</u>
Federal sources:				
Special education preschool	617,560	514,362	(103,198)	539,568
Adult education	35,644	35,644	-	38,994
Total federal sources	<u>653,204</u>	<u>550,006</u>	<u>(103,198)</u>	<u>578,562</u>
Total revenues	<u>5,005,304</u>	<u>4,771,448</u>	<u>(233,856)</u>	<u>4,619,146</u>
<b>Expenditures:</b>				
Salaries	3,521,199	3,343,172	(178,027)	3,223,089
Benefits	1,273,248	1,187,355	(85,893)	1,132,378
Purchased services	32,500	28,121	(4,379)	20,659
Supplies	235,229	195,787	(39,442)	165,563
Equipment	37,500	31,794	(5,706)	47,032
Other	36,697	17,787	(18,910)	10,321
Total expenditures	<u>5,136,373</u>	<u>4,804,016</u>	<u>(332,357)</u>	<u>4,599,042</u>
Net change in fund balances	(131,069)	(32,568)	98,501	20,104
<b>Fund balances - beginning</b>	<u>336,120</u>	<u>336,120</u>	<u>-</u>	<u>316,016</u>
<b>Fund balances - ending</b>	<u>\$ 205,051</u>	<u>\$ 303,552</u>	<u>\$ 98,501</u>	<u>\$ 336,120</u>

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Nebo Education Foundation**  
**Nonmajor Special Revenue Fund**  
**Years Ended June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Revenues:</b>		
Local sources:		
Contributions	\$ 216,750	\$ 205,335
Earnings on investments	2,827	2,133
Total revenues	<u>219,577</u>	<u>207,468</u>
<b>Expenditures:</b>		
Current:		
Grants and scholarships	184,467	187,827
Other expenditures	20,539	23,668
Total expenditures	<u>205,006</u>	<u>211,495</u>
Net change in fund balances	14,571	(4,027)
<b>Fund balances - beginning</b>	<u>443,701</u>	<u>447,728</u>
<b>Fund balances - ending</b>	<u>\$ 458,272</u>	<u>\$ 443,701</u>

*Other  
Information  
Section*



**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Net Assets**  
**Governmental Activities**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 50,599,997	\$ 52,900,923	\$ 48,096,812	\$ 39,361,578	\$ 41,528,234
Receivables:					
Property taxes	52,583,003	54,532,308	55,008,269	60,664,765	53,835,293
Other local	427,686	436,270	205,277	443,850	860,563
State	767,411	750,735	525,208	459,653	556,717
Federal	4,461,279	3,038,408	5,955,718	5,520,879	3,776,666
Inventories	1,735,933	1,476,817	1,672,259	1,264,770	1,775,898
Insurance deposits	-	-	1,500,000	1,500,000	1,500,000
Bond issuance costs, net of accumulated amortization	1,450,610	1,404,442	1,315,295	1,034,145	1,076,778
Capital assets:					
Land, construction in progress, and water stock	60,908,603	52,691,271	31,862,494	72,508,487	90,134,495
Other capital assets, net of accumulated depreciation	300,556,530	290,754,204	284,604,730	240,240,183	210,068,457
Total assets	<u>473,491,052</u>	<u>457,985,378</u>	<u>430,746,062</u>	<u>422,998,310</u>	<u>405,113,101</u>
<b>Liabilities:</b>					
Accounts payable	3,838,631	8,626,108	4,375,252	6,354,772	8,784,132
Accrued salaries	7,242,694	6,933,619	4,314,247	4,309,734	3,521,226
Deferred revenue:					
Property taxes	46,971,811	46,707,063	47,573,525	55,823,187	50,402,610
Other local	817,424	895,379	758,748	800,476	676,956
State	3,504,055	4,801,183	8,704,401	5,462,275	9,622,173
Federal	3,339	-	-	845	6,421
Noncurrent liabilities:					
Due within one year	18,463,276	15,719,191	16,813,591	15,794,140	15,951,416
Due in more than one year	213,165,921	194,933,157	177,576,563	177,255,006	180,348,080
Total liabilities	<u>294,007,151</u>	<u>278,615,700</u>	<u>260,116,327</u>	<u>265,800,435</u>	<u>269,313,014</u>
<b>Net Assets:</b>					
Invested in capital assets, net of related debt	158,336,736	157,150,946	142,597,896	137,023,426	118,122,610
Restricted for:					
Debt service	4,964,415	6,450,013	4,825,968	3,949,073	4,023,988
Capital projects	3,158,311	10,999,104	20,266,097	10,364,513	7,600,164
Food services	1,848,261	1,703,227	1,202,636	727,612	596,573
Other purposes	1,131,004	1,317,717	827,757	785,826	799,294
Unrestricted	10,045,174	1,748,671	909,381	4,347,425	4,657,458
Total net assets	<u>\$ 179,483,901</u>	<u>\$ 179,369,678</u>	<u>\$ 170,629,735</u>	<u>\$ 157,197,875</u>	<u>\$ 135,800,087</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Activities**  
**Governmental Activities**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Expenses:</b>					
Instructional services	\$ 135,961,339	\$ 131,401,203	\$ 125,474,892	\$ 124,000,777	\$ 122,363,789
Supporting services:					
Students	10,415,031	10,080,385	10,063,321	9,213,850	8,297,159
Instructional staff	8,604,628	6,588,300	7,287,585	6,435,250	5,229,415
District administration	1,225,790	1,355,893	1,445,797	1,449,389	1,359,490
School administration	12,539,318	12,216,477	11,921,159	11,593,498	9,901,027
Business	4,989,441	4,872,878	4,589,634	4,633,607	4,013,823
Operation and maint of facilities	19,300,448	19,044,724	19,195,023	18,226,498	15,799,718
Transportation	8,408,279	8,242,610	8,023,195	7,712,580	7,314,548
Central	313,810	261,568	231,023	141,883	322,951
Food services	10,560,994	9,910,987	9,385,945	8,974,663	8,546,847
Interest on long-term liabilities	8,048,242	7,616,324	7,279,119	8,147,775	8,500,789
Total expenses	<u>220,367,320</u>	<u>211,591,349</u>	<u>204,896,693</u>	<u>200,529,770</u>	<u>191,649,556</u>
<b>Program revenues:</b>					
Instructional services	47,473,562	48,826,378	46,135,645	46,846,968	43,850,563
Supporting services:					
Students	5,811,296	5,372,324	5,915,492	5,396,648	4,179,930
Instructional staff	2,939,085	2,568,419	3,077,531	2,980,724	2,337,401
District administration	964,337	1,028,821	1,243,976	1,166,676	940,403
School administration	286,800	473,060	420,080	431,458	640,122
Business	107,589	106,091	105,338	101,623	106,986
Operation and maint of facilities	26,247	153,517	27,812	53,012	116,199
Transportation	4,019,794	4,053,267	4,307,959	4,670,831	4,527,447
Central	-	-	-	-	324
Food services	10,570,819	10,160,117	9,759,880	8,992,503	8,092,344
Total program revenues	<u>72,199,529</u>	<u>72,741,994</u>	<u>70,993,713</u>	<u>70,640,443</u>	<u>64,791,719</u>
Net (expense) revenue	(148,167,791)	(138,849,355)	(133,902,980)	(129,889,327)	(126,857,837)
<b>General revenues:</b>					
Property taxes levied for:					
General purposes	20,223,615	21,213,430	20,287,105	19,659,495	18,630,489
Transportation	1,167,537	1,224,680	624,023	396,774	376,006
Recreation	1,302,478	1,366,226	1,292,618	921,539	873,304
Debt service	23,063,251	24,192,047	23,763,804	22,923,279	21,723,441
Capital outlay	9,217,087	9,668,204	9,436,751	8,255,453	7,823,349
Federal and state aid not restricted	83,483,292	81,275,029	83,228,555	90,541,813	82,301,895
Earnings on investments	592,453	426,425	378,074	1,277,000	2,881,665
Miscellaneous	9,232,301	8,223,257	8,323,910	7,311,762	6,572,725
Total general revenues	<u>148,282,014</u>	<u>147,589,298</u>	<u>147,334,840</u>	<u>151,287,115</u>	<u>141,182,874</u>
Change in net assets	114,223	8,739,943	13,431,860	21,397,788	14,325,037
<b>Net assets - beginning</b>	<u>179,369,678</u>	<u>170,629,735</u>	<u>157,197,875</u>	<u>135,800,087</u>	<u>121,475,050</u>
<b>Net assets - ending</b>	<u>\$ 179,483,901</u>	<u>\$ 179,369,678</u>	<u>\$ 170,629,735</u>	<u>\$ 157,197,875</u>	<u>\$ 135,800,087</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Governmental Funds**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 50,599,997	\$ 52,900,923	\$ 48,096,812	\$ 39,361,578	\$ 41,528,234
Receivables:					
Property taxes	52,583,003	54,532,308	55,008,269	60,664,765	53,835,293
Other local	427,686	436,270	205,277	443,850	860,563
State	767,411	750,735	525,208	459,653	556,717
Federal	4,461,279	3,038,408	5,955,718	5,520,879	3,776,666
Due from other funds	79,743	-	258,106	96,848	228,087
Inventories	1,735,933	1,476,817	1,672,259	1,264,770	1,775,898
Insurance deposits	-	-	1,500,000	1,500,000	1,500,000
Total assets	<u>\$ 110,655,052</u>	<u>\$ 113,135,461</u>	<u>\$ 113,221,649</u>	<u>\$ 109,312,343</u>	<u>\$ 104,061,458</u>
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 3,838,631	\$ 8,626,108	\$ 4,375,252	\$ 6,354,772	\$ 8,784,132
Accrued salaries	7,242,694	6,933,619	4,314,247	4,309,734	3,521,226
Due to other funds	79,743	-	258,106	96,848	228,087
Deferred revenue:					
Property taxes	51,068,062	52,682,593	52,836,236	60,104,645	52,696,378
Other local	817,424	895,379	758,748	800,476	1,096,255
State	3,504,055	4,801,183	8,704,401	5,462,275	9,622,173
Federal	3,339	-	-	845	6,421
Total liabilities	<u>66,553,948</u>	<u>73,938,882</u>	<u>71,246,990</u>	<u>77,129,595</u>	<u>75,954,672</u>
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventories	1,735,933	1,476,817	1,672,259	1,264,770	1,775,898
<b>Restricted for:</b>					
Debt service	1,795,303	2,538,654	1,253,411	1,033,188	1,939,078
Capital projects	1,797,080	-	-	9,322,576	-
Food services	1,366,385	1,180,080	639,462	207,808	87,452
Other purposes	703,892	694,655	704,975	710,178	762,766
<b>Committed to:</b>					
Economic stabilization	8,000,000	8,000,000	8,000,000	5,500,000	5,500,000
<b>Assigned to:</b>					
Employee benefit obligations	7,000,000	-	-	-	-
Employee salary obligations	2,500,000	-	-	-	-
Schools	10,578,311	10,257,118	7,524,704	8,191,089	7,643,155
Students	57,932	85,166	58,769	73,519	52,620
Unassigned	5,461,812	5,322,217	3,086,868	5,730,309	4,042,798
Total fund balances	<u>44,101,104</u>	<u>39,196,579</u>	<u>41,974,659</u>	<u>32,182,748</u>	<u>28,106,786</u>
Total liabilities and fund balances	<u>\$ 110,655,052</u>	<u>\$ 113,135,461</u>	<u>\$ 113,221,649</u>	<u>\$ 109,312,343</u>	<u>\$ 104,061,458</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Property taxes	\$ 56,853,246	\$ 56,951,766	\$ 54,423,049	\$ 50,168,849	\$ 48,359,468
Earnings on investments	592,453	426,425	378,074	1,277,000	2,881,665
Food sales	3,209,518	3,153,963	3,343,552	3,487,316	3,167,606
Other local sources	11,219,383	10,037,876	9,882,217	8,310,501	9,583,350
State sources	132,191,864	127,167,406	125,165,877	131,250,410	129,395,602
Federal sources	18,939,803	22,608,882	24,756,649	25,419,173	13,660,828
Total revenues	<u>223,006,267</u>	<u>220,346,318</u>	<u>217,949,418</u>	<u>219,913,249</u>	<u>207,048,519</u>
<b>Expenditures:</b>					
Current:					
Instructional services	115,609,523	116,364,963	111,508,529	112,871,248	109,403,352
Supporting services:					
Students	10,415,031	9,868,890	9,758,046	9,015,741	8,110,920
Instructional staff	8,604,628	6,588,300	7,287,585	6,435,250	5,229,415
District administration	1,138,429	1,280,885	1,384,638	1,437,607	1,354,558
School administration	12,018,624	11,729,067	11,465,666	11,201,991	9,553,005
Business	4,902,080	4,797,870	4,528,475	4,621,825	4,008,890
Operation and maint of facilities	17,714,652	17,538,737	17,747,942	16,925,444	14,633,839
Transportation	7,303,354	7,203,605	7,059,861	6,847,308	6,475,249
Central	-	-	-	54	205,513
Noninstructional services		211,495	305,275	198,109	186,239
Food services	10,433,735	9,659,527	9,284,857	8,861,464	8,358,848
Capital outlay	38,696,834	42,528,899	18,318,186	23,965,831	48,678,795
Debt service:					
Principal retirement	16,345,000	15,500,000	15,460,000	14,360,000	14,030,000
Bond issuance costs	216,555	244,620	624,096	69,823	317,594
Interest and fiscal charges	8,471,107	7,824,113	7,421,693	8,259,543	8,630,588
Total expenditures	<u>251,869,552</u>	<u>251,340,971</u>	<u>222,154,849</u>	<u>225,071,238</u>	<u>239,176,805</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,863,285)</u>	<u>(30,994,653)</u>	<u>(4,205,431)</u>	<u>(5,157,989)</u>	<u>(32,128,286)</u>
<b>Other financing sources (uses):</b>					
Bond proceeds	29,800,000	28,000,000	14,000,000	8,000,000	35,000,000
Refunding bonds issued	-	-	42,505,000	-	29,180,000
Bond premiums	3,801,733	132,990	1,521,973	116,670	571,705
Payments to bond escrow agent	-	-	(44,058,531)	-	(29,048,366)
Sale of capital assets	166,077	83,583	28,900	1,117,281	822,450
Total other financing sources (uses)	<u>33,767,810</u>	<u>28,216,573</u>	<u>13,997,342</u>	<u>9,233,951</u>	<u>36,525,789</u>
Net change in fund balances	4,904,525	(2,778,080)	9,791,911	4,075,962	4,397,503
<b>Fund balances - beginning</b>	<u>39,196,579</u>	<u>41,974,659</u>	<u>32,182,748</u>	<u>28,106,786</u>	<u>23,709,283</u>
<b>Fund balances - ending</b>	<u>\$ 44,101,104</u>	<u>\$ 39,196,579</u>	<u>\$ 41,974,659</u>	<u>\$ 32,182,748</u>	<u>\$ 28,106,786</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**General Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 35,499,022	\$ 27,375,469	\$ 20,205,539	\$ 23,629,108	\$ 24,399,802
Receivables:					
Property taxes	25,740,666	21,193,712	20,720,636	22,898,575	20,479,991
Other local	417,043	425,233	155,529	247,841	359,346
State	181,919	275,978	347,556	135,534	223,605
Federal	4,041,559	2,953,635	5,401,180	5,376,132	3,708,918
Due from other funds	79,743	-	258,106	96,848	228,087
Inventories	579,615	598,312	773,571	530,019	751,994
Insurance deposits	-	-	1,500,000	1,500,000	1,500,000
Total assets	<u>\$ 66,539,567</u>	<u>\$ 52,822,339</u>	<u>\$ 49,362,117</u>	<u>\$ 54,414,057</u>	<u>\$ 51,651,743</u>
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 1,260,768	\$ 1,120,935	\$ 1,087,036	\$ 5,681,865	\$ 3,869,679
Accrued salaries	7,242,694	6,933,619	4,314,247	4,309,734	3,521,226
Deferred revenue:					
Property taxes	25,150,166	20,499,545	19,900,708	22,685,169	20,042,033
Other local	817,424	895,379	758,748	799,078	657,491
State	3,504,055	4,801,183	8,704,401	5,462,275	9,616,897
Federal	3,339	-	-	845	6,421
Total liabilities	<u>37,978,446</u>	<u>34,250,661</u>	<u>34,765,140</u>	<u>38,938,966</u>	<u>37,713,747</u>
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventories	579,615	598,312	773,571	530,019	751,994
<b>Committed to:</b>					
Economic stabilization	8,000,000	8,000,000	8,000,000	5,500,000	5,500,000
<b>Assigned to:</b>					
Employee benefit obligations	7,000,000	-	-	-	-
Employee salary obligations	2,500,000	-	-	-	-
Schools	5,019,694	4,651,149	2,736,538	3,714,763	3,643,204
Unassigned	5,461,812	5,322,217	3,086,868	5,730,309	4,042,798
Total fund balances	<u>28,561,121</u>	<u>18,571,678</u>	<u>14,596,977</u>	<u>15,475,091</u>	<u>13,937,996</u>
Total liabilities and fund balances	<u>\$ 66,539,567</u>	<u>\$ 52,822,339</u>	<u>\$ 49,362,117</u>	<u>\$ 54,414,057</u>	<u>\$ 51,651,743</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**General Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Property taxes	\$ 24,122,405	\$ 23,450,819	\$ 20,540,776	\$ 19,070,318	\$ 18,596,144
Earnings on investments	321,949	188,777	186,825	664,841	1,448,859
Other local sources	3,419,096	3,109,097	3,114,719	3,131,032	2,738,486
State sources	122,149,113	118,033,136	115,016,910	119,350,985	118,297,571
Federal sources	12,448,304	16,285,694	18,933,894	20,433,437	9,688,313
Total revenues	<u>162,460,867</u>	<u>161,067,523</u>	<u>157,793,124</u>	<u>162,650,613</u>	<u>150,769,373</u>
<b>Expenditures:</b>					
Current:					
Instructional services	103,579,632	106,085,468	100,939,006	104,555,800	99,685,045
Supporting services:					
Students	10,210,025	9,868,890	9,758,046	9,015,741	8,110,920
Instructional staff	8,604,628	6,588,300	7,287,585	6,435,250	5,229,415
District administration	1,138,429	1,280,885	1,384,638	1,437,607	1,354,558
School administration	12,018,624	11,729,067	11,465,666	11,201,991	9,553,005
Business	4,902,080	4,797,870	4,528,475	4,621,825	4,008,890
Operation and maint of facilities	17,714,652	17,538,737	17,747,942	16,925,444	14,633,839
Transportation	7,303,354	7,203,605	7,059,861	6,847,308	6,475,249
Central	-	-	-	54	205,513
Total expenditures	<u>165,471,424</u>	<u>165,092,822</u>	<u>160,171,219</u>	<u>161,041,020</u>	<u>149,256,434</u>
Excess (deficiency) of revenues over (under) expenditures	(3,010,557)	(4,025,299)	(2,378,095)	1,609,593	1,512,939
<b>Other financing sources (uses):</b>					
Transfers	13,000,000	8,000,000	1,499,981	(72,498)	(400,295)
Total other financing sources (uses)	<u>13,000,000</u>	<u>8,000,000</u>	<u>1,499,981</u>	<u>(72,498)</u>	<u>(400,295)</u>
Net change in fund balances	9,989,443	3,974,701	(878,114)	1,537,095	1,112,644
<b>Fund balances - beginning</b>	<u>18,571,678</u>	<u>14,596,977</u>	<u>15,475,091</u>	<u>13,937,996</u>	<u>12,825,352</u>
<b>Fund balances - ending</b>	<u>\$ 28,561,121</u>	<u>\$ 18,571,678</u>	<u>\$ 14,596,977</u>	<u>\$ 15,475,091</u>	<u>\$ 13,937,996</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Debt Service Fund**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 1,159,047	\$ 1,744,151	\$ 321,722	\$ 793,186	\$ 1,438,514
Receivables:					
Property taxes	21,950,257	22,896,453	23,574,144	26,019,858	23,112,704
Total assets	<u>\$ 23,109,304</u>	<u>\$ 24,640,604</u>	<u>\$ 23,895,866</u>	<u>\$ 26,813,044</u>	<u>\$ 24,551,218</u>
<b>Liabilities and fund balances:</b>					
Liabilities:					
Deferred revenue:					
Property taxes	\$ 21,314,001	\$ 22,101,950	\$ 22,642,455	\$ 25,779,856	\$ 22,612,140
Total liabilities	<u>21,314,001</u>	<u>22,101,950</u>	<u>22,642,455</u>	<u>25,779,856</u>	<u>22,612,140</u>
Fund Balances:					
Restricted for:					
Debt service	1,795,303	2,538,654	1,253,411	1,033,188	1,939,078
Total fund balances	<u>1,795,303</u>	<u>2,538,654</u>	<u>1,253,411</u>	<u>1,033,188</u>	<u>1,939,078</u>
Total liabilities and fund balances	<u>\$ 23,109,304</u>	<u>\$ 24,640,604</u>	<u>\$ 23,895,866</u>	<u>\$ 26,813,044</u>	<u>\$ 24,551,218</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Debt Service Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Property taxes	\$ 23,851,666	\$ 24,406,126	\$ 23,342,929	\$ 21,501,815	\$ 21,254,431
Earnings on investments	72,856	54,064	55,059	183,944	372,992
Federal sources	148,234	148,234	-	-	-
Total revenues	<u>24,072,756</u>	<u>24,608,424</u>	<u>23,397,988</u>	<u>21,685,759</u>	<u>21,627,423</u>
<b>Expenditures:</b>					
Current:					
Debt service:					
Principal retirement	16,345,000	15,500,000	15,460,000	14,360,000	14,030,000
Bond issuance costs	-	-	414,552	-	129,370
Interest and fiscal charges	8,471,107	7,823,181	7,178,448	8,231,649	8,627,247
Total expenditures	<u>24,816,107</u>	<u>23,323,181</u>	<u>23,053,000</u>	<u>22,591,649</u>	<u>22,786,617</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(743,351)</u>	<u>1,285,243</u>	<u>344,988</u>	<u>(905,890)</u>	<u>(1,159,194)</u>
<b>Other financing sources (uses):</b>					
Refunding bonds issued	-	-	42,505,000	-	29,180,000
Bond premiums	-	-	1,428,766	-	-
Payments to bond escrow agent	-	-	(44,058,531)	-	(29,048,366)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(124,765)</u>	<u>-</u>	<u>131,634</u>
Net change in fund balances	<u>(743,351)</u>	<u>1,285,243</u>	<u>220,223</u>	<u>(905,890)</u>	<u>(1,027,560)</u>
<b>Fund balances - beginning</b>	<u>2,538,654</u>	<u>1,253,411</u>	<u>1,033,188</u>	<u>1,939,078</u>	<u>2,966,638</u>
<b>Fund balances - ending</b>	<u>\$ 1,795,303</u>	<u>\$ 2,538,654</u>	<u>\$ 1,253,411</u>	<u>\$ 1,033,188</u>	<u>\$ 1,939,078</u>

Source: District's Annual Financial Reports. Summary is unaudited.



**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Capital Projects Fund**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 7,070,918	\$ 16,791,487	\$ 21,848,509	\$ 9,752,170	\$ 10,988,157
Receivables:					
Property taxes	3,676,945	9,150,427	9,418,699	10,331,725	9,057,249
Other local	8,640	-	47,440	194,624	420,841
State	-	-	-	-	19,694
Inventories	674,442	355,358	335,514	214,947	514,783
Total assets	<u>\$ 11,430,945</u>	<u>\$ 26,297,272</u>	<u>\$ 31,650,162</u>	<u>\$ 20,493,466</u>	<u>\$ 21,000,724</u>
<b>Liabilities and fund balances:</b>					
Liabilities:					
Accounts payable	\$ 2,430,668	\$ 7,467,134	\$ 3,231,519	\$ 569,293	\$ 4,886,644
Deferred revenue:					
Property taxes	3,424,299	8,832,908	9,048,918	10,237,339	8,876,979
Other local	-	-	-	-	419,299
Total liabilities	<u>5,854,967</u>	<u>16,300,042</u>	<u>12,280,437</u>	<u>10,806,632</u>	<u>14,182,922</u>
Fund Balances:					
Nonspendable:					
Inventories	674,442	355,358	335,514	214,947	514,783
Restricted for:					
Capital projects	1,797,080	-	-	9,322,576	-
Committed to:					
Contractual obligations	3,104,456	9,641,872	19,034,211	149,311	6,303,019
Total fund balances	<u>5,575,978</u>	<u>9,997,230</u>	<u>19,369,725</u>	<u>9,686,834</u>	<u>6,817,802</u>
Total liabilities and fund balances	<u>\$ 11,430,945</u>	<u>\$ 26,297,272</u>	<u>\$ 31,650,162</u>	<u>\$ 20,493,466</u>	<u>\$ 21,000,724</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Capital Projects Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Property taxes	\$ 7,532,172	\$ 7,753,757	\$ 9,269,619	\$ 8,476,381	\$ 7,654,444
Earnings on investments	161,695	158,700	108,325	343,950	884,334
Other local sources	286,014	82,509	86,250	312,740	440,811
State sources	5,752,396	5,190,417	6,867,565	8,565,558	8,059,904
Total revenues	<u>13,732,277</u>	<u>13,185,383</u>	<u>16,331,759</u>	<u>17,698,629</u>	<u>17,039,493</u>
<b>Expenditures:</b>					
Current:					
Capital outlay	38,696,834	42,528,899	18,318,186	23,965,831	48,678,795
Debt service:					
Bond issuance costs	216,555	244,620	209,544	69,823	188,224
Interest and fiscal charges	-	932	243,245	27,894	3,341
Total expenditures	<u>38,913,389</u>	<u>42,774,451</u>	<u>18,770,975</u>	<u>24,063,548</u>	<u>48,870,360</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,181,112)</u>	<u>(29,589,068)</u>	<u>(2,439,216)</u>	<u>(6,364,919)</u>	<u>(31,830,867)</u>
<b>Other financing sources (uses):</b>					
Transfers	(13,000,000)	(8,000,000)	(2,000,000)	-	-
Bond proceeds	29,800,000	28,000,000	14,000,000	8,000,000	35,000,000
Bond premiums	3,801,733	132,990	93,207	116,670	571,705
Sale of assets	158,127	83,583	28,900	1,117,281	822,450
Total other financing sources (uses)	<u>20,759,860</u>	<u>20,216,573</u>	<u>12,122,107</u>	<u>9,233,951</u>	<u>36,394,155</u>
Net change in fund balances	(4,421,252)	(9,372,495)	9,682,891	2,869,032	4,563,288
<b>Fund balances - beginning</b>	<u>9,997,230</u>	<u>19,369,725</u>	<u>9,686,834</u>	<u>6,817,802</u>	<u>2,254,514</u>
<b>Fund balances - ending</b>	<u>\$ 5,575,978</u>	<u>\$ 9,997,230</u>	<u>\$ 19,369,725</u>	<u>\$ 9,686,834</u>	<u>\$ 6,817,802</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Food Services Fund**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 854,121	\$ 726,335	\$ 485,148	\$ -	\$ -
Receivables:					
Other local	2,003	-	-	-	7,155
State	585,492	474,757	177,652	324,119	313,418
Inventories	481,876	523,147	563,174	519,804	509,121
Prepaid expenditures	-	-	-	-	-
Total assets	<u>\$ 1,923,492</u>	<u>\$ 1,724,239</u>	<u>\$ 1,225,974</u>	<u>\$ 843,923</u>	<u>\$ 829,694</u>
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 75,231	\$ 21,012	\$ 23,338	\$ 19,463	\$ 5,034
Due to other funds	-	-	-	96,848	228,087
Total liabilities	<u>75,231</u>	<u>21,012</u>	<u>23,338</u>	<u>116,311</u>	<u>233,121</u>
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventories	481,876	523,147	563,174	519,804	509,121
<b>Restricted for:</b>					
Food services	1,366,385	1,180,080	639,462	207,808	87,452
Total fund balances	<u>1,848,261</u>	<u>1,703,227</u>	<u>1,202,636</u>	<u>727,612</u>	<u>596,573</u>
Total liabilities and fund balances	<u>\$ 1,923,492</u>	<u>\$ 1,724,239</u>	<u>\$ 1,225,974</u>	<u>\$ 843,923</u>	<u>\$ 829,694</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Food Services Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Food sales	\$ 3,209,518	\$ 3,153,963	\$ 3,343,552	\$ 3,487,316	\$ 3,167,606
State sources	1,568,042	1,409,763	1,301,887	1,246,768	1,170,853
Federal sources	5,793,259	5,596,392	5,114,442	4,258,419	3,753,886
Total revenues	<u>10,570,819</u>	<u>10,160,118</u>	<u>9,759,881</u>	<u>8,992,503</u>	<u>8,092,345</u>
<b>Expenditures:</b>					
Current:					
Food services	10,433,735	9,659,527	9,284,857	8,861,464	8,358,848
Total expenditures	<u>10,433,735</u>	<u>9,659,527</u>	<u>9,284,857</u>	<u>8,861,464</u>	<u>8,358,848</u>
Excess of revenues over expenditures	137,084	500,591	475,024	131,039	(266,503)
<b>Other financing sources (uses):</b>					
Sale of assets	7,950	-	-	-	-
Total other financing sources (uses)	<u>7,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	145,034	500,591	475,024	131,039	(266,503)
<b>Fund balances - beginning</b>	<u>1,703,227</u>	<u>1,202,636</u>	<u>727,612</u>	<u>596,573</u>	<u>863,076</u>
<b>Fund balances - ending</b>	<u>\$ 1,848,261</u>	<u>\$ 1,703,227</u>	<u>\$ 1,202,636</u>	<u>\$ 727,612</u>	<u>\$ 596,573</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**School Activity Fund**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 5,558,617	\$ 5,605,969	\$ 4,788,166	\$ 4,531,326	\$ 3,999,951
<b>Liabilities and fund balances:</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 55,000	\$ -
Total liabilities	-	-	-	55,000	-
<b>Fund Balances:</b>					
Assigned to:					
Schools	5,558,617	5,605,969	4,788,166	4,476,326	3,999,951
Total fund balances	5,558,617	5,605,969	4,788,166	4,476,326	3,999,951
Total liabilities and fund balances	<u>\$ 5,558,617</u>	<u>\$ 5,605,969</u>	<u>\$ 4,788,166</u>	<u>\$ 4,531,326</u>	<u>\$ 3,999,951</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**School Activity Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Earnings on investments	\$ 31,141	\$ 22,320	\$ 24,613	\$ 69,509	\$ 140,267
Tuition and fees	816,068	644,384	580,508	629,309	1,164,093
Other local revenues	6,331,314	5,831,552	5,637,813	3,823,559	4,871,827
Total revenues	<u>7,178,523</u>	<u>6,498,256</u>	<u>6,242,934</u>	<u>4,522,377</u>	<u>6,176,187</u>
<b>Expenditures:</b>					
Current:					
Instructional services	7,225,875	5,680,453	5,931,094	4,046,002	6,108,554
Total expenditures	<u>7,225,875</u>	<u>5,680,453</u>	<u>5,931,094</u>	<u>4,046,002</u>	<u>6,108,554</u>
Net change in fund balances	(47,352)	817,803	311,840	476,375	67,633
<b>Fund balances - beginning</b>	<u>5,605,969</u>	<u>4,788,166</u>	<u>4,476,326</u>	<u>3,999,951</u>	<u>3,932,318</u>
<b>Fund balances - ending</b>	<u>\$ 5,558,617</u>	<u>\$ 5,605,969</u>	<u>\$ 4,788,166</u>	<u>\$ 4,476,326</u>	<u>\$ 3,999,951</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Non K-12 Programs Fund**  
Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ -	\$ 213,811	\$ -	\$ 203,274	\$ 264,381
Receivables:					
Property taxes	1,215,135	1,291,716	1,294,790	1,414,607	1,185,349
Other local	-	11,037	2,308	1,385	73,221
Federal	419,720	84,773	554,538	144,747	67,748
Total assets	<u>\$ 1,634,855</u>	<u>\$ 1,601,337</u>	<u>\$ 1,851,636</u>	<u>\$ 1,764,013</u>	<u>\$ 1,590,699</u>
<b>Liabilities and fund balances:</b>					
Liabilities:					
Accounts payable	\$ 71,964	\$ 17,027	\$ 33,359	\$ 29,151	\$ 22,775
Due to other funds	79,743	-	258,106	-	-
Deferred revenue:					
Property taxes	1,179,596	1,248,190	1,244,155	1,402,281	1,165,226
Other local	-	-	-	1,398	19,465
State	-	-	-	-	5,276
Total liabilities	<u>1,331,303</u>	<u>1,265,217</u>	<u>1,535,620</u>	<u>1,432,830</u>	<u>1,212,742</u>
Fund Balances:					
Restricted for:					
Other purposes	303,552	336,120	316,016	331,183	377,957
Total fund balances	<u>303,552</u>	<u>336,120</u>	<u>316,016</u>	<u>331,183</u>	<u>377,957</u>
Total liabilities and fund balances	<u>\$ 1,634,855</u>	<u>\$ 1,601,337</u>	<u>\$ 1,851,636</u>	<u>\$ 1,764,013</u>	<u>\$ 1,590,699</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Non K-12 Programs Fund**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Property tax	\$ 1,347,003	\$ 1,341,064	\$ 1,269,725	\$ 1,120,335	\$ 854,449
Earnings on investments	1,985	431	526	6,667	18,515
Tuition and fees	149,025	156,197	156,886	206,663	154,056
Other local revenues	1,116	8,802	8,278	2,093	(20,977)
State sources	2,722,313	2,534,090	1,979,515	2,087,099	1,867,274
Federal sources	550,006	578,562	708,313	727,317	218,629
Total revenues	<u>4,771,448</u>	<u>4,619,146</u>	<u>4,123,243</u>	<u>4,150,174</u>	<u>3,091,946</u>
<b>Expenditures:</b>					
Current:					
Instructional services	4,804,016	4,599,042	4,638,429	4,269,446	3,609,753
Total expenditures	<u>4,804,016</u>	<u>4,599,042</u>	<u>4,638,429</u>	<u>4,269,446</u>	<u>3,609,753</u>
Excess (deficiency) of revenues over (under) expenditures	(32,568)	20,104	(515,186)	(119,272)	(517,807)
<b>Other financing sources (uses):</b>					
Transfers	-	-	500,019	72,498	400,295
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>500,019</u>	<u>72,498</u>	<u>400,295</u>
Net change in fund balances	(32,568)	20,104	(15,167)	(46,774)	(117,512)
<b>Fund balances - beginning</b>	<u>336,120</u>	<u>316,016</u>	<u>331,183</u>	<u>377,957</u>	<u>495,469</u>
<b>Fund balances - ending</b>	<u>\$ 303,552</u>	<u>\$ 336,120</u>	<u>\$ 316,016</u>	<u>\$ 331,183</u>	<u>\$ 377,957</u>

Source: District's Annual Financial Reports. Summary is unaudited.



**NEBO SCHOOL DISTRICT**  
**Comparative Balance Sheets**  
**Nebo Education Foundation**  
 Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Assets:</b>					
Cash and investments	\$ 458,272	\$ 443,701	\$ 447,728	\$ 452,514	\$ 437,429
<b>Fund balances:</b>					
Restricted for:					
Other purposes	\$ 400,340	\$ 358,535	\$ 388,959	\$ 378,995	\$ 384,809
Assigned to:					
Other purposes	57,932	85,166	58,769	73,519	52,620
Total fund balances	<u>\$ 458,272</u>	<u>\$ 443,701</u>	<u>\$ 447,728</u>	<u>\$ 452,514</u>	<u>\$ 437,429</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances**  
**Nebo Education Foundation**  
**Last 5 Fiscal Years**

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
<b>Revenues:</b>					
Earnings on investments	\$ 2,827	\$ 2,133	\$ 2,726	\$ 8,089	\$ 16,698
Other local revenues	216,750	205,335	297,763	205,105	235,054
Total revenues	<u>219,577</u>	<u>207,468</u>	<u>300,489</u>	<u>213,194</u>	<u>251,752</u>
<b>Expenditures:</b>					
Current:					
Noninstructional services	205,006	211,495	305,275	198,109	186,239
Total expenditures	<u>205,006</u>	<u>211,495</u>	<u>305,275</u>	<u>198,109</u>	<u>186,239</u>
Net change in fund balances	14,571	(4,027)	(4,786)	15,085	65,513
<b>Fund balances - beginning</b>	<u>443,701</u>	<u>447,728</u>	<u>452,514</u>	<u>437,429</u>	<u>371,916</u>
<b>Fund balances - ending</b>	<u>\$ 458,272</u>	<u>\$ 443,701</u>	<u>\$ 447,728</u>	<u>\$ 452,514</u>	<u>\$ 437,429</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Outstanding General Obligation Debt Issues**  
June 30, 2012

Series	Dated	Original Amount	Rate(s)	Maturity Date	Balance
Series 2004	July 20, 2004	\$ 10,000,000	3.00% to 5.00%	July 1, 2019	\$ 5,430,000
Series 2005A	March 1, 2005	15,945,000	2.55% to 5.00%	July 1, 2019	13,715,000
Series 2005B	April 5, 2005	59,555,000	2.50% to 4.50%	July 1, 2020	41,245,000
Series 2006	August 24, 2006	30,000,000	4.00% to 4.75%	July 1, 2021	22,225,000
Series 2007	August 28, 2007	35,000,000	4.00% to 5.00%	July 1, 2022	24,110,000
Series 2008	August 22, 2008	8,000,000	3.00% to 3.50%	July 1, 2016	1,495,000
Series 2009A	November 17, 2009	20,280,000	2.50% to 3.50%	July 1, 2018	8,860,000
Series 2009B	November 17, 2009	9,400,000	3.22% to 5.21%	July 1, 2024	9,400,000
Series 2010A	February 25, 2010	26,825,000	2.00% to 3.75%	July 1, 2018	21,210,000
Series 2010B	September 1, 2010	28,000,000	2.00% to 4.00%	July 1, 2025	25,425,000
Series 2011	August 31, 2011	29,800,000	2.00% to 5.00%	July 1, 2026	24,700,000
Total outstanding general obligation bonds payable					<u>\$ 197,815,000</u>

**NEBO SCHOOL DISTRICT**  
**Debt Service Schedule of Outstanding General Obligation Bonds**  
 June 30, 2012

76

Year Ending June 30	Series 2011		Series 2010B		Series 2010A		Series 2009A		Series 2009B		Series 2008	
	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)
2013	\$ 1,300,000	\$ 1,120,000	\$ 75,000	\$ 780,938	\$ 2,340,000	\$ 653,338	\$ 2,730,000	\$ 278,200	\$ -	\$ 423,525	\$ 355,000	\$ 52,325
2014	1,100,000	1,081,000	75,000	779,438	2,420,000	583,138	2,290,000	196,300	650,000	423,525	365,000	39,900
2015	750,000	1,048,000	75,000	777,938	3,490,000	510,538	1,360,000	127,600	650,000	402,595	380,000	27,125
2016	750,000	1,025,500	75,000	776,438	4,135,000	419,038	855,000	86,800	745,000	379,390	395,000	13,825
2017	1,000,000	1,003,000	75,000	774,938	4,315,000	299,025	830,000	56,875	780,000	350,112	-	-
2018	1,200,000	963,000	75,000	773,438	4,510,000	162,375	795,000	27,825	810,000	317,898	-	-
2019	1,000,000	915,000	75,000	771,750	-	-	-	-	850,000	282,177	-	-
2020	1,000,000	865,000	100,000	769,500	-	-	-	-	890,000	243,417	-	-
2021	1,500,000	815,000	100,000	765,500	-	-	-	-	930,000	201,498	-	-
2022	1,500,000	740,000	100,000	761,500	-	-	-	-	980,000	156,765	-	-
2023	3,400,000	680,000	8,200,000	758,500	-	-	-	-	1,030,000	108,647	-	-
2024	3,400,000	510,000	8,200,000	492,000	-	-	-	-	1,085,000	56,529	-	-
2025	3,400,000	340,000	8,200,000	246,000	-	-	-	-	-	-	-	-
2026	3,400,000	170,000	-	-	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 24,700,000</b>	<b>\$ 11,275,500</b>	<b>\$ 25,425,000</b>	<b>\$ 9,227,875</b>	<b>\$ 21,210,000</b>	<b>\$ 2,627,450</b>	<b>\$ 8,860,000</b>	<b>\$ 773,600</b>	<b>\$ 9,400,000</b>	<b>\$ 3,346,075</b>	<b>\$ 1,495,000</b>	<b>\$ 133,175</b>

Year Ending June 30	Series 2007		Series 2006		Series 2005A		Series 2005B		Series 2004		Totals		Principal and Interest
	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal (Due 7/1)	Interest (Due 1/1 & 7/1)	Principal	Interest	
2013	\$ 730,000	\$ 1,132,088	\$ 820,000	\$ 1,014,681	\$ 965,000	\$ 639,693	\$ 3,425,000	\$ 1,828,363	\$ 680,000	\$ 232,455	\$ 13,420,000	\$ 8,155,604	\$ 21,575,604
2014	760,000	1,102,888	870,000	979,831	1,000,000	598,680	3,565,000	1,682,800	705,000	198,455	13,800,000	7,665,954	21,465,954
2015	795,000	1,070,588	940,000	942,856	1,050,000	556,180	3,680,000	1,522,375	740,000	170,255	13,910,000	7,156,049	21,066,049
2016	825,000	1,036,800	1,005,000	902,906	1,095,000	511,555	3,820,000	1,356,775	770,000	140,655	14,470,000	6,649,681	21,119,681
2017	865,000	1,001,738	1,050,000	860,194	1,140,000	468,850	3,960,000	1,203,975	805,000	109,085	14,820,000	6,127,790	20,947,790
2018	905,000	964,975	1,115,000	815,569	1,185,000	423,250	4,110,000	1,025,775	845,000	75,275	15,550,000	5,549,379	21,099,379
2019	940,000	919,725	1,475,000	770,969	7,280,000	364,000	4,000,000	840,825	885,000	38,940	16,505,000	4,903,385	21,408,385
2020	580,000	872,725	-	710,125	-	-	14,685,000	660,825	-	-	17,255,000	4,121,592	21,376,592
2021	1,000,000	843,725	14,950,000	710,125	-	-	-	-	-	-	18,480,000	3,335,848	21,815,848
2022	16,710,000	793,725	-	-	-	-	-	-	-	-	19,290,000	2,451,990	21,741,990
2023	-	-	-	-	-	-	-	-	-	-	12,630,000	1,547,147	14,177,147
2024	-	-	-	-	-	-	-	-	-	-	12,685,000	1,058,529	13,743,529
2025	-	-	-	-	-	-	-	-	-	-	11,600,000	586,000	12,186,000
2026	-	-	-	-	-	-	-	-	-	-	3,400,000	170,000	3,570,000
<b>Totals</b>	<b>\$ 24,110,000</b>	<b>\$ 9,738,975</b>	<b>\$ 22,225,000</b>	<b>\$ 7,707,256</b>	<b>\$ 13,715,000</b>	<b>\$ 3,562,208</b>	<b>\$ 41,245,000</b>	<b>\$ 10,121,713</b>	<b>\$ 5,430,000</b>	<b>\$ 965,120</b>	<b>\$ 197,815,000</b>	<b>\$ 59,478,946</b>	<b>\$ 257,293,946</b>

Note: The District is required to make payments fifteen days prior to a payment due date under the Guaranty Act. For this purpose, July 1 payments are shown in the prior fiscal year.

**NEBO SCHOOL DISTRICT**  
**General Obligation Underlying and Overlapping Indebtedness**  
June 30, 2012

Entity	2011 Taxable Value (1) (3)	District's Portion of Taxable Value	District's Percent of Taxable Value	Entity's General Obligation Debt (2)	District's Underlying and Overlapping Debt
Utah County	\$ 25,042,343,329	\$ 5,576,424,314	22.27%	\$ 4,220,000	\$ 939,794
Elk Ridge City	109,560,947	109,560,947	100.00%	-	-
Genola Town	52,838,483	52,838,483	100.00%	-	-
Goshen Town	20,173,772	20,173,772	100.00%	-	-
Mapleton City	435,109,828	435,109,828	100.00%	-	-
Payson City	684,392,066	684,392,066	100.00%	1,395,000	1,395,000
Salem City	297,086,065	297,086,065	100.00%	1,420,000	1,420,000
Santaquin City	298,413,744	298,413,744	100.00%	-	-
Spanish Fork City	1,415,323,499	1,415,323,499	100.00%	-	-
Springville City	1,432,880,743	1,432,880,743	100.00%	9,440,000	9,440,000
Woodland Hills City	87,577,109	87,577,109	100.00%	-	-
Central Utah Water Conservancy District (4)	110,342,105,438	5,575,425,745	5.05%	210,372,464	10,623,809
Total underlying and overlapping general obligation debt					23,818,603
Total direct general obligation bonded indebtedness					197,815,000
Total direct, underlying, and overlapping general obligation debt					<u>\$ 221,633,603</u>

(1) Source: Utah State Tax Commission.

(2) Source: Entity financial statements for the year ended December 31, 2011 for Utah County and June 30, 2011 for all others.

(3) Taxable values excludes the value associated with the fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.

(4) Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited ad valorem tax. Under current law, CUWCD may levy a tax rate of up to .0004 to pay for operation and maintenance expenses and any outstanding general obligation indebtedness.

Note: The State of Utah general obligation debt is not included in overlapping general obligation debt because the State currently levies no property tax for payment of general obligation bonds.

**NEBO SCHOOL DISTRICT**  
**Debt Limit and Additional Debt Incurring Capacity**  
Last 10 Fiscal Years

Fiscal Year Ended June 30,	Estimated Fair Market Value (1)	Legal Debt Limit (2)	Direct General Obligation Debt	Deferred Amounts (3)	Net Direct General Obligation Debt	Additional Debt Incurring Capacity	Percentage of Debt to Legal Debt Limit
2012	\$ 8,521,827,840	\$ 340,873,114	\$ 197,815,000	\$ 5,313,397	\$ 203,128,397	\$ 137,744,717	59.59%
2011	8,944,334,571	357,773,383	184,360,000	1,934,529	186,294,529	171,478,854	52.07%
2010	9,159,111,106	366,364,444	171,860,000	2,009,328	173,869,328	192,495,116	47.46%
2009	9,941,594,064	397,663,763	174,315,000	1,410,244	175,725,244	221,938,519	44.19%
2008	9,040,060,985	361,602,439	180,675,000	1,405,342	182,080,342	179,522,097	50.35%
2007	7,180,891,716	287,235,669	159,285,000	1,450,592	160,735,592	126,500,077	55.96%
2006	6,231,252,664	249,250,107	141,300,000	929,670	142,229,670	107,020,437	57.06%
2005	5,952,837,871	238,113,515	150,040,000	1,071,622	151,111,622	87,001,893	63.46%
2004	5,745,154,102	229,806,164	93,175,000	474,337	93,649,337	136,156,827	40.75%
2003	5,481,461,079	219,258,443	101,450,000	-	101,450,000	117,808,443	46.27%

- (1) Valuation includes the value associated with the fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.
- (2) The general obligation indebtedness of the District is limited by State law to 4% of the fair market value of taxable property in the District.
- (3) Deferred amounts are for debt refundings and debt issuance premiums and are included in the calculation of debt capacity.

**NEBO SCHOOL DISTRICT**  
**Debt Ratios**  
Last 10 Fiscal Years

Fiscal Year Ended June 30,	Direct General Obligation Debt	Direct, Underlying, and Overlapping General Obligation Debt	Direct Debt as a Percentage of Taxable Value (1)	Direct, Underlying, and Overlapping Debt as a Percentage of Taxable Value (1)	Direct Debt as a Percentage of Estimated Market Value (1)	Direct, Underlying, and Overlapping Debt as a Percentage of Estimated Market Value (1)	Direct Debt Per Capita (2)	Direct, Underlying, and Overlapping Debt Per Capita (2)	Direct Debt Per Student (3)	Direct, Underlying, and Overlapping Debt Per Student (3)
2012	\$ 197,815,000	\$ 221,633,603	3.55%	3.97%	2.41%	2.70%	\$ 1,696	\$ 1,900	\$ 6,649	\$ 7,449
2011	184,360,000	214,058,072	3.24%	3.76%	2.19%	2.54%	1,626	1,888	6,328	7,347
2010	171,860,000	191,448,243	2.94%	3.28%	1.99%	2.22%	1,537	1,712	6,077	6,769
2009	174,315,000	193,949,985	2.90%	3.22%	1.85%	2.06%	1,623	1,806	6,318	7,029
2008	180,675,000	201,353,969	3.33%	3.71%	2.12%	2.36%	1,751	1,952	6,795	7,573
2007	159,285,000	184,985,454	3.63%	4.21%	2.36%	2.74%	1,618	1,879	6,190	7,188
2006	141,300,000	163,154,233	3.68%	4.25%	2.44%	2.82%	1,490	1,720	5,711	6,594
2005	150,040,000	165,134,398	4.05%	4.46%	2.71%	2.98%	1,639	1,804	6,029	6,635
2004	93,175,000	111,194,895	2.65%	3.16%	1.77%	2.11%	1,084	1,294	3,899	4,653
2003	101,450,000	123,126,336	3.00%	3.65%	2.02%	2.46%	1,196	1,451	4,396	5,335

(1) Valuations exclude the value associated with the fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.

(2) Based on U.S. Bureau of the Census of cities within the District and an estimate of the unincorporated population in Utah County.

(3) Based on October 1 enrollment counts.

**NEBO SCHOOL DISTRICT**  
**Taxable and Estimated Fair Market Value**  
Last 10 Tax Years

Including Fee-in-Lieu Valuation					
Tax Year Ended December 31,	Taxable Value (1)	Percent Change	Estimated Fair Market Value (1)	Percent Change	Taxable Value as a Percentage of Estimated Fair Market Value
2011	\$ 5,889,553,049	-5.2%	8,521,827,840	-4.7%	69.1%
2010	6,213,495,976	-2.4%	8,944,334,571	-2.3%	69.5%
2009	6,364,911,179	-2.8%	9,159,111,106	-7.9%	69.5%
2008	6,548,539,875	10.2%	9,941,594,064	10.0%	65.9%
2007	5,943,513,480	23.2%	9,040,060,985	25.9%	65.7%
2006	4,823,969,331	12.8%	7,180,891,716	15.2%	67.2%
2005	4,276,994,096	4.0%	6,231,252,664	4.7%	68.6%
2004	4,113,720,680	2.8%	5,952,837,871	3.6%	69.1%
2003	4,001,111,576	4.1%	5,745,154,102	4.8%	69.6%
2002	3,843,866,971	10.2%	5,481,461,079	10.2%	70.1%

Excluding Fee-in-Lieu Valuation					
Tax Year Ended December 31,	Taxable Value (2)	Percent Change	Estimated Fair Market Value (2)	Percent Change	Taxable Value as a Percentage of Estimated Fair Market Value
2011	\$ 5,576,424,314	-2.0%	8,208,699,105	-2.5%	67.9%
2010	5,687,619,312	-2.6%	8,418,457,907	-2.5%	67.6%
2009	5,837,465,973	-3.0%	8,631,665,900	-8.3%	67.6%
2008	6,016,006,034	11.0%	9,409,060,223	10.5%	63.9%
2007	5,420,566,182	23.5%	8,517,113,687	26.2%	63.6%
2006	4,390,583,067	14.4%	6,747,505,452	16.5%	65.1%
2005	3,839,289,494	3.6%	5,793,548,062	4.5%	66.3%
2004	3,705,755,856	5.2%	5,544,873,047	5.3%	66.8%
2003	3,521,078,257	4.3%	5,265,120,783	5.0%	66.9%
2002	3,377,037,750	8.4%	5,014,631,858	8.9%	67.3%

Source: District's Annual Financial Statements. Summary is unaudited.

(1) Valuations include the value associated with fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.

(2) Valuations exclude the value associated with fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.



**NEBO SCHOOL DISTRICT**  
**Summary of Taxable Value**  
Last 5 Tax Years

	Tax Year Ended December 31,				
	2011	2010	2009	2008	2007
Centrally assessed properties	\$ 339,750,762	\$ 334,806,286	\$ 316,866,069	\$ 305,530,674	\$ 314,982,018
Real properties:					
Primary residential	3,208,421,519	3,328,334,557	3,405,648,920	4,137,068,046	3,774,974,050
Other residential	294,744,030	339,928,937	434,670,235	34,191,335	30,441,353
Commercial and industrial	1,174,230,312	1,135,835,809	1,134,931,783	1,006,234,252	783,128,469
Agricultural	40,981,203	38,025,830	36,602,597	38,444,155	42,351,641
FAA	34,660,465	31,853,691	31,353,599	30,321,655	30,514,279
Unimproved Non FAA	101,287,069	97,032,643	116,704,691	158,299,136	162,652,127
Total real properties	4,854,324,598	4,971,011,467	5,159,911,825	5,404,558,579	4,824,061,919
Personal properties:					
Primary mobile homes	8,803,225	9,357,059	9,484,324	9,998,185	9,695,123
Other business personal property	373,545,729	372,444,500	351,203,755	295,918,596	271,827,122
Total personal properties	382,348,954	381,801,559	360,688,079	305,916,781	281,522,245
Total excluding age-based and fee-in-lieu	5,576,424,314	5,687,619,312	5,837,465,973	6,016,006,034	5,420,566,182
Motor vehicles (1):					
Age-based value estimate	Not available	498,461,748	506,887,425	511,466,988	498,164,717
Fee-in-lieu property	Not available	27,414,916	20,557,781	21,066,853	24,782,581
Total motor vehicles	313,128,735	525,876,664	527,445,206	532,533,841	522,947,298
Total including age-based and fee-in-lieu	<u>\$ 5,889,553,049</u>	<u>\$ 6,213,495,976</u>	<u>\$ 6,364,911,179</u>	<u>\$ 6,548,539,875</u>	<u>\$ 5,943,513,480</u>

Source: Utah State Tax Commission, Property Tax Division.

(1) Motor vehicle value estimate is calculated from the age-based and fee-in-lieu revenue reported by the Utah County Treasurer to the Utah State Tax Commission divided by .015.

**NEBO SCHOOL DISTRICT**  
**Composition of Taxable Value**  
 Last 10 Tax Years

	Tax Year Ended December 31,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Centrally assessed properties	5.77%	5.39%	4.98%	4.67%	5.30%	6.31%	6.94%	7.23%	7.91%	7.14%
Real properties:										
Primary residential	54.48%	53.57%	53.51%	63.18%	63.51%	59.52%	55.60%	54.39%	53.00%	51.79%
Other residential	5.00%	5.47%	6.83%	0.52%	0.51%	0.48%	0.33%	0.29%	0.34%	0.34%
Commercial and industrial	19.94%	18.28%	17.83%	15.37%	13.18%	14.43%	15.25%	16.16%	15.29%	15.66%
Agricultural	0.70%	0.61%	0.58%	0.59%	0.71%	1.09%	0.88%	0.93%	0.93%	0.00%
FAA	0.59%	0.51%	0.49%	0.46%	0.51%	1.18%	3.82%	1.07%	0.68%	4.76%
Unimproved Non FAA	1.72%	1.56%	1.83%	2.42%	2.74%	2.31%	0.71%	3.72%	3.71%	1.17%
Total real properties	82.42%	80.00%	81.07%	82.53%	81.17%	79.00%	76.58%	76.56%	73.95%	73.72%
Personal properties:										
Primary mobile homes	0.15%	0.15%	0.15%	0.15%	0.16%	0.20%	0.24%	0.25%	0.27%	0.28%
Other business personal property	6.34%	5.99%	5.52%	4.52%	4.57%	5.51%	6.00%	6.04%	5.87%	6.72%
Total personal properties	6.49%	6.14%	5.67%	4.67%	4.74%	5.71%	6.24%	6.29%	6.14%	7.00%
Total excluding age-based and fee-in-lieu	94.68%	91.54%	91.71%	91.87%	91.20%	91.02%	89.77%	90.08%	88.00%	87.86%
Motor vehicles:										
Age-based value estimate	n/a	8.02%	7.96%	7.81%	8.38%	8.17%	8.13%	8.26%	10.29%	12.05%
Fee-in-lieu property	n/a	0.44%	0.32%	0.32%	0.42%	0.82%	2.10%	1.65%	1.71%	0.09%
Total motor vehicles	5.32%	8.46%	8.29%	8.13%	8.80%	8.98%	10.23%	9.92%	12.00%	12.14%
Total including age-based and fee-in-lieu	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Ten Largest Taxable Values**  
Last Tax Year, 5 Years Prior, and 10 Years Prior

Entity	Industry	December 31, 2011			December 31, 2006			December 31, 2001		
		Taxable Value	Rank	Percent of Total Taxable Value (1)	Taxable Value	Rank	Percent of Total Taxable Value (1)	Taxable Value	Rank	Percent of Total Taxable Value (1)
Kern River Transmission	Utility	\$ 68,134,299	1	1.222%	\$ 65,884,445	1	1.501%	\$ 17,523,840	5	0.562%
Union Pacific Railroad	Railroad	50,907,507	2	0.913%	18,670,219	7	0.425%	14,940,045	8	0.480%
PacifiCorp	Utility	47,124,721	3	0.845%	40,377,007	2	0.920%	26,921,294	3	0.864%
Questar Pipelines	Utility	38,495,621	4	0.690%	37,326,587	3	0.850%			
Stouffer Foods Corporation	Manufacturing	22,862,573	5	0.410%	20,372,300	5	0.464%	15,600,000	7	0.501%
Western Distribution Inc.	Manufacturing	22,518,800	6	0.404%	11,657,550	10	0.266%	39,215,475	1	1.259%
Mountain View Hospital	Health Care	21,072,200	7	0.378%						
Deseret Generation & Trans	Utility	18,758,440	8	0.336%	24,247,299	4	0.552%	22,369,201	4	0.718%
TEM Properties LLC	Manufacturing	17,914,900	9	0.321%	19,907,000	6	0.453%			
Longview Fibre Corporation	Manufacturing	15,434,400	10		14,192,000	9	0.323%	13,185,003	9	0.423%
Nature's Sunshine Products	Manufacturing				18,161,542	8	0.414%	9,623,904	10	0.309%
Qwest	Utility							38,797,211	2	1.245%
Intermountain Power Agency	Utility							16,068,006	6	0.516%
		<u>\$ 323,223,461</u>		<u>5.519%</u>	<u>\$ 270,795,949</u>		<u>6.168%</u>	<u>\$ 214,243,979</u>		<u>6.876%</u>

Source: Utah County Treasurer.

(1) Valuations exclude the value associated with the fees in lieu of ad valorem taxes for motor vehicles and other tangible personal property.

**NEBO SCHOOL DISTRICT**  
**Property Tax Rates**  
 Last 10 Tax Years

Levy	Maximum Tax Rate (1)	Tax Year Ended December 31,									
		2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Basic Program (2)	Formula	0.001651	0.001591	0.001495	0.001433	0.001250	0.001311	0.001515	0.001720	0.001800	0.001825
Voted Leeway (3)	0.002000	0.001300	0.001300	0.001300	0.001200	0.001200	0.001200	0.001101	0.001200	0.001200	0.000600
Board Leeway (4)	0.000400	-	0.000400	0.000400	0.000400	0.000400	0.000400	0.000367	0.000400	0.000400	0.000400
K-3 Reading (5)	0.000121	-	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	-
Transportation (6)	0.000300	-	0.000199	0.000105	0.000098	0.000091	0.000062	0.000072	0.000078	0.000078	0.000077
Tort Liability (7)	0.000100	-	0.000035	0.000034	0.000032	0.000036	0.000040	0.000046	0.000053	0.000053	0.000052
Judgment (8)	None	-	-	-	-	-	-	-	-	-	-
Recreation (9)	None	-	0.000222	0.000216	0.000203	0.000182	0.000144	0.000167	0.000182	0.000182	0.000180
Debt Service (10)	None	0.004013	0.003931	0.003931	0.003732	0.003493	0.003582	0.003809	0.003809	0.003791	0.003351
Capital Outlay (11)	0.002400	0.000641	0.001571	0.001571	0.001482	0.001377	0.001290	0.001498	0.001640	0.001622	0.001602
Board Local (12)	0.002500	0.002010	-	-	-	-	-	-	-	-	-
		<u>0.009615</u>	<u>0.009370</u>	<u>0.009173</u>	<u>0.008701</u>	<u>0.008150</u>	<u>0.008150</u>	<u>0.008696</u>	<u>0.009203</u>	<u>0.009247</u>	<u>0.008087</u>

(1) Maximum tax rate where applicable under current Utah State Law.

(2) Set by law for the District's portion of the State Minimum School Program.

(3) Levied for general maintenance and operations. The maximum tax rate for the Voted Leeway Program is .002000. However, when considering the maximum tax rate, the Board Leeway Program of .000400 is considered to be part of the Voted Leeway Program and, to the extent levied, would reduce the effective maximum tax rate for the Voted Leeway Program

(4) Levied and restricted for class-size reduction.

(5) Levied and restricted for reading improvement program.

(6) Levied to fund hazardous bus routes, activity trips, and field trips.

(7) Levied for liability insurance premiums.

(8) Can be levied to make up for any tax revenue shortfall due to tax revaluation circumstances that the Board has no control over.

(9) Levied for recreational activities.

(10) Levied for payments of the principal and interest on general obligation bonds authorized by a vote of District electors.

(11) Levied for construction and remodeling projects and for purchases of properties and equipment.

(12) The 2011 Legislature eliminated the Board Leeway, K-3 Reading, Transportation, Tort Liability, Recreation, and the 10% of Basic portion of the Capital Outlay levies. In place of those levies, the Board Local levy was created. This legislation took effect on July 1, 2012.

**NEBO SCHOOL DISTRICT**  
**Tax Collection Record**  
 Last 15 Tax Years

<b>Tax Year Ended December 31,</b>	<b>Total Taxes Levied (1)</b>	<b>Treasurer's Relief (2)</b>	<b>Net Taxes Collected</b>	<b>Delinquent Collections (3)</b>	<b>Total Collections</b>	<b>% of Net Tax Collected to Total Levied</b>	<b>% of Total Tax Collections to Total Levied</b>
2011	\$ 51,192,973	\$ 4,083,807	\$ 47,109,166	\$ 5,197,748	\$ 52,306,914	92.02%	102.18%
2010	51,138,234	4,798,280	46,339,954	5,347,121	51,687,075	90.62%	101.07%
2009	49,593,263	5,828,581	43,764,682	4,016,563	47,781,245	88.25%	96.35%
2008	48,169,167	5,804,130	42,365,037	3,703,352	46,068,389	87.95%	95.64%
2007	43,507,770	3,989,136	39,518,634	3,690,583	43,209,217	90.83%	99.31%
2006	37,660,455	3,064,495	34,595,960	3,993,313	38,589,273	91.86%	102.47%
2005	34,677,323	2,719,120	31,958,203	2,123,705	34,081,908	92.16%	98.28%
2004	33,532,453	2,762,611	30,769,842	1,869,264	32,639,106	91.76%	97.34%
2003	27,856,478	2,286,631	25,569,847	1,859,981	27,429,828	91.79%	98.47%
2002	25,808,395	2,262,631	23,545,764	1,683,112	25,228,876	91.23%	97.75%
2001	23,951,535	2,150,951	21,800,584	1,294,821	23,095,405	91.02%	96.43%
2000	20,216,776	2,007,033	18,209,743	1,739,701	19,949,444	90.07%	98.68%
1999	17,029,853	1,421,652	15,608,201	794,717	16,402,918	91.65%	96.32%
1998	15,269,064	1,132,671	14,136,393	251,379	14,387,772	92.58%	94.23%
1997	15,226,356	1,194,951	14,031,405	500,888	14,532,293	92.15%	95.44%

Source: Utah County Treasurer.

(1) Based on assessed values which do not include fee-in-lieu property.

(2) Includes unpaid taxes, abatements, tax sales and subsequent sales, and other relief. The unpaid taxes and abatements are items levied against the property, but are never collected or paid to the entity.

(3) Includes delinquent tax, interest, penalties, and miscellaneous collections.

**NEBO SCHOOL DISTRICT**  
**Property Tax Collections**  
 Last 15 Tax Years

Tax Year Ended December 31,	General Fund (1)	Transportation	Tort Liability	Recreation	Debt Service	Capital Outlay	Total
2011	\$ 22,702,590	\$ 1,207,449	\$ 212,366	\$ 1,347,003	\$ 23,851,666	\$ 7,532,172	\$ 56,853,246
2010	22,587,820	651,906	211,093	1,341,064	24,406,126	7,753,757	56,951,766
2009	19,727,652	612,971	200,154	1,269,725	23,342,929	9,269,619	54,423,050
2008	18,288,545	560,168	221,605	1,120,335	21,501,815	8,476,381	50,168,849
2007	17,990,909	367,888	237,347	854,449	21,254,431	7,654,444	48,359,468
2006	15,588,426	361,587	231,014	838,681	19,128,968	7,523,023	43,671,699
2005	14,961,634	339,148	230,447	791,345	16,561,716	7,130,799	40,015,089
2004	14,646,089	324,452	220,461	757,054	15,769,201	6,746,935	38,464,192
2003	11,359,345	309,617	209,091	723,781	13,474,393	6,441,652	32,517,879
2002	10,208,714	288,962	155,887	672,977	12,547,023	5,999,758	29,873,321
2001	9,469,980	277,290	150,930	645,840	11,583,000	5,763,419	27,890,459
2000	9,192,187	225,543	122,058	628,541	8,448,615	5,605,821	24,222,765
1999	8,062,079	266,287	143,856	615,215	6,427,626	5,494,089	21,009,152
1998	7,378,683	229,655	124,284	513,347	6,011,560	3,542,092	17,799,621
1997	7,366,971	234,667	126,562	524,705	5,895,686	3,622,841	17,771,432

Source: District's Annual Financial Reports. Summary is unaudited.

(1) Includes levies for Basic Program, Voted Leeway, Board Leeway, and K-3 Reading.

**NEBO SCHOOL DISTRICT**  
**Population Estimate**  
 Last 10 Calendar Years

Year Ended December 31,	District				Utah County		State of Utah		United States	
	Student Enrollment (1)	Percent Change	Population (2)	Percent Change	Population (3)	Percent Change	Population (3)	Percent Change	Population (3)	Percent Change
2011	29,753	2.12%	116,658	2.91%	530,499	2.70%	2,817,222	1.93%	311,591,917	0.92%
2010	29,136	3.02%	113,362	1.35%	516,564	-5.27%	2,763,885	-0.74%	308,745,538	0.57%
2009	28,282	2.50%	111,850	4.13%	545,307	2.94%	2,784,572	2.10%	307,006,550	0.86%
2008	27,592	3.78%	107,410	4.11%	529,755	3.29%	2,727,343	2.39%	304,374,846	0.93%
2007	26,588	3.32%	103,169	4.79%	512,902	6.35%	2,663,796	3.10%	301,579,895	1.00%
2006	25,734	4.01%	98,453	3.79%	482,291	6.07%	2,583,724	3.36%	298,593,212	0.96%
2005	24,742	-0.58%	94,855	3.60%	454,694	4.74%	2,499,637	2.49%	295,753,151	0.92%
2004	24,887	4.13%	91,562	6.57%	434,114	6.02%	2,438,915	2.48%	293,045,739	0.94%
2003	23,900	3.56%	85,919	1.29%	409,465	3.07%	2,379,938	1.95%	290,326,418	0.88%
2002	23,078	4.57%	84,828	5.12%	397,269	2.43%	2,334,473	1.89%	287,803,914	0.95%

(1) Based on October 1 enrollment counts.

(2) Based on U.S. Bureau of the Census of cities and towns within the District and an estimate of the unincorporated population in Utah County.

(3) Source: U.S. Bureau of the Census (<http://www.census.gov>).

**NEBO SCHOOL DISTRICT**  
**Enrollment Statistics**  
 Last 10 Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Student enrollment (1):	29,753	29,136	28,282	27,592	26,588	25,734	24,742	24,887	23,900	23,078
Ethnicity:										
American Indian	0.72%	0.78%	0.81%	0.71%	0.75%	0.81%	0.89%	0.88%	0.76%	0.87%
Asian	0.81%	0.74%	0.56%	0.51%	0.43%	0.43%	0.41%	0.40%	0.41%	0.42%
Black	0.78%	0.86%	0.78%	0.70%	0.64%	0.58%	0.51%	0.47%	0.39%	0.36%
Hispanic	9.06%	8.94%	9.22%	9.47%	9.14%	8.44%	7.44%	6.39%	6.16%	5.79%
Pacific Islander	1.06%	1.06%	0.93%	0.85%	0.78%	0.81%	0.68%	0.67%	0.64%	0.66%
White	87.57%	87.62%	87.66%	87.72%	88.25%	88.94%	90.07%	91.18%	91.64%	91.90%
Undeclared	0.00%	0.00%	0.04%	0.04%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%
Gender:										
Female	48.83%	48.53%	48.35%	48.38%	48.66%	48.32%	48.27%	47.88%	48.10%	47.92%
Male	51.17%	51.47%	51.65%	51.62%	51.34%	51.68%	51.73%	52.12%	51.90%	52.08%
Special Education (2)	13.72%	14.75%	14.78%	14.08%	13.45%	12.85%	13.29%	13.32%	13.23%	10.50%

(1) Based on October 1 enrollment counts.

(2) Based on December 1 enrollment counts.



**NEBO SCHOOL DISTRICT**  
**Expenditures by Function**  
**General Fund**  
Last 10 Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instructional services	62.60%	64.26%	63.02%	64.92%	66.79%	66.19%	67.20%	67.68%	67.32%	67.00%
Supporting services:										
Students	6.17%	5.98%	6.09%	5.60%	5.43%	5.41%	5.02%	5.08%	5.59%	5.93%
Instructional staff	5.20%	3.99%	4.55%	4.00%	3.50%	3.88%	3.62%	3.80%	3.89%	4.31%
District administration	0.69%	0.78%	0.86%	0.89%	0.91%	0.72%	0.69%	0.35%	0.29%	0.14%
School administration	7.26%	7.10%	7.16%	6.96%	6.40%	6.39%	6.03%	6.22%	6.25%	6.14%
Business	2.96%	2.91%	2.83%	2.87%	2.69%	2.55%	2.53%	2.52%	2.52%	0.59%
Operation and maint of facilities	10.71%	10.62%	11.08%	10.51%	9.80%	10.31%	10.60%	10.05%	10.10%	9.60%
Transportation	4.41%	4.36%	4.41%	4.25%	4.34%	4.40%	4.15%	4.10%	3.87%	3.92%
Central	0.00%	0.00%	0.00%	0.00%	0.14%	0.15%	0.15%	0.20%	0.15%	2.37%
Total expenditures	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: District's Annual Financial Reports. Summary is unaudited

NEBO SCHOOL DISTRICT  
Expenditures Per Pupil  
General Fund  
Last 10 Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instructional services	\$ 3,555	\$ 3,641	\$ 3,569	\$ 3,789	\$ 3,749	\$ 3,365	\$ 3,232	\$ 3,047	\$ 2,962	\$ 2,806
Supporting services:										
Students	350	339	345	327	305	275	241	229	246	248
Instructional staff	295	226	258	233	197	197	174	171	171	181
District administration	39	44	49	52	51	37	33	16	13	6
School administration	413	403	405	406	359	325	290	280	275	257
Business	168	165	160	168	151	129	122	114	111	25
Operation and maint of facilities	608	602	628	613	550	524	510	452	444	402
Transportation	251	247	250	248	244	224	199	184	170	164
Central	-	-	-	0	8	8	7	9	7	99
Total expenditures per pupil	<u>\$ 5,679</u>	<u>\$ 5,666</u>	<u>\$ 5,663</u>	<u>\$ 5,837</u>	<u>\$ 5,614</u>	<u>\$ 5,084</u>	<u>\$ 4,809</u>	<u>\$ 4,502</u>	<u>\$ 4,400</u>	<u>\$ 4,188</u>

Source: District's Annual Financial Reports. Summary is unaudited.

**NEBO SCHOOL DISTRICT**  
**Expenditures per Pupil Comparisons**  
 Last 10 Fiscal Years

Fiscal Year Ended June 30,	District (1)				State of Utah (2)			United States (2)		
	Expenditures Per Pupil	Percent Change	Percent of State of Utah Average	Percent of United States Average	Average Expenditures Per Pupil	Percent Change	Percent of United States Average	Average Expenditures Per Pupil	Percent Change	
2012	\$ 5,679	0.23%	Not available	Not available	Not available	Not available	Not available	Not available	Not available	Not available
2011	5,666	0.05%	93.23%	54.35%	\$ 6,078	-0.05%	58.30%	\$ 10,425	0.46%	
2010	5,663	-2.97%	93.13%	54.58%	6,081	-3.29%	58.60%	10,377	-0.36%	
2009	5,837	3.97%	92.82%	56.04%	6,288	3.32%	60.38%	10,414	1.14%	
2008	5,614	10.41%	92.24%	54.52%	6,086	7.81%	59.10%	10,297	6.34%	
2007	5,084	5.73%	90.07%	52.51%	5,645	3.31%	58.30%	9,683	6.92%	
2006	4,809	6.80%	88.01%	53.10%	5,464	8.26%	60.34%	9,056	9.94%	
2005	4,502	2.34%	89.21%	54.66%	5,047	4.88%	61.27%	8,237	-0.88%	
2004	4,400	5.06%	91.43%	52.95%	4,812	2.47%	57.91%	8,310	3.63%	
2003	4,188	-1.08%	89.18%	52.22%	4,696	-1.03%	58.56%	8,019	4.13%	
2002	4,233	9.16%	89.22%	54.97%	4,745	5.47%	61.62%	7,701	7.62%	
2001	3,878	Not available	Not available	Not available	4,499	Not available	Not available	7,156	Not available	

(1) General Fund only.

(2) Source: Utah State Office of Education, Department of Finance and Statistics (<http://www.schools.utah.gov/finance>).

**NEBO SCHOOL DISTRICT**  
**Teacher Salary Schedule**  
 Fiscal Year 2012

Step	Lane 1		Lane 2		Lane 3		Lane 4		Lane 5		Lane 6	
	Bachelors Degree		Bachelors Degree + 20 Semester Hours		Bachelor Degree + 30 Semester Hours		Masters Degree		Masters Degree + 30 Semester Hours		Doctorate Degree	
	Index	Salary	Index	Salary	Index	Salary	Index	Salary	Index	Salary	Index	Salary
1	100%	\$ 31,512	103%	\$ 32,331	106%	\$ 33,151	110%	\$ 34,243	114%	\$ 35,336	120%	\$ 36,974
2	104%	32,604	107%	33,424	110%	34,243	114%	35,336	118%	36,428	124%	38,067
3	108%	33,697	111%	34,516	114%	35,336	118%	36,428	122%	37,521	128%	39,159
4	113%	35,063	116%	35,882	120%	36,974	125%	38,340	131%	39,979	141%	42,710
5	119%	36,701	122%	37,521	126%	38,613	131%	39,979	137%	41,617	147%	44,349
6	126%	38,613	129%	39,432	133%	40,525	138%	41,891	144%	43,529	154%	46,260
7	133%	40,525	136%	41,344	140%	42,437	145%	43,802	151%	45,441	161%	48,172
8	140%	42,437	143%	43,256	147%	44,349	152%	45,714	158%	47,353	168%	50,084
9	147%	44,349	150%	45,168	154%	46,260	159%	47,626	165%	49,265	175%	51,996
10	154%	46,260	157%	47,080	161%	48,172	166%	49,538	172%	51,177	182%	53,908
11	161%	48,172	164%	48,992	168%	50,084	173%	51,450	179%	53,088	189%	55,820
12	168%	50,084	171%	50,904	175%	51,996	180%	53,362	186%	55,000	196%	57,732
15	175%	51,996	178%	52,815	182%	53,908	187%	55,273	193%	56,912	203%	59,643
20					189%	55,820	194%	57,185	200%	58,824	210%	61,555
24							201%	59,097	207%	60,736	217%	63,467
27	182%	53,908	185%	54,727	196%	57,732	208%	61,009	214%	62,648	224%	65,379

Salary schedule base:                   \$ 27,312  
 Legislative salary adjustment:       4,200

Note: Amounts represent base salary and legislative salary adjustment and do not include amounts for additional days or benefits such as insurances or retirement.

**NEBO SCHOOL DISTRICT**  
**Teacher Salary Comparisons**  
 Last 10 Fiscal Years

Fiscal Year Ended June 30,	District			State of Utah	
	Minimum Teacher Salary	Maximum Teacher Salary	Average Teacher Salary (1)	Average as a Percent of State of Utah Average	Average Teacher Salary (1)
2012	\$ 31,512	\$ 65,379	Not available	Not available	Not available
2011	31,567	64,382	\$ 41,777	92.16%	\$ 45,329
2010	32,012	65,379	42,112	90.88%	46,340
2009	31,715	64,714	44,663	95.61%	46,713
2008	29,485	61,826	43,170	97.36%	44,339
2007	26,466	58,164	39,373	95.47%	41,242
2006	25,649	56,334	38,333	97.30%	39,396
2005	25,156	55,229	36,741	94.72%	38,789
2004	24,912	54,683	36,518	96.48%	37,851
2003	24,912	54,683	36,518	96.00%	38,040

(1) Source: Utah State Office of Education (<http://www.schools.utah.gov/finance/statistics>).

Note: Amounts represent base salary and legislative salary adjustment and do not include amounts for additional days or benefits such as insurances or retirement.

**NEBO SCHOOL DISTRICT**  
**Principal Employers**  
June 30, 2012

Entity	Industry	Employees (1)	Percent of Utah County Total Employment (2)
Brigham Young University	Higher Education	15,000 - 19,999	8.556%
Alpine School District	Public Education	5,000 - 6,999	2.933%
Utah Valley Regional Medical Center	Health Care	4,000 - 4,999	2.200%
Nebo School District	Public Education	3,000 - 3,999	1.711%
State of Utah	State Government	3,000 - 3,999	1.711%
Utah Valley University	Higher Education	3,000 - 3,999	1.711%
Wal-Mart	Warehouse Clubs and Supercenters	2,000 - 2,999	1.222%
APX Alarm Security Solutions	Electrical Contractor	1,000 - 1,999	0.733%
IM Flash Technologies	Electronic Product Manufacturer	1,000 - 1,999	0.733%
Nestles USA Prepared Food Division	Food Manufacturer	1,000 - 1,999	0.733%
Provo City	Local Government	1,000 - 1,999	0.733%
Provo School District	Public Education	1,000 - 1,999	0.733%
United States Government	Federal Government	1,000 - 1,999	0.733%
Utah County	Local Government	1,000 - 1,999	0.733%
Utah Office Supply	Office Supplies	1,000 - 1,999	0.733%
Central Utah Medical Clinic	Health Care	700 - 999	0.415%
ESG Administration	Employment Services	700 - 999	0.415%
Macey's	Grocery Store	700 - 999	0.415%
Metalmart	Metal and Mineral Wholesaler	700 - 999	0.415%
Novell	Software Publisher	700 - 999	0.415%
Orem City	Local Government	700 - 999	0.415%
Smith's Marketplace	Grocery Store	700 - 999	0.415%
Adobe Systems	Data Processing and Hosting Services	500 - 699	0.293%
Lehi City	Local Government	500 - 699	0.293%
Myfamily.com	Internet and Web Services	500 - 699	0.293%
Nexeo Staffing	Employment Services	500 - 699	0.293%
Payday Benefits	Employment Services	500 - 699	0.293%
Pinnacle Security Systems	Investigation and Security Services	500 - 699	0.293%
SOS Temporary Services	Temporary Help Services	500 - 699	0.293%
Timpanogos Regional Medical Center	Health Care	500 - 699	0.293%
US Synthetic Corp	Nonmetallic Mineral Product Manufacturer	500 - 699	0.293%
			31.455%

Source: Utah Department of Workforce Services, Workforce Research and Analysis. Updated September 2011.

(1) The number of employees within the District's boundaries for these employers is unavailable. Therefore, the number of employees shown represents an approximate range per information from Utah Department of Workforce Services (<http://jobs.utah.gov>).

(2) Based on average of range shown.

**NEBO SCHOOL DISTRICT**  
**Unemployment Information**  
 Last 20 Calendar Years

Year Ended December 31,	Utah County (1)			State of Utah (1)			United States (2)		
	Average Annual Employment	Average Annual Unemployment	Average Annual Unemployment Rate	Average Annual Employment	Average Annual Unemployment	Average Annual Unemployment Rate	Average Annual Employment	Average Annual Unemployment	Average Annual Unemployment Rate
2011	204,526	14,236	6.51%	1,248,197	90,062	6.73%	139,850,765	13,747,000	8.95%
2010	203,715	17,520	7.92%	1,252,715	109,041	8.01%	139,602,083	14,825,000	9.60%
2009	207,815	16,412	7.32%	1,277,162	105,465	7.63%	139,122,097	14,265,000	9.30%
2008	216,997	7,689	3.42%	1,332,003	48,227	3.49%	144,938,069	8,924,000	5.80%
2007	218,565	5,495	2.45%	1,329,174	35,595	2.61%	146,791,565	7,078,000	4.60%
2006	208,768	6,202	2.89%	1,285,392	39,044	2.95%	145,194,652	7,001,000	4.60%
2005	198,131	8,227	3.99%	1,230,450	53,175	4.14%	141,252,137	7,591,000	5.10%
2004	189,202	9,611	4.83%	1,179,142	62,862	5.06%	140,014,636	8,149,000	5.50%
2003	179,846	10,117	5.33%	1,139,129	68,307	5.66%	137,459,333	8,774,000	6.00%
2002	174,865	10,772	5.80%	1,113,645	68,046	5.76%	136,070,276	8,378,000	5.80%
2001	175,283	7,451	4.08%	1,108,547	50,886	4.39%	137,901,128	6,801,000	4.70%
2000	174,879	5,297	2.94%	1,097,915	38,121	3.36%	136,608,000	5,692,000	4.00%
1999	165,106	5,112	3.00%	1,080,441	40,150	3.58%	134,120,000	5,880,000	4.20%
1998	160,346	5,093	3.08%	1,061,282	40,690	3.69%	131,790,000	6,210,000	4.50%
1997	153,683	4,175	2.64%	1,034,429	33,850	3.17%	130,791,612	6,739,000	4.90%
1996	149,541	4,512	2.93%	1,004,347	36,146	3.47%	126,764,000	7,236,000	5.40%
1995	145,037	4,264	2.86%	979,367	35,592	3.51%	124,810,286	7,404,000	5.60%
1994	139,658	4,633	3.21%	945,389	37,876	3.85%	123,085,967	7,996,000	6.10%
1993	130,440	4,985	3.68%	892,956	38,831	4.17%	120,625,217	8,940,000	6.90%
1992	122,824	5,430	4.23%	845,398	43,874	4.93%	118,560,333	9,613,000	7.50%

(1) Source: Utah Economic Data Viewer (<http://jobs.utah.gov>).

(2) Source: U.S. Department of Labor, Bureau of Labor Statistics (<http://www.bls.gov>).

**NEBO SCHOOL DISTRICT**  
**Facilities Information**  
June 30, 2012

Description	Location	Year Originally Built	Year of Most Recent Renovation	Total Square Feet	Site Acres	Enrollment Capacity	Fiscal Year 2012 Enrollment (1)
<b>Elementary schools:</b>							
Art City Elementary	Springville City	1978	1998	65,104	7.50	725	625
Barnett Elementary	Payson City	1979	2005	70,821	7.13	900	551
Brockbank Elementary	Spanish Fork City	1959	1998	64,844	7.70	700	554
Brookside Elementary	Springville City	1949	2007	70,066	7.41	725	699
Canyon Elementary	Spanish Fork City	1997	None	72,002	12.90	725	693
Cherry Creek Elementary	Springville City	1940	2006	126,524	14.52	750	683
East Meadows Elementary	Spanish Fork City	2006	None	80,115	12.00	900	770
Foothills Elementary	Salem City	2007	None	80,115	10.00	900	657
Goshen Elementary	Goshen Town	1983	None	49,520	8.94	400	363
Hobble Creek Elementary	Mapleton City	2003	None	72,283	10.00	725	691
Larsen Elementary	Spanish Fork City	1979	1994	64,045	10.00	725	495
Mapleton Elementary	Mapleton City	1970	1998	70,981	11.34	775	699
Mt. Loafer Elementary	Salem City	1996	None	68,990	9.70	750	441
Orchard Hills Elementary	Santaquin City	2007	None	80,115	10.00	900	720
Park Elementary	Spanish Fork City	1954	2007	65,954	3.65	600	481
Park View Elementary	Payson City	1954	2003	59,627	6.60	625	584
Rees Elementary	Spanish Fork City	2003	None	72,283	12.97	725	586
Riverview Elementary	Spanish Fork City	2007	None	80,115	10.80	900	796
Sage Creek Elementary	Springville City	1959	1998	68,020	7.19	725	771
Salem Elementary	Salem City	1952	2002	57,354	5.04	700	488
Santaquin Elementary	Santaquin City	1983	None	61,730	5.04	675	671
Sierra Bonita Elementary	Spanish Fork City	2011	None	80,115	11.89	900	639
Spanish Oaks Elementary	Spanish Fork City	2001	None	72,283	15.00	725	680
Spring Lake Elementary	Payson City	2002	None	72,283	10.00	725	771
Taylor Elementary	Payson City	1996	2010	46,207	4.54	425	463
Westside Elementary	Springville City	2001	None	72,283	10.00	725	740
Wilson Elementary	Payson City	1959	1995	60,833	8.44	650	556
Total elementary schools				1,904,612	250.30	19,700	16,867
<b>Junior high schools:</b>							
Diamond Fork Junior	Spanish Fork City	1996	2012	133,586	12.45	1,200	1,380
Mapleton Junior	Mapleton City	2007	2012	148,680	14.52	1,200	1,226
Mt. Nebo Junior	Payson City	1994	2012	134,414	13.16	1,200	866
Payson Junior	Payson City	1977	2012	134,410	32.91	1,200	1,114
Salem Junior (5)	Salem City	2012	None	152,675	23.55	1,200	-
Spanish Fork Junior	Spanish Fork City	1975	2012	134,296	26.71	1,200	1,206
Springville Junior	Springville City	1957	1993	206,685	6.00	1,200	926
Total junior high schools				1,044,746	129.30	8,400	6,718



**NEBO SCHOOL DISTRICT**  
**Facilities Information**  
June 30, 2012

Description	Location	Year Originally Built	Year of Most Recent Renovation	Total Square Feet	Site Acres	Enrollment Capacity	Fiscal Year 2012 Enrollment (1)
<b>High schools:</b>							
Landmark High	Spanish Fork City	2008	None	52,004	8.50	500	268
Maple Mountain High	Mapleton City	2009	None	260,770	48.00	1,550	1,242
Payson High	Payson City	1968	2011	235,132	32.91	1,550	1,122
Salem Hills High	Salem City	2008	None	260,770	52.00	1,550	1,135
Spanish Fork High	Spanish Fork City	1963	2010	354,945	41.80	1,550	1,061
Springville High	Springville City	1968	2012	238,367	40.82	1,550	1,243
Total high schools				1,401,988	224.03	8,250	6,071
<b>Specialty schools:</b>							
Advanced Learning Center (5)	Springville City	1954	2008	23,518	5.00	250	-
Bridges	Springville City	(2)	(2)	(2)	(2)	75	42
Legacy	Springville City	(2)	(2)	(2)	(2)	50	29
Oakridge	Springville City	(3)	(3)	(3)	(3)	75	26
Shadow Mountain	Springville City	1972	2004	1,240	20.00	Not applicable	
Total specialty schools				1,240	20.00	150	68
<b>Support facilities:</b>							
District Office (4)	Spanish Fork City	1934	2009	65,000	1.50	Not applicable	
Grant Learning Center	Springville City	1955	1975	29,748	6.00	Not applicable	
Maintenance Compound	Spanish Fork City	1975	1992	20,000	1.00	Not applicable	
Transportation Compound	Payson City	2000	2006	4,500	10.24	Not applicable	
Transportation Compound	Springville City	2006	None	2,000	13.91	Not applicable	
Warehouse	Spanish Fork City	1978	2009	28,000	1.00	Not applicable	
Total support facilities				149,248	33.65	-	-
Total facilities				4,501,834	657.28	36,500	29,724

(1) Based on October 1 enrollment counts.

(2) Included in Grant Learning Center building.

(2) Included in Springville High building.

(4) Comprised of the original Landmark High building which was built in 1934 and the original District Office which was built in 1978.

(5) Open for students in August 2012.

**NEBO SCHOOL DISTRICT**  
**Food Service Information**  
 Last 5 Fiscal Years

	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008
Lunches served:					
Student free	1,089,290	1,051,760	968,013	784,166	666,123
Student reduced	388,332	386,813	385,190	325,740	328,279
Student fully paid	1,407,176	1,392,078	1,484,485	1,511,234	1,572,249
Adult fully paid	95,728	93,033	89,671	91,680	90,157
Total lunches served	2,980,526	2,923,684	2,927,359	2,712,820	2,656,808
Breakfasts served:					
Student free	404,539	404,897	378,660	333,601	284,773
Student reduced	74,783	69,354	78,338	72,980	74,457
Student fully paid	85,558	87,584	95,578	114,111	134,706
Adult fully paid	1,296	11,370	1,334	1,462	1,399
Total breakfasts served	566,176	573,205	553,910	522,154	495,335
Total meals served	3,546,702	3,496,889	3,481,269	3,234,974	3,152,143
Number of serving days	176	177	177	177	177
Enrollment eligible for meals (1)	30,676	30,009	29,327	28,799	27,125
Average daily participation:					
Student lunch	16,391	15,992	16,032	14,809	14,501
Adult lunch	544	526	507	518	509
Student breakfast	3,210	3,174	3,122	2,942	2,791
Adult breakfast	7	64	8	8	8
Percentage of daily student lunch participation	53.43%	53.29%	54.67%	51.42%	53.46%
Percentage of daily student breakfast participation	10.46%	10.58%	10.65%	10.21%	10.29%
Students qualifying for free lunch (1)	8,362	7,919	7,243	6,026	5,236
Students qualifying for reduced price lunch (1)	3,069	3,072	2,980	2,487	2,596
Total qualifying	11,431	10,991	10,223	8,513	7,832
Percentage qualifying for free lunch	27.26%	26.39%	24.70%	20.92%	19.30%
Percentage qualifying for reduced price lunch	10.00%	10.24%	10.16%	8.64%	9.57%
Total percentage qualifying	37.26%	36.63%	34.86%	29.56%	28.87%
Price for lunch:					
Reduced price	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40
Elementary fully paid	1.75	1.75	1.75	1.75	1.50
Secondary fully paid	2.00	2.00	2.00	2.00	1.75
Adult fully paid	2.75	2.75	2.75	2.75	2.50
Price for breakfast:					
Reduced price	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
Elementary fully paid	1.25	1.25	1.25	1.25	1.00
Secondary fully paid	1.25	1.25	1.25	1.25	1.00
Adult fully paid	1.50	1.50	1.50	1.50	1.25

(1) Based on October 1 enrollment counts including eligible preschool students.