

# SALT LAKE CITY SCHOOL DISTRICT

440 EAST 100 SOUTH SALT LAKE CITY, UTAH 84111-1898

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

*For the Year Ended June 30, 2019*

PREPARED BY THE OFFICE OF THE  
BUSINESS ADMINISTRATOR

Janet M. Roberts, Business Administrator  
Alan T. Kearsley, CPA, Director of Finance

# SALT LAKE CITY SCHOOL DISTRICT

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**Salt Lake City School District**  
440 East 100 South  
Salt Lake City, Utah 84111

November 27, 2019

Members of the Board of Education, and  
Citizens of the Salt Lake City School District:

The Comprehensive Annual Financial Report of the Salt Lake City School District for the fiscal year ended June 30, 2019 is submitted herewith.

State law requires that school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted 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 and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States. This report is published to fulfill that requirement for the fiscal year ended June 30, 2019 and is comprehensive to include all governmental departments, public authorities or other governmental organizations for which the Salt Lake City School District is financially accountable.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Squire & Company, PC, 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, 2019 are free of 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 upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the year ended June 30, 2019 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.

As a recipient of federal funding, the District's independent audit of the financial statements becomes a part of a broader, federally mandated "Single Audit" designed to meet the specific needs of federal grantor agencies. The standards governing a Single Audit 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 funds.

As a recipient of state funding, the District was also subject to and underwent a state compliance audit, the purpose of which is to examine compliance with applicable state laws and regulations.

The Single Audit and state compliance audit reports are issued as separate documents.

Accounting principles generally accepted in the United States of America require 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 created by Article X, Section 6 of the Constitution of the state of Utah, which was passed by a vote of the people on the first Tuesday of November 1875 and accepted by the United States Government on January 4, 1896. The District is a legally separate entity possessing all rights and privileges accorded to political subdivisions in the State of Utah. The District is fiscally independent and is governed by a Board of Education that is comprised of seven elected board members. The Board establishes District policies, determines its own budget, levies taxes, incurs bonded debt, and is independent of any other unit of local government.

The major purpose of the District is to provide public education for the 22,921 students in kindergarten through twelfth grade living within the boundaries of Salt Lake City, which are part of a total population of approximately 200,500 citizens. In accomplishing this goal, the District operates 39 schools comprised of 5 high schools, 5 intermediate schools, 27 elementary schools, and 2 charter schools. Additionally, the District operates several other educational programs. These include community schools, adult education opportunities, and many programs for at-risk and disabled students, along with programs for highly-motivated students. The average age of the District's 45 buildings is about 29 years.

## **Component Units**

The Salt Lake Education Foundation (Foundation) is a blended component unit of the District; the Foundation is a legally separate entity established to support the District. The Foundation's financial data is presented as a special revenue fund of the District. The Municipal Building Authority (Building Authority) of Salt Lake City School District is a blended component unit established to support the District. There are no other units of government that are dependent on the District.

## **Budget Controls**

The District adopts an annual budget for all governmental funds, which covers all revenues and expenditures of these funds. This budget acts as the operating plan for the fiscal year and is revised as necessary, following the requirements of Board policies and state law. Revisions may be made during the year authorizing a larger total appropriation of available resources after a public hearing and approval of the Board. A balanced budget by fund is required. The District may not make an appropriation that is in excess of its estimated revenue and estimated fund balances available from a previous year.

The level at which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budget of a given fund.

## **Local Economy**

The economic outlook of the District is tied to and dependent on the economic condition and outlook of the state of Utah since state aid provides 39% of general fund revenues. Utah's economy maintained moderate growth over the last three years increasing funding for the weighted pupil unit by 2.5%, 4.0%, and 3.0% respectively. For fiscal year 2020, the State increased per student funding by 4.0%. The District's projected enrollment for the next year is anticipated to show a decrease of 250 students, bringing enrollment to 22,671 students.

The District's taxing authority rests with property taxes on residential and commercial property within the District. For tax year 2018, the District's taxable values increased by 8.0% compared to an increase of 7.1% in tax year 2017. Local taxation accounts for 48% of general fund revenues and 54% of all governmental fund revenues.

## Long-term Financial Planning

To help keep interest costs at a minimum, the District applies to Moody's Rating Services, Inc. for ratings on impending bond issues. The District enjoys an Aaa rating, the highest granted by Moody's on general obligation bonds. The District also applies to Fitch Ratings. Fitch has rated all general obligation debt of the District at AAA, the highest granted by Fitch. As of June 30, 2019, the District's unused legal debt capacity is approximately \$1,475.3 million.

## Major Initiatives

A five-year Student Achievement Plan guides the District. This plan identifies several "Essentials". Within these Essentials objectives, action steps, timelines, and measures or outcomes are identified. Each Essential is driven by an over-arching goal. This plan contains the guiding values which determine where the District allocates financial resources in order to best meet the stated goals. These Essentials and the corresponding goals are as follows:

*Assessment and Evaluation – Delivering traditional and computer-based assessments and leveraging state-of-the-art technology to provide immediate feedback.* Results are provided to students, parents, teachers, and schools to support decision making for educational goal attainment.

*Curriculum – The goals, the methods, and the materials used for teaching and learning.* The purpose of the curriculum is to enable each student to be a successful learner, a confident individual, a responsible citizen and an effective contributor.

*Instruction – The practices and classroom strategies teachers use to support students in meeting the standards identified for learning.* Quality instruction integrates innovative and research-proven teaching strategies, learning technologies, and real world contexts to engage students in relevant, rigorous learning.

*Communication and Community Engagement – Communication among all stakeholders within the school district and throughout the community is clear, accurate, consistent, and uses a variety of methods to reach the appropriate audience. Good communication builds trust inside and outside the district and encourages businesses, community groups, local leaders, and other to support our educational vision and mission.*

*Early Childhood – Early childhood education provides a strong start in life for young children, birth to age 5, and their families, supporting optimal development in the early years and a foundation for success in school and throughout life. Early childhood education supports enriched learning experiences for all families and young children and establishes ongoing partnerships with parents.*

*Educational Equity and Advocacy – Raising the achievement of all students while narrowing the gaps between the highest and lowest performing students, and eliminating the racial predictability and disproportionality of which student groups occupy the highest and lowest achievement categories.*

*Family and School Collaboration – Families and schools engaged as partners in supporting and advocating for students.* Maximizing on skills, strengths and interests, families are active participants in the school community and work collaboratively to promote social, emotional and academic growth.

*Student Success – Providing opportunities for students to engage and connect to activities and school.* Ensuring graduation credit is earned and career pathways explored. Student success is at the core of our work. Individual planning and building relationships with every student is critical. It is imperative for students to feel safe and supported.

During the 2018-19 fiscal year, the District continued the reconstruction of Meadowlark Elementary and Edison Elementary. Both of these projects were completed in time for the 2019-20 school year. Because of careful planning, the District is able to fund these projects with cash reserves without incurring additional debt.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting (the Certificate of Achievement) to the Salt Lake City School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. The District has received certificates continuously for forty-two years. In order to receive a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting this report to GFOA to determine its eligibility for another certificate.

The Association of School Business Officials (ASBO) has awarded its Certificate of Excellence to the Salt Lake City School District. This award certifies that the annual financial report for the year ended June 30, 2018, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials of the United States and Canada. The District has received certificates continuously for forty years. The District believes that the 2019 annual report, which will be submitted to ASBO for an annual review, also conforms to these principles and standards.

## **Acknowledgement**

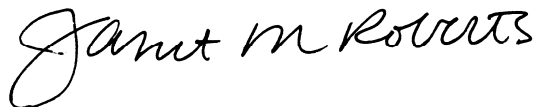
Many individuals helped in preparing this report, including members of the various business departments. We express our appreciation to Alan Kearsley, CPA, Director of Finance; Ryan Hunt, CPA, Senior Accountant; and Cynthia Done, CPA, Senior Accountant for the major effort in closing the year and making sure that this report was prepared in a timely manner.

Special thanks go to members of the Board of Education for their continuing support and concern for the financial affairs of the District.

Respectfully submitted,



Dr. Alexa Cunningham,  
Superintendent of Schools



Janet M. Roberts,  
Business Administrator



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Salt Lake City School District  
Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2018**

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

**Salt Lake City School District**

for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2018.

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSRM  
President

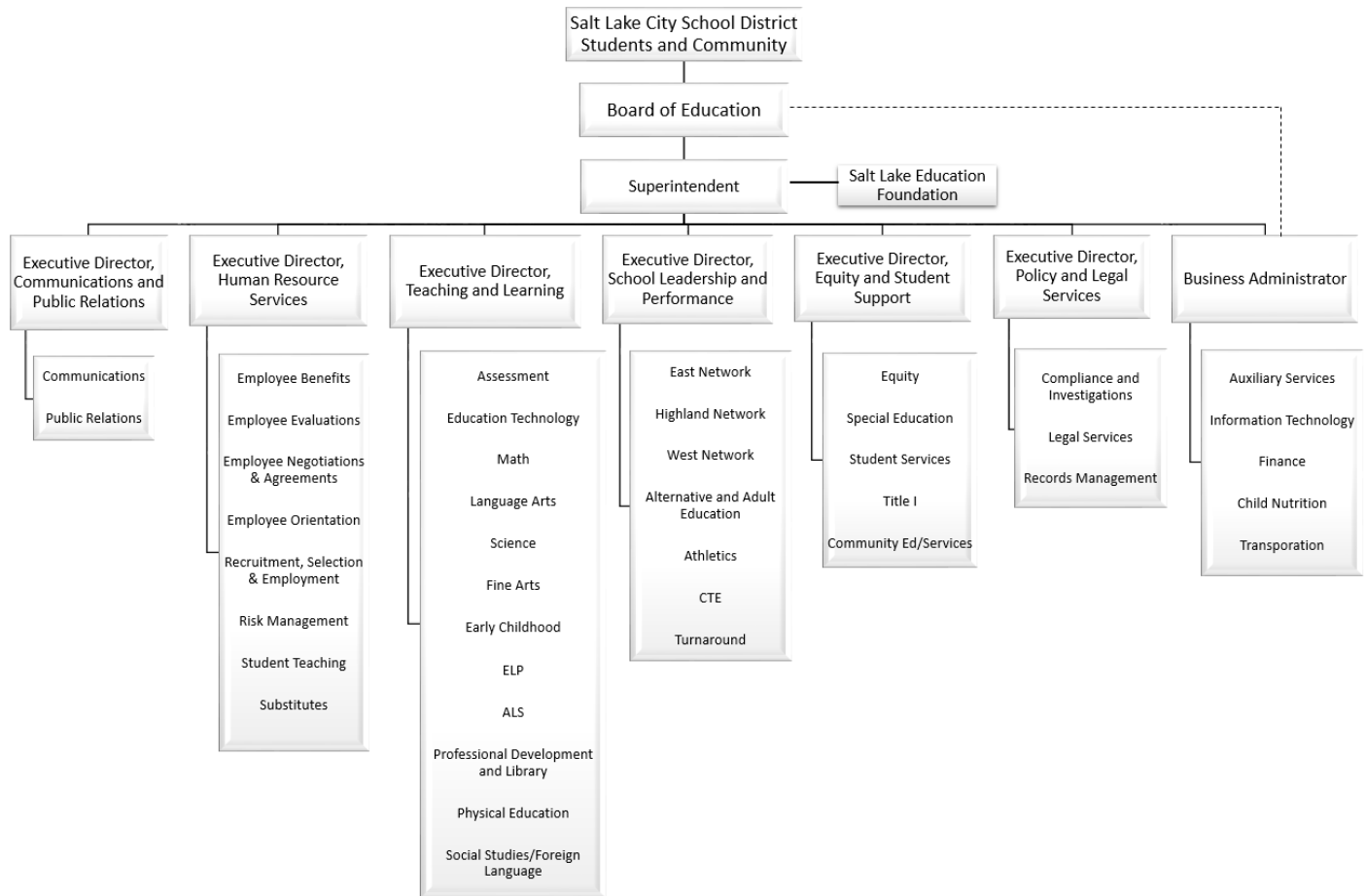
A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director

# ADMINISTRATIVE ORGANIZATIONAL CHART

## Salt Lake City School District

The Board of Education appoints a Superintendent and a Business Administrator whose duties and responsibilities are to some extent prescribed by Utah State Statutes. The following is an organizational chart for district administration.



## Salt Lake City School District

### Members of the Board of Education

*The Board of Education is comprised of seven individuals elected by precinct in a general election. Board members serve four-year terms and the terms are staggered so that not more than four board members are elected in any one election. There is also a non-voting student member of the Board who is appointed by the elected members after a recommendation by high school students.*

Tiffany Sandberg, President ..... Precinct Number One  
Melissa Ford, Vice President..... Precinct Number Six  
Michael Nemelka..... Precinct Number Two  
Katherine Kennedy ..... Precinct Number Three  
Nate Salazar ..... Precinct Number Four  
Samuel Hanson..... Precinct Number Five  
Kristi Swett..... Precinct Number Seven  
Samuel Langi..... Student Board Member

\*\*\*\*\*

Dr. Alexa Cunningham..... Superintendent of Schools  
Janet M. Roberts.....Business Administrator



## Independent Auditor's Report

Board of Education  
Salt Lake City School District

### **Report on the Basic Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Salt Lake City School District (the District) as of and for the year ended June 30, 2019, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Basic Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

## ***Opinions***

In our opinion, the basic 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 Salt Lake City School District as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and the pass-through taxes fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Emphasis of Matter***

As discussed in Note 12 to the basic financial statements, the 2018 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the District's proportionate share of the net pension liability (asset) – Utah Retirement Systems, the schedules of District contributions – Utah Retirement Systems, and the related notes to the required supplementary information 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 required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund statements and schedules and the introductory and statistical sections, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2019 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* in considering the District's internal control over financial reporting and compliance.

*Squire + Company, PC*

Orem, Utah  
November 27, 2019

## Management's Discussion and Analysis

This section of Salt Lake City School District's (the District) comprehensive annual financial report presents management's discussion and analysis of the District's financial performance during the year ended June 30, 2019. Please read it in conjunction with the transmittal letter found on pages 1 through 4 of this report and the District's basic financial statements, which follow this section.

### Financial Highlights

- The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$335.2 million at the close of the most recent fiscal year.
- During the year, expenses were \$20.8 million less than the \$305.0 million generated in taxes and other revenues for governmental activities. This was a decrease from last year, when expenses were less than revenues by \$22.5 million.
- Student enrollment decreased by 415 students to a total of 22,921 students for fiscal 2019. The value of the State's Weighted Pupil Unit (WPU) increased by \$84 or 2.5%. Total state aid remained relatively unchanged.
- Federal aid decreased by \$1.6 million due to federal funding reductions and expiring programs.
- The District recognizes a liability for its proportionate share of unfunded obligations of defined benefit pension plans administered by the Utah Retirement Systems.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains 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 position* presents information on all of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unpaid employee benefits).

The government-wide financial statements reports functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include instruction, supporting services, community services, and child nutrition services.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate education foundation and a local building authority. The Salt Lake Education Foundation and The Municipal Building Authority of Salt Lake City School District, although legally separate, function for all practical purposes as departments of the District, and therefore are included as an integral part of the primary government.

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 can be divided into two categories: governmental funds and proprietary funds.

- **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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight 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*, the *debt service fund*, the *capital projects fund*, and the *pass-through taxes fund*, each 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 governmental fund is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 24 to 29 of this report.

- **Proprietary funds.** *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses four internal service funds to account for services provided to all the other funds of the District: distribution services, printing and graphics, technical services, and employee benefits. The internal service funds have been included within *governmental activities* in the government-wide financial statements.

The four internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report. The basic proprietary fund financial statements can be found on pages 30 to 32 of this report.

**Notes to basic financial statements.** The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 33 to 56 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's proportionate share of the net pension liability (asset) and District contributions to the retirement plans administered by the Utah Retirement Systems. Required supplementary information can be found on pages 58 to 60 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information section of basic financial statements. Combining and individual fund statements and schedules can be found on pages 63 to 77 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$335.2 million at the close of the most recent fiscal year.

### SALT LAKE CITY SCHOOL DISTRICT'S Net Position

(in millions of dollars)

June 30, 2019 and 2018

	Governmental activities		Total change
	2019	2018	2018-19
Current and other assets	\$ 324.4	\$ 312.0	\$ 12.4
Capital assets	335.8	317.0	18.8
Total assets	660.2	629.0	31.2
Deferred outflows of resources	54.0	55.4	(1.4)
Current and other liabilities	37.0	31.2	5.8
Long-term liabilities outstanding	195.1	152.9	42.2
Total liabilities	232.1	184.1	48.0
Deferred inflows of resources	146.9	185.2	(38.3)
Net position:			
Net investment in capital assets	295.6	269.1	26.5
Restricted	51.4	59.4	(8.0)
Unrestricted	(11.8)	(14.1)	2.3
Total net position, as restated	\$ 335.2	\$ 314.4	\$ 20.8

- The largest portion of the District's net position (\$295.6 million or 88.2%) reflects its investment in capital assets (e.g., sites, buildings, equipment and vehicles net of accumulated depreciation), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.
- An additional portion of the District's net position (\$51.4 million or 15.3%) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital projects.
- The remaining net position (a deficit of \$11.8 million) is unrestricted. This balance includes the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by the Utah Retirement Systems. This liability is recognized in accordance with accounting and reporting standards. The existence of an unrestricted net position deficit indicates the District's overall economic net position, but it does not necessarily reflect positively or negatively on the District's ability to meet its obligations as they come due.

The District's net position increased by \$20.8 million during the current year. The following discussion and analysis on governmental activities focuses on this increase:

**SALT LAKE CITY SCHOOL DISTRICT'S Changes in Net Position**

(in millions of dollars)

Years Ended June 30, 2019 and 2018

	<u>Governmental activities</u>		Total change
	<u>2019</u>	<u>2018</u>	<u>2018-19</u>
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 5.7	\$ 5.9	\$ (0.2)
Operating grants and contributions	65.0	64.2	0.8
General revenues:			
Property taxes	164.7	153.3	11.4
Federal and state aid not restricted to specific purposes	52.2	54.1	(1.9)
Earnings on investments	5.1	2.8	2.3
Miscellaneous	<u>12.3</u>	<u>15.1</u>	<u>(2.8)</u>
Total revenues	<u>305.0</u>	<u>295.4</u>	<u>9.6</u>
<b>Expenses:</b>			
Instruction	162.4	155.1	7.3
Supporting services:			
Students	8.7	7.5	1.2
Instructional staff	17.7	15.8	1.9
General district administration	1.2	1.1	0.1
General school administration	16.0	14.8	1.2
Central services	6.5	5.8	0.7
Operation and maintenance of school buildings	22.1	23.3	(1.2)
Student transportation	7.2	6.6	0.6
Child nutrition services	13.7	13.4	0.3
Community services	27.5	28.0	(0.5)
Interest on long-term liabilities	<u>1.2</u>	<u>1.5</u>	<u>(0.3)</u>
Total expenses	<u>284.2</u>	<u>272.9</u>	<u>11.3</u>
Change in net position	20.8	22.5	(1.7)
<b>Net position - beginning, as restated</b>	<u>314.4</u>	<u>291.9</u>	<u>22.5</u>
<b>Net position - ending</b>	<u><u>\$ 335.2</u></u>	<u><u>\$ 314.4</u></u>	<u><u>\$ 20.8</u></u>

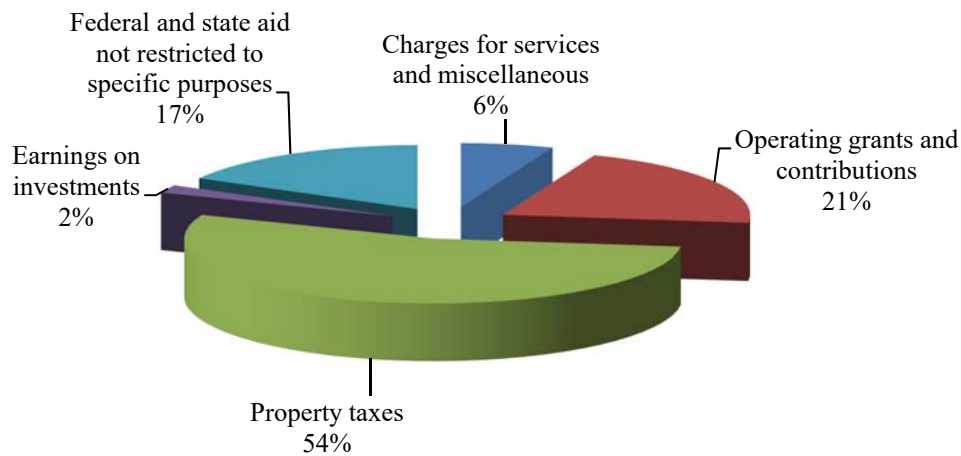
**Governmental activities.** The key elements of the increase in the District's net position for the year ended June 30, 2019 were as follows:

- Property taxes increased by \$11.4 million. This increase is a result of an increase to the state determined basic rate. The increase in the basic rate is offset by a decrease in state aid. There was also growth in taxable property values and an increase in incremental taxes. Incremental taxes levied by the District and forwarded directly to other entities are not available to the District.
- Federal and state aid not restricted to specific purposes decreased by \$1.9 million. This decrease is due to the District's decreasing enrollment and the State's Minimum School Program formula which reduces state allocations as property tax collections increase. The largest portion of state aid is derived from the Minimum School Program, which is allocated by WPU. This program takes into account property tax collections as part

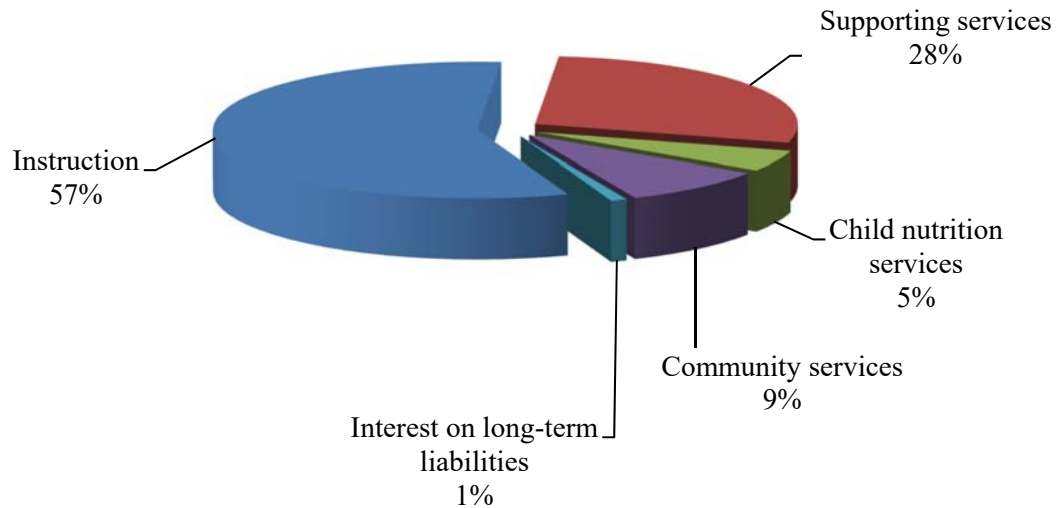
of the allocation method. The state guarantees that if local taxes generated by the required basic tax levy do not provide money equal to the amount generated by the WPU, it will make up the difference with state funding. Conversely, as property taxes make up a larger portion of the WPU, less state aid is allocated to a district. If a student is in membership a full 180 days, the state awards the District one WPU. Certain students receive a weighting greater than one. The value of the WPU (\$3,395) increased by 2.5% over the prior year.

- Earnings on investments increased by \$2.3 million as interest rates continue to increase.
- Miscellaneous revenue decreased by \$2.8 million due to a capital donation received in the previous year.
- Instruction expenses increased by \$7.3 million due to salary and benefit cost increases and one-time allocations.
- Other expenses remained relatively unchanged. Small increases in most categories are due to increases in salary and benefit costs.

**SALT LAKE CITY SCHOOL DISTRICT**  
**Revenues by Source - Governmental Activities**  
**Year Ended June 30, 2019**



**SALT LAKE CITY SCHOOL DISTRICT**  
**Expenses by Function - Governmental Activities**  
**Year Ended June 30, 2019**



### 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.

**Governmental funds.** The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Governmental funds report assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as fund balance. As the District completed the year, its governmental funds reported a combined fund balance of \$123.1 million, \$1.6 million less than the previous year. Fund balance is divided into five portions as follows:

- *nonspendable*, or not in spendable form, includes inventories and prepaid expenditures that are not expected to be converted to cash (\$1.2 million or 1.0%);
- *restricted* includes resources subject to external constraints due to state or federal laws, or externally imposed conditions by grantor or creditors including tax revenues levied for specific purposes (\$49.5 million or 40.2%);
- *committed* includes resources that by Board of Education resolution are limited in use for particular purposes (\$7.0 million or 5.7%);
- *assigned* includes resources that management designates for particular purposes (\$51.7 million or 42.0%);
- *unassigned* or all other available net fund resources (\$13.7 million or 11.1%).

The fund balance of the *general fund* increased by \$5.9 million or 9.7% for the year due to higher than budgeted property tax receipts, earnings on investments, and under-expenditures of allocated resources. The fund balance

of the *capital projects fund* decreased by \$8.9 million or 16.6%, due to the use of resources on the two elementary school reconstruction projects. The fund balance of the *debt service fund* increased by \$0.8 million or 28.3%. Taxes levied for the *debt service fund* should reflect the resources needed to meet the current year's debt obligations. The increase in the fund balance of the *debt service fund* reflects the adjustment of the tax levy to meet debt obligations. In addition, the following other changes in fund balances should be noted:

- Expenditures for general District purposes totaled \$222.0 million, an increase of 1.0% during the current fiscal year. This compares to a 9.4% increase in fiscal 2018. Instruction represents 61.7% of *general fund* expenditures.
- *General fund* salaries totaled \$139.7 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$56.0 million to arrive at 88.2% of total *general fund* expenditures.

### **General Fund Budgetary Highlights**

During the year, the Board revised the District's budget. Budget amendments were made to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$3.6 million or 1.6% in total general fund expenditures. The most significant budgetary adjustments may be summarized as follows:

- \$1.1 million or 14.2% increase in students – supporting services to reflect the addition of new counselors and other initiatives to help support our student population.
- \$1.0 million or 11.4% increase in community services due to new grant funding sources for the community education program of the District.
- \$0.7 million or 11.9% student transportation due to a grant which allowed for the purchase of additional replacement buses.

Even with these budget adjustments, actual expenditures were \$4.4 million less than final budgeted amounts. The most significant variances may be summarized as follows:

- \$1.8 million or 1.3% positive variance in instruction due to unspent discretionary allocations that are carried over to the next year.
- \$1.2 million or 7.0% positive variance in instructional staff—supporting services due to unspent grants and discretionary allocations that are carried over to the next year.
- \$0.8 million or 8.31% positive variance in students – support services due to unspent allocations as a result of new positions that hired late in the school year.

Revenues were \$6.8 million more than the final budgeted amount. State revenue was \$3.8 million or 4.1% less than the final budgeted amount due to less Minimum School Program funds received as a result of applying the state allocation formula to the additional property tax received, as well as other state revenue which was carried over to the next year. Property tax revenue surpassed projections by \$8.3 million or 8.3% in part due to growth in taxable property values and high collection rates; as well as increased collections in fee-in-lieu taxes. Other variances in state and federal revenues primarily result from expenditure-driven grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met; unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted. The District recorded \$1.6 million in unearned state revenue at June 30, 2019.

## Capital Asset and Debt Administration

**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. During fiscal 2019, construction continued on the Meadowlark and Edison Elementary replacement buildings. Both of these projects were completed for the beginning of the 2019-20 school year. The projects in progress have a projected cost of \$49.8 million. The total expended on these projects at June 30, 2019 was \$41.3 million, leaving a projected cost to complete all projects begun to date at \$8.5 million.

Capital assets at June 30, 2019 and 2018 are outlined below:

### SALT LAKE CITY SCHOOL DISTRICT'S Capital Assets (net of accumulated depreciation, in millions of dollars) June 30, 2019 and 2018

	Governmental activities		Total change
	2019	2018	2018-19
Sites	\$ 34.3	\$ 34.3	\$ -
Construction in progress	41.3	10.6	30.7
Buildings	252.4	264.8	(12.4)
Equipment	3.8	3.7	0.1
Vehicles	4.0	3.6	0.4
Total capital assets, net	<u>\$ 335.8</u>	<u>\$ 317.0</u>	<u>\$ 18.8</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration.** Moody's Investor Services has awarded an Aaa rating to all outstanding general obligation bond issues and an Aa1 rating to bonds issued to the Building Authority.

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2019 is \$1,506.2 million. Net general obligation debt at June 30, 2019 is \$30.9 million, resulting in a legal debt margin of \$1,475.3 million.

Although it is not unusual for governments to have a 30-year bond payoff schedule, the District maintains an aggressive schedule to retire all of its current general obligation bonds by 2025.

### SALT LAKE CITY SCHOOL DISTRICT'S Outstanding Debt (net of unamortized amounts, in millions of dollars) June 30, 2019 and 2018

	Governmental activities		Total change
	2019	2018	2018-19
General obligation bonds	\$ 30.9	\$ 39.0	\$ (8.1)
QSCB Bonds	11.0	11.0	-
Total outstanding debt, net	<u>\$ 41.9</u>	<u>\$ 50.0</u>	<u>\$ (8.1)</u>

Additional information on the District's long-term debt can be found in Note 8 to the basic financial statements.

## Changing Enrollment within the District

Each year, historical information has been kept relative to the number of students who leave District schools for various reasons and the number of students who enter the schools in each age group. From this database, implied estimates of migration of students in and out of the District are made. Birth data is also projected forward and adjusted by implied estimates as described above. These projections of enrollment and average daily membership have been reliable in the past. Currently, the District is projecting average daily membership to show small changes over the next few years.

### SALT LAKE CITY SCHOOL DISTRICT'S Changing Enrollment Average Daily Membership (ADM)

District Fiscal Year	<u>2018</u>	<u>2019</u>	<u>2020*</u>	<u>2021*</u>	<u>2022*</u>	<u>2023*</u>
Average Daily Membership	23,336	22,921	22,671	22,224	21,579	21,008

\* Projected ADM

The District's enrollment for the year ended June 30, 2019 decreased by 415 students in average daily membership compared to the prior year.

## Requests for Information

This financial report is designed to provide a general overview of the Salt Lake City School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Salt Lake City School District, 440 East 100 South, Salt Lake City, UT 84111.

## ***BASIC FINANCIAL STATEMENTS***

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# SALT LAKE CITY SCHOOL DISTRICT

## Statement of Net Position

June 30, 2019

	Primary Government Governmental Activities
<b>Assets:</b>	
Cash and investments	\$ 162,138,564
Receivables:	
Property taxes	144,796,128
Other local	515,420
State of Utah	2,485,425
Federal government	5,548,873
Inventories	1,370,181
Prepaid expenses	355,768
Investments restricted for debt service	6,579,779
Note receivable	612,650
Capital assets:	
Sites and construction in progress	75,554,256
Buildings, equipment, and vehicles, net of accumulated depreciation	260,262,375
Total assets	660,219,419
<b>Deferred Outflows of Resources:</b>	
Deferred charge on refunding	1,687,024
Amounts related to pensions	52,317,537
Total deferred outflows of resources	54,004,561
<b>Liabilities:</b>	
Accounts payable	8,483,535
Accrued interest	436,485
Accrued salaries and related benefits	25,410,199
Unearned revenue:	
Other local	980,418
State of Utah	1,612,558
Federal government	54,099
Long-term liabilities:	
Portion due or payable within one year	13,052,943
Portion due or payable after one year	182,096,937
Total liabilities	232,127,174
<b>Deferred Inflows of Resources:</b>	
Property taxes levied for future year	143,108,836
Amounts related to pensions	3,790,232
Total deferred inflows of resources	146,899,068
<b>Net Position:</b>	
Net investment in capital assets	295,590,039
Restricted:	
Capital projects	39,060,909
Debt service	9,802,777
Child nutrition services	2,504,778
Unrestricted	(11,760,765)
Total net position	\$ 335,197,738

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

# SALT LAKE CITY SCHOOL DISTRICT

## Statement of Activities

Year Ended June 30, 2019

Activities or Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Total Governmental Activities
Primary government:				
Governmental activities:				
Instruction	\$ 162,410,748	\$ 1,719,992	\$ 38,119,197	\$ (122,571,559)
Supporting services:				
Students	8,736,606	-	2,043,563	(6,693,043)
Instructional staff	17,679,826	-	3,924,626	(13,755,200)
General district administration	1,170,178	-	588,955	(581,223)
General school administration	16,000,652	-	547,084	(15,453,568)
Central	6,538,274	-	315,408	(6,222,866)
Operation and maintenance of school buildings	22,071,691	141,051	717,998	(21,212,642)
Student transportation	7,152,175	20,052	4,321,311	(2,810,812)
Child nutrition services	13,743,899	1,799,721	11,345,197	(598,981)
Community services	27,434,824	1,987,019	3,088,846	(22,358,959)
Interest on long-term liabilities	1,239,851	-	-	(1,239,851)
Total primary government	<u>\$ 284,178,724</u>	<u>\$ 5,667,835</u>	<u>\$ 65,012,185</u>	(213,498,704)
General revenues:				
Property taxes:				
Basic state supported program for regular K-12 instruction (set by state legislature)				44,827,411
Voted local				19,749,892
Board local				46,388,029
Debt service				9,471,338
Capital outlay for buildings and other capital needs				25,561,849
Pass-through taxes				18,702,363
Total property taxes				164,700,882
Federal and state aid not restricted to specific purposes				52,234,583
Earnings on investments				5,131,670
Miscellaneous				12,243,746
Total general revenues				234,310,881
Change in net position				20,812,177
Net position - beginning, as restated				314,385,561
Net position - ending				\$ 335,197,738

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

# SALT LAKE CITY SCHOOL DISTRICT

## Balance Sheet Governmental Funds June 30, 2019

	Major Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General	Debt Service	Capital Projects	Pass-Through Taxes		
<b>Assets:</b>						
Cash and investments	\$ 88,186,103	\$ 3,571,108	\$ 44,361,013	\$ -	\$ 8,030,198	\$ 144,148,422
Receivables:						
Property taxes	90,301,642	7,960,475	24,446,801	22,087,210	-	144,796,128
Other local	499,279	-	612,650	-	15,753	1,127,682
State of Utah	1,892,009	-	-	-	593,416	2,485,425
Federal government	5,314,924	-	-	-	233,949	5,548,873
Inventories	-	-	-	-	869,043	869,043
Prepaid expenditures	169,236	-	180,087	-	978	350,301
Investments restricted for debt service	-	-	6,579,779	-	-	6,579,779
Total assets	<u>\$ 186,363,193</u>	<u>\$ 11,531,583</u>	<u>\$ 76,180,330</u>	<u>\$ 22,087,210</u>	<u>\$ 9,743,337</u>	<u>\$ 305,905,653</u>
<b>Liabilities:</b>						
Accounts payable	\$ 1,528,156	\$ -	\$ 6,364,244	\$ -	\$ 197,949	\$ 8,090,349
Due to student organizations	-	-	-	-	220,352	220,352
Accrued salaries and related benefits	25,410,199	-	-	-	-	25,410,199
Unearned revenue:						
Other local	102,752	-	-	-	877,666	980,418
State of Utah	1,612,558	-	-	-	-	1,612,558
Federal government	54,099	-	-	-	-	54,099
Total liabilities	28,707,764	-	6,364,244	-	1,295,967	36,367,975
<b>Deferred Inflows of Resources:</b>						
Unavailable revenue note receivable	-	-	612,650	-	-	612,650
Unavailable property tax revenue	1,725,593	152,118	467,159	325,013	-	2,669,883
Property taxes levied for future year	89,299,141	7,872,100	24,175,398	21,762,197	-	143,108,836
Total deferred inflows of resources	91,024,734	8,024,218	25,255,207	22,087,210	-	146,391,369
<b>Fund Balances:</b>						
Nonspendable:						
Inventories	-	-	-	-	869,043	869,043
Prepaid expenditures	169,236	-	180,087	-	978	350,301
Restricted:						
Debt service	-	3,507,365	6,579,779	-	-	10,087,144
Capital projects	-	-	37,801,013	-	-	37,801,013
Child nutrition services	-	-	-	-	1,634,757	1,634,757
Committed:						
Economic stabilization	7,000,000	-	-	-	-	7,000,000
Assigned:						
Charter schools	736,254	-	-	-	-	736,254
Programs	30,222,750	-	-	-	-	30,222,750
Programs reported in the schools	3,342,187	-	-	-	-	3,342,187
Students	-	-	-	-	3,130,175	3,130,175
Foundation	-	-	-	-	2,812,417	2,812,417
Employee benefit obligations	11,475,961	-	-	-	-	11,475,961
Unassigned	13,684,307	-	-	-	-	13,684,307
Total fund balances	<u>66,630,695</u>	<u>3,507,365</u>	<u>44,560,879</u>	<u>-</u>	<u>8,447,370</u>	<u>123,146,309</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 186,363,193</u>	<u>\$ 11,531,583</u>	<u>\$ 76,180,330</u>	<u>\$ 22,087,210</u>	<u>\$ 9,743,337</u>	<u>\$ 305,905,653</u>

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

## SALT LAKE CITY SCHOOL DISTRICT

### Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2019

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<b>Total fund balances for governmental funds</b>	<b>\$ 123,146,309</b>
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Total net position reported for governmental activities in the statement of net position is different because:

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

Sites	\$ 34,252,955	
Construction in progress	41,301,301	
Buildings, net of \$255,284,984 accumulated depreciation	252,408,684	
Equipment, net of \$8,998,281 accumulated depreciation	3,578,268	
Vehicles, net of \$10,131,446 accumulated depreciation	<u>4,042,264</u>	335,583,472

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 inflows of resources in the funds.	2,669,883
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The District's note receivable payments will be collected after year-end, and are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds.	612,650
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(436,485)
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Internal service funds are used by management to charge the costs of distribution, printing and graphics, technical, and employee benefit services to individual funds. The assets, deferred inflows of resources, liabilities, and deferred outflow of resources of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position at year-end is:	6,666,041
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Long-term liabilities that pertain to governmental funds are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

General obligation bonds payable	(28,050,000)	
Qualified school construction bonds payable	(11,000,000)	
Unamortized deferred amounts on refunding	1,687,024	
Unamortized premiums and discounts	(2,863,616)	
Net pension liability	(141,001,940)	
Deferred outflows of resources related to pensions	51,952,270	
Deferred inflows of resources related to pensions	<u>(3,767,870)</u>	<u>(133,044,132)</u>

<b>Total net position of governmental activities</b>	<b><u>\$ 335,197,738</u></b>
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The notes to the financial statements are an integral part of this statement.

# SALT LAKE CITY SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds

Year Ended June 30, 2019

	Major Funds				Nonmajor	Total
	General	Debt Service	Capital Projects	Pass-Through Taxes	Governmental Funds	Governmental Funds
<b>Revenues:</b>						
Property taxes	\$ 108,892,192	\$ 9,599,312	\$ 29,500,699	\$ 16,711,229	\$ -	\$ 164,703,432
Earnings on investments	3,064,115	107,941	1,322,916	-	241,470	4,736,442
School lunch sales	-	-	-	-	1,799,721	1,799,721
Other local	10,462,200	-	176,678	-	5,458,531	16,097,409
State of Utah	89,073,224	-	-	-	2,011,075	91,084,299
Federal government	16,448,602	-	379,745	-	9,334,122	26,162,469
Total revenues	227,940,333	9,707,253	31,380,038	16,711,229	18,844,919	304,583,772
<b>Expenditures:</b>						
Current:						
Instruction	136,898,616	-	-	-	4,086,794	140,985,410
Supporting services:						
Students	8,439,695	-	-	-	-	8,439,695
Instructional staff	17,113,186	-	-	-	-	17,113,186
General district administration	1,041,495	-	-	-	-	1,041,495
General school administration	15,489,309	-	-	-	-	15,489,309
Central	6,248,147	-	-	-	-	6,248,147
Operation and maintenance of school buildings	20,712,455	-	-	-	-	20,712,455
Student transportation	6,294,865	-	-	-	-	6,294,865
Child nutrition services	336,354	-	-	-	13,142,110	13,478,464
Community services	9,455,238	-	-	16,711,229	1,056,896	27,223,363
Capital outlay	-	-	40,246,455	-	-	40,246,455
Debt service:						
Principal retirement	-	7,350,000	-	-	-	7,350,000
Interest, fiscal charges, and other	-	1,583,000	76,606	-	-	1,659,606
Total expenditures	222,029,360	8,933,000	40,323,061	16,711,229	18,285,800	306,282,450
Excess (deficiency) of revenues over (under) expenditures	5,910,973	774,253	(8,943,023)	-	559,119	(1,698,678)
<b>Other financing sources and (uses):</b>						
Proceeds from sale of capital assets	-	-	70,997	-	16,614	87,611
Total other financing sources (uses)	-	-	70,997	-	16,614	87,611
Net change in fund balances	5,910,973	774,253	(8,872,026)	-	575,733	(1,611,067)
<b>Fund balances - beginning, as restated</b>	60,719,722	2,733,112	53,432,905	-	7,871,637	124,757,376
<b>Fund balances - ending</b>	\$ 66,630,695	\$ 3,507,365	\$ 44,560,879	\$ -	\$ 8,447,370	\$ 123,146,309

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

## SALT LAKE CITY 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, 2019

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Net change in fund balances-total governmental funds	\$ (1,611,067)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for sites, equipment, and vehicles and \$100,000 for buildings are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. The net effect of transactions involving capital assets is as follows:

Capital asset purchases	\$ 33,014,405	
Gain on disposal of capital assets	354	
Proceeds from sale of capital assets	(16,614)	
Depreciation expense	<u>(14,309,253)</u>	18,688,892

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net position, 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 premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of bonds and related items is as follows:

Repayment of bond principal	7,350,000	
Interest expense	106,099	
Amortization of bond premiums and discounts	764,680	
Amortization of deferred amounts on refunding	<u>(451,024)</u>	7,769,755

Pension expense reported in the statement of activities does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.	(6,896,818)
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The governmental funds report note receivable payments as an <i>other financing source</i> and as a reduction to deferred inflows of resources.	(70,997)
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Property taxes that are not collected for several months after the District's fiscal year end are not considered as available in the governmental funds and are, instead, counted as deferred inflows of resources. Deferred property tax revenues decreased this year.	(2,550)
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Internal service funds are used by the District to charge the costs of distribution, printing and graphics, technical, and employee benefit services to individual funds. The change in net position of the internal service funds is reported with governmental activities.

2,934,962

**Change in net position of governmental activities**

\$ 20,812,177

# SALT LAKE CITY SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### General Fund

Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 100,506,036	\$ 100,506,036	\$ 108,892,192	\$ 8,386,156
Earnings on investments	1,191,200	1,191,200	3,064,115	1,872,915
Other local	10,323,223	9,855,510	10,462,200	606,690
State of Utah	87,843,391	92,893,196	89,073,224	(3,819,972)
Federal government	16,067,617	16,721,301	16,448,602	(272,699)
Total revenues	215,931,467	221,167,243	227,940,333	6,773,090
<b>Expenditures:</b>				
Current:				
Instruction	139,669,607	138,740,751	136,898,616	1,842,135
Supporting services:				
Students	8,062,457	9,204,491	8,439,695	764,796
Instructional staff	18,029,787	18,390,771	17,113,186	1,277,585
General district administration	1,077,809	1,121,872	1,041,495	80,377
General school administration	14,940,417	15,368,035	15,489,309	(121,274)
Central	6,079,841	6,452,236	6,248,147	204,089
Operation and maintenance of school buildings	19,852,068	20,193,301	20,712,455	(519,154)
Student transportation	5,816,402	6,510,248	6,294,865	215,383
Child nutrition services	149,410	295,027	336,354	(41,327)
Community services	9,081,391	10,112,807	9,455,238	657,569
Total expenditures	222,759,189	226,389,539	222,029,360	4,360,179
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(6,827,722)	(5,222,296)	5,910,973	11,133,269
<b>Fund balances - beginning</b>	60,719,722	60,719,722	60,719,722	-
<b>Fund balances - ending</b>	<u>\$ 53,892,000</u>	<u>\$ 55,497,426</u>	<u>\$ 66,630,695</u>	<u>\$ 11,133,269</u>

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

# SALT LAKE CITY SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Pass-Through Taxes Fund Year Ended June 30, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 15,485,472	\$ 16,836,314	\$ 16,711,229	\$ (125,085)
<b>Expenditures:</b>				
Current:				
Community services	15,485,472	16,836,314	16,711,229	125,085
Excess of revenues over expenditures - net change in fund balances	-	-	-	-
<b>Fund balances - beginning</b>	-	-	-	-
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

# SALT LAKE CITY SCHOOL DISTRICT

## Statement of Fund Net Position

### Proprietary Funds

### Governmental Activities - Internal Service Funds

June 30, 2019

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#### Assets:

##### Current assets:

Cash and investments	\$ 17,990,142
Inventories	501,138
Receivables	388
Prepaid expenses	5,467
Total current assets	18,497,135

##### Noncurrent assets:

##### Capital assets:

Equipment	603,263
Accumulated depreciation	(370,104)
Net capital assets	233,159
Total assets	18,730,294

#### Deferred Outflows of Resources:

Amounts related to pensions	365,267
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#### Liabilities:

##### Current liabilities:

Accounts payable	172,834
Accrued vacation	86,083
Accrued sick leave	266,492
Early retirement incentive payable	980,902
Health insurance payable	3,484,656
Dental insurance payable	254,253
Workers compensation payable	305,557
Total current liabilities	5,550,777

##### Noncurrent liabilities:

Net pension liability	991,361
Accrued vacation	730,591
Accrued sick leave	2,675,854
Early retirement incentive payable	2,458,575
Total noncurrent liabilities	6,856,381
Total liabilities	12,407,158

#### Deferred Inflows of Resources:

Amounts related to pensions	22,362
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#### Net Position:

Investment in capital assets	233,159
Unrestricted	6,432,882
Total net position	\$ 6,666,041

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

## SALT LAKE CITY SCHOOL DISTRICT

### Statement of Revenues, Expenses, and Changes in Fund Net Position

#### Proprietary Funds

#### Governmental Activities - Internal Service Funds

*Year Ended June 30, 2019*

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<b>Operating revenues:</b>	
Charges for services	\$ 23,077,193
<b>Operating expenses:</b>	
Salaries	986,327
Employee benefits	19,117,150
Materials	255,977
Contracted services	52,718
Equipment maintenance	31,449
Depreciation	38,298
Other	69,991
Total operating expenses	<u>20,551,910</u>
Operating income	2,525,283
<b>Nonoperating income:</b>	
Gain on sale of capital assets	14,451
Earnings on investments	395,228
Total nonoperating income	<u>409,679</u>
Change in net position	2,934,962
<b>Total net position - beginning</b>	<u>3,731,079</u>
<b>Total net position - ending</b>	<u><u>\$ 6,666,041</u></u>

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

## SALT LAKE CITY SCHOOL DISTRICT

### Statement of Fund Cash Flows

#### Proprietary Funds

#### Governmental Activities - Internal Service Funds

Year Ended June 30, 2019

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**Cash flows from operating activities:**

Receipts from interfund services provided	\$ 23,077,196
Payments to suppliers	(508,136)
Payments made to or on behalf of employees	(20,146,617)
Net cash provided by operating activities	2,422,443

**Cash flows from capital and related financing activities:**

Sale of capital assets	18,295
Acquisition of capital assets	(133,976)
Net cash used by capital and related financing activities	(115,681)

**Cash flows from investing activities:**

Interest earned	395,228
Net change in cash and cash equivalents	2,701,990

**Cash and cash equivalents - beginning**

15,288,152

**Cash and cash equivalents - ending** (displayed as cash and investments  
on the statement of fund net position)

\$ 17,990,142

## Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ 2,525,283
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation expense	38,298
Pension expense	(305,227)
Changes in operating assets and liabilities:	
Receivables	3
Inventories	(229,984)
Prepaid expenses	(5,466)
Accounts payable	137,449
Accrued vacation	19,858
Accrued sick leave	143,829
Early retirement incentive payable	(110,445)
Health insurance payable	(32,877)
Dental insurance payable	(57,973)
Workers compensation payable	(62,473)
Total adjustments	(102,840)
Net cash provided by operating activities	<u>\$ 2,422,443</u>

Noncash investing, capital, and financing activities:

none

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

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Salt Lake City School District (the 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 for the District. As required by GAAP, these financial statements present the activities of the District and its component units, the Salt Lake Education Foundation (the Foundation) and the Municipal Building Authority of Salt Lake City School District (the Building Authority), for which the District is considered to be financially accountable. The District is not a component unit of any other primary government. Although legally separate entities, blended component units are, in substance, part of the District's operations.

- *The Salt Lake Education Foundation* is a nonprofit organization established under Internal Revenue Service regulations as a conduit for tax-deductible donations to the District. The Foundation's board is approved by the Board of Education. The Foundation exclusively services the District. The District makes all personnel decisions for the Foundation and pays for all operating costs of the Foundation. In previous fiscal years, the Foundation was presented as a discretely presented component unit. As a result of operational changes implemented in this fiscal year, the Foundation is now presented as a special revenue fund of the District. Multi-year statements have not been restated to reflect this change.
- *The Municipal Building Authority of Salt Lake City School District* (the Building Authority) is a corporation in the state of Utah. The Building Authority has the same board as the Board of Education and provides financing services solely to the District. The District is obligated in some manner for the debt of the Building Authority; all of the Building Authority's debt outstanding is expected to be repaid with resources of the District. The Building Authority is presented as a blended component unit of the District as part of the *capital projects fund*. The Building Authority does not issue separate financial statements.

**Government-wide and fund financial statements** – The *government-wide financial statements* (the statement of net position and the statement of activities) display information on all the activities of the District, the Foundation, and the Building Authority. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Some minor interfund services provided and used are not eliminated in the process of consolidation.

The statement of activities presents a comparison between direct expenses and program revenues 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 expense 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 instruction, library media and educational supervision, school administration, operation and maintenance of school buildings, and child nutrition services) are ratably 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 function.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

The *fund financial statements* provide information about the District's funds and blended component unit. Separate statements for each fund category (governmental and proprietary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. Operating expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations, including cost of sales and services, administrative expenses, and depreciation on capital assets.

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, including the Open Classroom and Salt Lake Center for Science Education charter schools, except those required to be accounted for in another fund.
- The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on general obligation bonds payable.
- The *capital projects fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, procurement of equipment, textbooks, and supplies necessary for providing educational programs for all students within the District.
- The *pass-through taxes fund*, a special revenue fund, accounts for property taxes levied by the District, but remitted directly to other entities. Incremental taxes and the charter school levy are levied as authorized by Utah Code 17C-1 and Utah Code 53A-1, respectively. Incremental taxes and the charter school levy are recorded as revenue with an equivalent amount of expenditure representing the fact that these amounts are forwarded directly to other entities.

Additionally, the District reports the following fund type:

- *Internal service funds (proprietary funds)* account for distribution services, printing and graphics, technical services, and employee benefits services provided to other funds of the District on a cost-reimbursement basis.

**Measurement focus, basis of accounting, and financial statement presentation** – The *government-wide financial statements* and *proprietary fund financial statements* are reported using the economic resources measurement focus and are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange 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.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

*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. Expenditure-driven grants are recognized as revenue when qualifying expenditures are incurred and all other grant requirements are met; grants received in advance are recorded as unearned revenue until earned. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and long-term employee benefit obligations, 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 position available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

**Budgetary Data** – Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year-end with the exception of contractual obligations. The following procedures are used in establishing the budgetary data reflected in the financial statements:

- During May 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 30th.
- Copies of the proposed budget are made available for public inspection and review by patrons of the District.
- If the District does not exceed the certified tax rate, a public hearing is held prior to June 30 at which time the budget is legally adopted by resolution of the Board after obtaining taxpayer input. If the District exceeds the certified tax rate, the budget is adopted in August when additional data is available to set the 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 money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2019 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.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

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**Deposits and Investments** – The cash balances of substantially all funds are pooled and invested by the District for the purpose of increasing earnings through investment activities and providing efficient management of temporary investments. The pool's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. Earnings on pooled funds are apportioned and paid or credited to the funds based on the average balance of each participating fund.

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

**Receivables and Payables** – Activity between funds that are representative of lending/borrowing arrangements outstanding at year-end are referred to as "due to/from other funds."

**Inventories** – Inventories are valued at cost or, if donated, at fair value when received, using the weighted average method. Inventories of all funds are recorded as expenditures/expenses when consumed rather than when purchased. 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.

**Prepaid Items** – Prepaid items of all funds are recorded as expenditures/expenses when consumed rather than when purchased.

**Notes Receivable** – In the fund financial statements, governmental fund types recognize payments received during the current period as other financing sources.

**Capital Assets** – Capital assets, which include sites, buildings, equipment, and vehicles are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for sites, equipment, and vehicles and \$100,000 for buildings and leasehold improvements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets, donated works of art, historical treasures, and similar assets and capital assets received in a service concession arrangement are recorded at acquisition value. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

*Continued*

Buildings, equipment, and vehicles of the District are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building improvements and portable classrooms	20
Leasehold improvements	20-40
Maintenance equipment	15
Vocational education equipment	15
Buses	10
Musical instruments	10
Child nutrition equipment	10
Athletic equipment	8
Vehicles	8
Audio visual equipment	6
Copiers and printers	5
Computer equipment	3

**Unearned Revenue** – Unearned revenue for the District represents amounts received on grants whose purpose restrictions have not been met. Revenue is recognized on restricted grants only when all restrictions on those funds are satisfied.

**Compensated Absences** – The District accrues salary-related payments for vacation benefits for twelve-month or full-year contract employees. Employees accrue between ten and twenty days a year, and are limited to a maximum of the number of days earned in two years or two and a quarter years depending upon the employee class and the length of service with the District. The District is liable to the employee for days earned but not taken. If an employee terminates, then a payment is made; otherwise, scheduled vacation time off is allowed.

A retiring teacher who meets the provisions of the Utah State Employees' Retirement Act is eligible to receive a benefit equal to 19% of the employee's accumulated unused sick leave. This is the only sick leave benefit that accumulates and vests for an employee.

All vacation pay and vested sick leave plus related payroll taxes are accrued when earned in the government-wide and internal service fund 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.

**Long-term Liabilities** – In the government-wide financial statements and internal service fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable statement of net position. Bond premiums and discounts, as well as 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 unamortized bond premiums or discounts and refunding costs.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and deferred amounts on refunding 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.

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

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

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

**Net Position/Fund Balances** – The residual of all other elements presented in a statement of net position is *net position* on the government-wide and proprietary fund financial statements and the residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*.

Net position is divided into three components: net investment in capital assets (capital assets net of related debt), restricted, and unrestricted. Net position is reported as restricted when constraints are placed upon it by external parties or are imposed by constitutional provisions or enabling legislation.

The governmental fund financial statements present fund balances based on a hierarchy that shows, from highest to lowest, the level or form of constraints on fund balance resources and the extent to which the District is bound to honor them. The District first determines and reports nonspendable balances, then restricted, then committed, and so forth.

Fund balance classifications 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 the following:
  - Unspent tax revenues levied for specific purposes, such as capital projects and debt service.
  - Remaining fund balances in the child nutrition fund.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

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- **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, 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 the following purposes:
    - As defined in Utah law as an “undistributed reserve,” the District maintains for economic stabilization up to five percent of general fund budgeted expenditures. 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). Also defined by state law, the commitment is not to be used “in the negotiation or settlement of contract salaries for school district employees” and the use of this reserve requires a written resolution adopted by a majority vote of the Board of Education filed with the Utah State Board of Education and Utah State Auditor.
  - **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. The Board of Education has by resolution authorized the District’s business administrator to assign fund balances. The District has assigned *general fund* resources that are to be used for the District’s charter schools, programs, schools, and employee benefit obligations. The District has also assigned amounts in other governmental funds for programs, schools, and students.
  - **Unassigned** – Residual balances in the *general fund* are classified as unassigned. In governmental funds other than the *general fund*, negative unassigned fund balance may be reported if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**Net position/fund balance flow assumption** – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report in each category of net position and fund balance, a flow assumption must be made about the order in which the resources are considered to be applied.

- **Net Position** – It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position.
- **Fund Balance** – It is the District’s policy to consider restricted fund balance to have been depleted before using any components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

### 2. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2019, as shown on the financial statements, is as follows:

Carrying amount of deposits	\$ 7,547,819
Carrying amount of investments	<u>161,170,524</u>
Total cash and investments	<u>\$ 168,718,343</u>
Governmental funds cash and investments	\$ 144,148,422
Internal service funds cash and investments	<u>17,990,142</u>
Statement of net position cash and investments, unrestricted	162,138,564
Investments restricted for debt service	<u>6,579,779</u>
Total cash and investments	<u>\$ 168,718,343</u>

The District complies with the State Money Management Act (*Utah Code* Title 51, Chapter 7) (Act) and related Rules of the Money Management Council (Council) in handling its depository and investing transactions. District funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the District to invest in the Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, high-grade commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the state of Utah.

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

Rules of the Council allow the Foundation to invest private grants, contributions, and endowments in any deposit or investment authorized by the Act and certain investment funds, equity securities, fixed-income securities, and investment strategies with institutions that meet certain restrictions.

**Deposits** – At June 30, 2019, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Salt Lake City School District	\$ 7,072,771	\$ 8,835,283	\$ 942,114
Salt Lake Education Foundation	<u>475,048</u>	<u>879,350</u>	<u>467,850</u>
Total deposits	<u>\$ 7,547,819</u>	<u>\$ 9,714,633</u>	<u>\$ 1,409,964</u>

- Custodial credit risk – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. At June 30, 2019, the uninsured amount of the District's and Foundation's bank deposits was uncollateralized.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

*Continued*

**Investments** – The District’s investments are with the PTIF, government agencies, and in corporate bonds through a broker. The Foundation has deposits separate from the District and invests private funds through a broker.

The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which primarily consists of money market securities including certificates of deposit and top-rated domestic commercial paper held by the Utah State Treasurer; the portfolio has a weighted average life of 90 days or less. The PTIF is not rated. The reported value of the pool is the same as the fair value of the pool shares.

At June 30, 2019, the District and the Foundation have the following investments summarized by investment type and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	5-10	More Than 10
Salt Lake City School District:					
Utah Public Treasurers' Investment Fund (PTIF)	\$ 107,723,974	\$ 107,723,974	\$ -	\$ -	\$ -
U.S. government securities	12,946,768	933,228	12,013,540	-	-
Corporate bonds	37,445,361	13,008,246	24,437,115	-	-
Total Salt Lake City School District	158,116,103	121,665,448	36,450,655	-	-
Salt Lake Education Education Foundation, a component unit:					
Equity securities	2,401,410	2,401,410	-	-	-
U.S. government securities	364,859	224,873	139,986	-	-
Corporate bonds	288,152	11,995	276,157	-	-
Total Salt Lake Education Foundation	3,054,421	2,638,278	416,143	-	-
Total investments	\$ 161,170,524	\$ 124,303,726	\$ 36,866,798	\$ -	\$ -

- **Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District’s policy is to manage 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. Except for endowments, 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** – 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 Standard and Poor’s Corporation at the time of purchase.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

At June 30, 2019 the District has \$12,946,768 invested in government agencies rated AA+ and Aaa or higher by Standard & Poor's and Moody's Investors Service, Inc., respectively. The District also has \$37,445,361 invested in corporate bonds rated BBB+ and Baa1 or higher by Standard & Poor's and Moody's Investors Service, Inc., respectively. In addition, the District has \$107,723,974 invested in the PTIF that is not rated.

At June 30, 2019 the Foundation has \$364,859 invested in government agencies rated AA+ and Aaa or higher by Standard & Poor's and Moody's Investors Service, Inc., respectively. The Foundation also has \$288,152 invested in corporate bonds rated BBB+ and Baa1 or higher by Standard & Poor's and Moody's Investors Service, Inc., respectively. In addition, the Foundation has \$2,401,410 invested in unrated equity securities.

- **Concentration of Credit Risk** – 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 investments 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** – 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. Investments held in a brokerage account are covered by Securities Investor Protection Corporation up to \$500,000.

### 3. FAIR VALUE MEASUREMENTS

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

The District has the following recurring fair value measurements as of June 30, 2019:

- Public Treasurers' Investment Fund position of \$107,723,974, the unit of account is each share held, and the value of the position is the fair value of the pool's share price multiplied by the number of shares held (Level 2 inputs).
- U.S. government securities of \$12,946,768 are valued using quoted market prices (Level 1 inputs).
- Corporate bonds of \$37,445,361 are valued using a matrix pricing model (Level 2 inputs).

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

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The Foundation has the following recurring fair value measurements as of June 30, 2019:

- Equity securities of \$2,401,410 are valued using quoted market prices (Level 1 inputs).
- U.S. government securities of \$364,859 are valued using quoted market prices (Level 1 inputs).
- Corporate bonds of \$288,152 are valued using a matrix pricing model (Level 2 inputs).

#### 4. PROPERTY TAXES

**District property tax revenue** – The property tax revenue of the District is collected and distributed by the Salt Lake County treasurer as an agent of the District. Utah statutes establish the process by which taxes are levied and collected. The county assessor is required to assess real property as of January 1 (the legal lien date) and complete the tax rolls by May 15. By July 21, the county auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and September 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30.

An annual uniform fee based on the value of motor vehicles is levied in lieu of an ad valorem tax on motor vehicles. This uniform fee was 1.5% of the fair market statewide value of the property, as established by the State Tax Commission. Legislation requires motor vehicles be subject to an “age-based” fee that is due each time a vehicle is registered. The revenues collected in each county from motor vehicle fees are distributed by the county to each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed. The District recognizes motor vehicle fees as property tax revenue when collected.

As of June 30, 2019, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2019 or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period, after which time the county treasurer may force sale of property to collect the delinquent portion.

**Pass-through taxes** – In addition to property taxes the District levies for its own purposes, the District levies property taxes for the redevelopment agency (located within the boundaries of the District) in accordance with the Community Development and Renewal Agencies Act (Utah Code 17C-1). These taxes are forwarded directly by the county to the redevelopment agency as these taxes are collected by the county.

Property tax revenue (or incremental taxes) from the increased assessed values within project areas are earmarked to finance urban renewal, economic development, and community development projects managed by the redevelopment agency for the duration of the projects.

During the year ended June 30, 2019, incremental taxes levied by the District for the redevelopment agency totaling \$14,709,066 were recorded as revenue with an equivalent amount of expenditure for community services in the *pass-through taxes fund* (a special revenue fund).

Per *Utah Code 53F-2-703*, a portion of the District’s board local levy is paid to the statewide charter school levy account. The portion is based on the number of charter school students residing within the District’s boundaries. In 2019, the amount collected by the county and paid directly to the State was \$2,002,163; this amount was reported in the District’s *pass-through taxes fund*.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

*Continued*

### 5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Sites	\$ 34,252,955	\$ -	\$ -	\$ 34,252,955
Construction in progress	10,642,494	30,658,807	-	41,301,301
Total capital assets, not being depreciated	44,895,449	30,658,807	-	75,554,256
Capital assets, being depreciated:				
Buildings/leasehold improvements	507,693,668	-	-	507,693,668
Equipment	12,927,118	1,248,236	(995,542)	13,179,812
Vehicles	13,623,746	1,241,338	(691,374)	14,173,710
Total capital assets, being depreciated	534,244,532	2,489,574	(1,686,916)	535,047,190
Accumulated depreciation for:				
Buildings/leasehold improvements	(242,926,916)	(12,358,068)	-	(255,284,984)
Equipment	(9,185,181)	(1,158,931)	975,727	(9,368,385)
Vehicles	(9,991,979)	(830,552)	691,085	(10,131,446)
Total accumulated depreciation	(262,104,076)	(14,347,551)	1,666,812	(274,784,815)
Total capital assets, being depreciated, net	272,140,456	(11,857,977)	(20,104)	260,262,375
Governmental activity capital assets, net	<u>\$ 317,035,905</u>	<u>\$ 18,800,830</u>	<u>\$ (20,104)</u>	<u>\$335,816,631</u>

For the year ended June 30, 2019, depreciation expense was charged to functions of the District as follows:

<b>Governmental activities:</b>	
Instruction	\$ 12,385,499
Supporting services:	
Instructional staff	1,806
General district administration	100,901
Operation and maintenance of school buildings	956,697
Student transportation	737,991
Child nutrition services	125,361
Community Services	998
Capital assets held by the District's internal service funds are charged to the various functions based on their usage of the assets	<u>38,298</u>
Total depreciation expense, governmental activities	<u>\$ 14,347,551</u>

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

The District is obligated at June 30, 2019 under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Meadowlark Elementary Rebuild	\$ 25,800,000	\$ 22,070,655	\$ 3,729,345
Edison Elementary Rebuild	24,000,000	19,230,646	4,769,354
	<u>\$ 49,800,000</u>	<u>\$ 41,301,301</u>	<u>\$ 8,498,699</u>

A restriction of fund balance established in the *capital projects fund* will be used to fulfill the required costs to complete at June 30, 2019.

## 6. STATE RETIREMENT PLANS

**Description of plans** – Eligible employees of the District are provided with the following plans through the Utah Retirement Systems (the URS) administered by the URS:

Defined Benefit Pension Plans (cost-sharing, multiple-employer plans):

- Public Employees Noncontributory Retirement System (Tier 1 Noncontributory System)
- Public Employees Contributory Retirement System (Tier 1 Contributory System)
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Contributory System)

Defined Contribution Plans (individual account plans):

- 401(k) Plan (which includes the Tier 2 Defined Contribution Plan)
- 457 Plan and other individual plans

District employees qualify for membership in the retirement systems if a) employment, contemplated to continue during a fiscal or calendar year, normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the District as approved by the Utah State Retirement Board, b) the employee is a classified school employee whose employment normally requires an average of 20 hours or more per week regardless of benefits, c) the employee is a teacher who teaches half-time or more and receives benefits normally provided by the District as approved by the Utah State Retirement Board, or d) the employee is an appointed officer.

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

The plans are established and governed by the respective sections of Title 49 of the *Utah Code*. The plans are amended statutorily by the Utah State Legislature. Title 49 provides for the administration of the plans under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at [www.urs.org](http://www.urs.org).

**Benefits provided** – The URS provides retirement, disability, and death benefits to participants in the plans.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

*Continued*

Retirement benefits in the defined benefit pension plans are determined from 1.50% to 2.00% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index increase for the year. Employees are eligible to retire based on years of service and age.

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required contributions and associated earnings are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan's administrative expenses paid by participants. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

**Contributions** – As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

For the year ended June 30, 2019, District required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			District Rates for 401(k) Plan	Totals
	District Contribution *	Amortization of UAAL **	Paid by District for Employee		
Tier 1 Noncontributory System	12.25%	9.94%	-	1.50%	23.69 %
Tier 1 Contributory System	5.45%	12.25%	5.00%	-	22.70 %
Tier 2 Contributory System	8.93%	9.94%	-	1.15%	20.02 %
Tier 2 Defined Contribution Plan	0.08%	9.94%	-	10.00%	20.02 %

\* District contribution includes 0.08% of covered-employee payroll of the Tier 2 plans for death benefits.

\*\* Required contributions include an additional amount to finance any unfunded actuarial accrued liability in the Tier 1 plans.

Employees can make additional contributions to defined contribution plans, up to applicable plan and Internal Revenue Code limits.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

*Continued*

For the year ended June 30, 2019, District and employee contributions to the plans were as follows:

	<u>District Contributions *</u>	<u>Employee Contributions</u>
Tier 1 Noncontributory System	\$ 20,529,829	\$ -
Tier 1 Contributory System	157,437	53,369
Tier 2 Contributory System	5,084,021	-
Tier 2 Defined Contribution Plan	720,136	-
401(k) Plan	2,435,593	3,021,235
457 Plan and other individual plans	-	587,738

\* A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.

**Pension assets and liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions** – At June 30, 2019, the District reported an asset of zero and a liability of \$141,993,301 for its proportionate share of the net pension liability (asset) for the following plans:

	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
Tier 1 Noncontributory System	\$ -	\$ 137,053,267
Tier 1 Contributory System	-	3,982,323
Tier 2 Contributory System	-	957,711
Total	<u>\$ -</u>	<u>\$ 141,993,301</u>

The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability was determined by an actuarial valuation as of January 1, 2018, rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of the District's actual contributions compared to the total of all employer contributions during the plan year. The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2018 and the change in its proportion since the prior measurement date for each plan:

	<u>Proportionate Share 2018</u>	<u>Change</u>
Tier 1 Noncontributory System	3.6837155 %	(0.0379674)%
Tier 1 Contributory System	5.6088741 %	0.0471473 %
Tier 2 Contributory System	2.2361874 %	(0.0263571)%

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

For the year ended June 30, 2019, the District recognized pension expense for the plans as follows:

	<b>Pension Expense</b>
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 29,816,888
Tier 1 Contributory System	1,122,666
Tier 2 Contributory System	2,475,065
Total	<u>\$ 33,414,619</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 720,136
401(k) Plan	2,435,593
Total	<u>\$ 3,155,729</u>

At June 30, 2019, the District reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	<b>Deferred Outflows of Resources Related to Pensions</b>			
	<b>Tier 1 Noncontributory System</b>	<b>Tier 1 Contributory System</b>	<b>Tier 2 Contributory System</b>	<b>Total</b>
Differences between expected and actual experience	\$ 730,102	\$ -	\$ 6,722	\$ 736,824
Changes of assumptions	13,940,137	-	240,044	14,180,181
Net difference between projected and actual earnings on pension plan investments	22,801,864	1,312,965	311,873	24,426,702
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-	289,155	289,155
Contributions subsequent to the measurement date	9,760,626	71,743	2,852,306	12,684,675
Total	<u>\$ 47,232,729</u>	<u>\$ 1,384,708</u>	<u>\$ 3,700,100</u>	<u>\$ 52,317,537</u>

At June 30, 2019, the District reported deferred inflows of resources related to defined benefit pension plans from the following sources:

	<b>Deferred Inflows of Resources Related to Pensions</b>			
	<b>Tier 1 Noncontributory System</b>	<b>Tier 1 Contributory System</b>	<b>Tier 2 Contributory System</b>	<b>Total</b>
Differences between expected and actual experience	\$ 1,923,012	\$ -	\$ 197,938	\$ 2,120,950
Changes of assumptions	-	-	17,206	17,206
Changes in proportion and differences between District contributions and proportionate share of contributions	1,652,076	-	-	1,652,076
Total	<u>\$ 3,575,088</u>	<u>\$ -</u>	<u>\$ 215,144</u>	<u>\$ 3,790,232</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

*Continued*

The \$12,684,675 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of December 31, 2018 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2020. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
2020	\$ 14,954,707	\$ 520,332	\$ 108,195	\$ 15,583,234
2021	5,479,446	14,263	78,748	5,572,457
2022	2,663,864	127,600	86,272	2,877,736
2023	10,798,998	650,770	152,326	11,602,094
2024	-	-	28,417	28,417
Thereafter	-	-	178,692	178,692

**Actuarial assumptions** – The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% to 9.75%, average, including inflation
Investment rate of return	6.95%, net of pension plan investment expense, including inflation

Mortality rates were based on actual experience and mortality tables, considering gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Assumptions remained unchanged that affect measurement of the total pension liability (asset) since the prior measurement date.

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

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity securities	40%	6.15%
Debt securities	20%	0.40%
Real assets	15%	5.75%
Private equity	9%	9.95%
Absolute return	16%	2.85%
Cash and cash equivalents	0%	0.00%
Total	100%	

**Discount rate** – The discount rate used to measure the total pension liability (asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

**Sensitivity of the District's proportionate share of the net pension liability (asset) to changes in the discount rate** – The following presents our proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what our proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension liability (asset):			
Tier 1 Noncontributory System	\$ 246,347,917	\$ 137,053,267	\$ 45,614,646
Tier 1 Contributory System	8,345,508	3,982,323	259,104
Tier 2 Contributory System	3,836,775	957,711	(1,264,206)
Total	\$ 258,530,200	\$ 141,993,301	\$ 44,609,544

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

**Payables to the pension plans** – At June 30, 2019, the District reported payables of \$4,656,565 for contributions to defined benefit pension plans and \$2,559,603 for contributions to defined contribution plans.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

### 7. RISK MANAGEMENT

The District maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$10 million per occurrence through policies administered by the Utah State Risk Management Fund (Fund). The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Fund. Property physical damage is insured to replacement value with a \$1,000 deductible; automobile physical damage is insured to actual value with a \$500 deductible; other liability is limited to the lesser of \$10 million or the statutory limit. The Fund is a public entity risk pool operated by the State for the benefit of the state and local governments within the State. The District pays annual premiums to the Fund; the Fund obtains independent coverage for insured events, up to \$25 million per location. This is a pooled arrangement where the participants' pay experience rated annual premiums, which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

The District self-insures health benefits for employees and retains a third-party administrator to process claims. The District carries a co-insurance policy to cover individual claims in excess of \$200,000. At June 30, 2019, the current unpaid and the incurred but not reported liabilities were recorded as a liability of \$3,484,656. This liability is considered current as claims are submitted for payment within a year of the date of service and is recorded in the *employee benefits fund*. This liability is the District's best estimate based on available information from the third-party administrator.

A reconciliation of the accrued liability for the years ended June 30, 2019 and 2018 is as follows:

	Accrued Health Insurance	
	2019	2018
Accrued liability - beginning	\$ 3,517,533	\$ 3,963,885
Charges for services	17,849,291	14,931,861
Claims paid	(17,882,168)	(15,378,213)
Accrued liability - ending	<u>\$ 3,484,656</u>	<u>\$ 3,517,533</u>

The District self-insures dental benefits for employees and retains a third-party administrator to process claims. At June 30, 2019, the current unpaid and the incurred but not reported liabilities were recorded as a liability of \$254,253. This liability is considered current as claims are submitted for payment within a year of the date of service and is recorded in the *employee benefits fund*. This liability is the District's best estimate based on available information from the third-party administrator.

**SALT LAKE CITY SCHOOL DISTRICT****Notes to Basic Financial Statements***Continued*

A reconciliation of the accrued liability for the years ended June 30, 2019 and 2018 is as follows:

	<u>Accrued Dental Insurance</u>	
	<u>2019</u>	<u>2018</u>
Accrued liability - beginning	\$ 312,226	\$ 338,345
Charges for services	1,190,997	1,183,787
Claims paid	<u>(1,248,970)</u>	<u>(1,209,906)</u>
Accrued liability - ending	<u>\$ 254,253</u>	<u>\$ 312,226</u>

The District self-insures its workers compensation liability and retains a third-party administrator to process claims. All requirements of the State Industrial Commission related to maintaining a self-insured status have been met. At June 30, 2019, an estimate of all future costs based on open claims was recorded as a liability of \$305,557; this liability is serviced through the *employee benefits fund*. The District carries a co-insurance policy to cover individual claims in excess of \$500,000.

A reconciliation of the accrued liability for the years ended June 30, 2019 and 2018 is as follows:

	<u>Workers Compensation</u>	
	<u>2019</u>	<u>2018</u>
Accrued liability - beginning	\$ 368,030	\$ 275,054
Charges for services	411,842	582,654
Claims paid	<u>(474,315)</u>	<u>(489,678)</u>
Accrued liability - ending	<u>\$ 305,557</u>	<u>\$ 368,030</u>

Unemployment compensation is handled on a cost of benefits reimbursement basis with the state of Utah.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

### 8. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2019 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Bonds payable:					
General obligation bonds	\$ 35,400,000	\$ -	\$ (7,350,000)	\$ 28,050,000	\$ 7,675,000
Qualified school construction bonds	11,000,000	-	-	11,000,000	-
Unamortized premiums and discounts	3,628,296	-	(764,680)	2,863,616	-
Total bonds payable, net	50,028,296	-	(8,114,680)	41,913,616	7,675,000
Net pension liability	91,574,092	76,888,244	(26,469,035)	141,993,301	-
Accrued vacation	796,816	103,848	(83,990)	816,674	86,083
Accrued sick leave	2,798,517	397,294	(253,465)	2,942,346	266,492
Early retirement incentive	3,549,922	1,105,826	(1,216,271)	3,439,477	980,902
Accrued health insurance	3,517,533	17,849,291	(17,882,168)	3,484,656	3,484,656
Accrued dental insurance	312,226	1,190,997	(1,248,970)	254,253	254,253
Workers compensation	368,030	411,842	(474,315)	305,557	305,557
Total governmental activity long-term liabilities	<u>\$ 152,945,432</u>	<u>\$ 97,947,342</u>	<u>\$ (55,742,894)</u>	<u>\$ 195,149,880</u>	<u>\$ 13,052,943</u>

Payments on the general obligation bonds are made by the *debt service fund* from property taxes, earnings on investments, and other local sources. Employee benefits will be charged to the fund in which the employee worked and paid by the *employee benefits fund*.

**General Obligation Bonds** – The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2019, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 7,675,000	\$ 1,260,950	\$ 8,935,950
2021	8,015,000	916,850	8,931,850
2022	3,990,000	553,800	4,543,800
2023	4,190,000	354,300	4,544,300
2024	2,050,000	167,200	2,217,200
2025	2,130,000	85,200	2,215,200
Totals	<u>\$ 28,050,000</u>	<u>\$ 3,338,300</u>	<u>\$ 31,388,300</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

General obligation school building bonds payable at June 30, 2019, with their outstanding balances, are comprised of the following individual issues:

\$18,255,000 2010 refunding bonds, due in annual installments of \$25,000 to \$2,850,000, beginning March 1, 2011 through March 1, 2023, interest from 2.00% to 5.00%.	\$ 9,960,000
\$16,360,000 2012 refunding bonds, due in annual installments of \$410,000 to \$3,345,000, beginning March 1, 2013 through March 1, 2021, interest from 2.00% to 5.00%.	2,295,000
\$21,840,000 2013 refunding bonds, due in annual installments of \$75,000 to \$4,530,000, beginning March 1, 2014 through March 1, 2025, interest from 1.50% to 5.00%.	15,795,000
	<u>\$ 28,050,000</u>

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2019 is \$1,506,203,367 with general obligation debt outstanding, net of unamortized premiums and discounts of \$30,913,616, resulting in a legal debt margin of \$1,475,289,751.

**Qualified School Construction Bonds** – Qualified school construction bonds, issued by the Building Authority, payable at June 30, 2019, with their outstanding balances, are comprised of the following individual issues:

\$5,000,000 2009 qualified school construction bonds, annual sinking-fund installments of \$385,000 due, beginning March 1, 2012 through March 1, 2024, gross interest rate of 6.75%, federal income tax credit rate subsidy of 6.01%, resulting in a net interest rate of 0.74%.	\$ 5,000,000
\$6,000,000 2010 qualified school construction bonds, annual sinking-fund deposits of \$352,941 due, beginning March 1, 2012 through March 1, 2028, gross interest rate of 5.45%, federal income tax credit rate subsidy of 4.83%, resulting in a net interest rate of 0.62%.	6,000,000
	<u>\$ 11,000,000</u>

The District transfers \$737,941 annually into a sinking fund. At June 30, 2019, the sinking fund had a balance of \$6,579,779. The annual requirements to amortize all lease revenue bonds outstanding as of June 30, 2019, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Net Interest	Total
2020	\$ -	\$ 74,220	\$ 74,220
2021	-	74,220	74,220
2022	-	74,220	74,220
2023	-	74,220	74,220
2024	5,000,000	64,970	5,064,970
2025-2028	6,000,000	148,880	6,148,880
Totals	<u>\$ 11,000,000</u>	<u>\$ 510,730</u>	<u>\$ 11,510,730</u>

The District services the qualified school construction bonds obligation from the *capital projects fund*.

## SALT LAKE CITY SCHOOL DISTRICT

### Notes to Basic Financial Statements

*Continued*

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The District has filed the required Forms 8038 for the 2009 and 2010 series qualified school construction bonds and has met the requirements that at least 10% of proceeds be spent within six months and 100% within three years in order to comply with IRS requirements to rebate arbitrage earnings. Also, revenues of the Building Authority will be deposited in required accounts to pay debt service on the bonds in order that the 6.01% federal income tax credit rate for the 2009 qualified school construction bonds or the 4.83% federal income tax credit rate for the 2010 qualified school construction bonds is not owed by the District.

**Early Retirement Incentive** – In accordance with employee agreements, the District provides post-employment health care benefits for employees retiring under the retirement incentive program, with a portion of the cost incurred by the District. The expense for all retirees for the year ended June 30, 2019 was \$1,105,826 and the total liability at June 30, 2019 was \$3,439,477. This liability is serviced through the *employee benefits fund*. The District recognizes the liability and expense in the year in which an employee retires. The District accrues the costs for its retirees using current insurance premiums as the basis for determining the liability. No liability has been recorded for current employees who may qualify for this benefit at a future date.

#### 9. LITIGATION AND LEGAL COMPLIANCE

There are several lawsuits pending in which the District is involved. The District's counsel and insurance carriers estimate that the potential claims against the District, not covered by insurance, resulting from such litigation would not materially affect the financial statements of the District.

All fund balances are positive at June 30, 2019.

#### 10. 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 is 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 insignificant.

# SALT LAKE CITY SCHOOL DISTRICT

## Notes to Basic Financial Statements

Continued

### 11. SALE OF SCHOOL BUILDING

On March 18, 2008, the District sold the Matheson elementary school building to the Salt Lake Community Action Program and executed a note agreement secured by the building. The note was renegotiated before the end of June 30, 2019. Annual payments are calculated over the remaining eight-year life of the note and the final payment is due by June 30, 2027. The note receivable bears interest at a variable rate, currently 2.76%. The anticipated annual payments as of June 30, 2019, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 69,479	\$ 16,924	\$ 86,403
2021	71,399	15,005	86,404
2022	73,371	13,033	86,404
2023	75,398	11,006	86,404
2024	77,481	8,923	86,404
2025-2027	245,522	13,688	259,210
Totals	<u>\$ 612,650</u>	<u>\$ 78,579</u>	<u>\$ 691,229</u>

### 12. RESTATEMENT

Beginning net position and fund balance amounts have been restated to properly reflect the recognition of revenue for the Salt Lake Education Foundation (a blended component unit) in accordance with generally accepted accounting principles as follows:

	Nonmajor Governmental Funds	Primary Government Governmental Activities	Blended Component Unit District Foundation
Beginning net position/fund balance, as previously stated	\$ 8,582,637	\$ 315,096,561	\$ 3,086,028
Correct unearned revenue balance	<u>(711,000)</u>	<u>(711,000)</u>	<u>(711,000)</u>
Beginning net position/fund balance, as restated	<u>\$ 7,871,637</u>	<u>\$ 314,385,561</u>	<u>\$ 2,375,028</u>

## ***REQUIRED SUPPLEMENTARY INFORMATION***

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**SALT LAKE CITY SCHOOL DISTRICT**  
**Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)**  
**Utah Retirement Systems**  
Last Five Plan (Calendar) Years\*

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	<b>District's Proportion of Net Pension Liability (Asset)</b>	<b>District's Proportionate Share of the Net Pension Liability (Asset)</b>	<b>District's Covered Payroll</b>	<b>District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll</b>	<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>
<b>Tier 1 Noncontributory System:</b>					
2018	3.6837155 %	\$ 137,053,267	\$ 99,563,341	137.65 %	84.10 %
2017	3.7216829 %	91,008,626	100,473,344	90.58 %	89.20 %
2016	3.7012941 %	119,955,866	101,692,547	117.96 %	84.90 %
2015	3.7983689 %	119,317,645	104,891,305	113.75 %	84.50 %
2014	3.7984454 %	95,437,030	107,310,945	88.94 %	87.20 %
<b>Tier 1 Contributory System:</b>					
2018	5.6088741 %	\$ 3,982,323	\$ 1,088,536	365.84 %	91.40 %
2017	5.5617268 %	365,984	1,265,151	28.93 %	99.20 %
2016	5.3744721 %	2,944,983	1,440,722	204.41 %	93.40 %
2015	5.1210614 %	3,209,124	1,622,237	197.82 %	92.40 %
2014	5.1752186 %	567,455	1,903,638	29.81 %	98.70 %
<b>Tier 2 Contributory System:</b>					
2018	2.2361874 %	\$ 957,711	\$ 26,312,015	3.64 %	90.80 %
2017	2.2625445 %	199,482	22,226,742	0.90 %	97.40 %
2016	2.2156978 %	247,160	18,170,518	1.36 %	95.10 %
2015	2.0870398 %	(4,556)	13,478,044	(0.03)%	100.20 %
2014	2.0028499 %	(60,695)	9,801,198	(0.62)%	103.50 %

\* These schedules are intended to present information for ten years; prior-year information is not available.  
Additional information will be presented as they become available.

**SALT LAKE CITY SCHOOL DISTRICT**  
**Schedules of District Contributions**  
**Utah Retirement Systems**  
Last Five Reporting (Fiscal) Years\*

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	<b>Contractually Required Contribution</b>	<b>Contributions in Relation to the Contractually Required Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>District's Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
<b>Tier 1 Noncontributory System:</b>					
2019	\$ 20,529,829	\$ 20,529,829	\$ -	\$ 93,927,350	21.86 %
2018	21,960,126	21,960,126	-	100,754,598	21.80 %
2017	21,880,481	21,880,481	-	100,749,908	21.72 %
2016	22,427,518	22,427,518	-	103,569,546	21.65 %
2015	22,335,883	22,335,883	-	105,221,848	21.23 %
<b>Tier 1 Contributory System:</b>					
2019	\$ 157,437	\$ 157,437	\$ -	\$ 889,478	17.70 %
2018	217,642	217,642	-	1,229,617	17.70 %
2017	234,783	234,783	-	1,326,454	17.70 %
2016	276,104	276,104	-	1,559,911	17.70 %
2015	293,178	293,178	-	1,700,415	17.24 %
<b>Tier 2 Contributory System:</b>					
2019	\$ 5,084,021	\$ 5,084,021	\$ -	\$ 27,035,320	18.81 %
2018	4,505,342	4,505,342	-	24,669,243	18.26 %
2017	3,758,120	3,758,120	-	20,603,736	18.24 %
2016	2,906,272	2,906,272	-	15,930,264	18.24 %
2015	2,054,555	2,054,555	-	11,363,853	18.08 %
<b>Tier 2 Defined Contribution Plan:</b>					
2019	\$ 720,136	\$ 720,136	\$ -	\$ 7,182,251	10.03 %
2018	599,621	599,621	-	5,984,244	10.02 %
2017	466,832	466,832	-	4,658,172	10.02 %
2016	327,843	327,843	-	3,270,612	10.02 %
2015	232,822	232,822	-	2,365,392	9.84 %

\* These schedules are intended to present information for ten years; prior-year information is not available.  
Additional information will be presented as they become available.

**SALT LAKE CITY SCHOOL DISTRICT**  
**Notes to Required Supplementary Information**

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**A. Changes in Assumptions – Utah Retirement Systems**

Assumptions in plan year 2018 remain unchanged from the prior year.

Amounts reported in plan year 2017 reflect the following assumption changes adopted from the January 1, 2017 valuation:

- The investment return assumption was decreased from 7.20% to 6.95%.
- The inflation assumption decreased from 2.60% to 2.50%.
- The life expectancy assumption increased for most groups.
- The wage inflation assumption decreased from 3.35% to 3.25%.
- The payroll growth assumption decreased from 3.10% to 3.00%

Amounts reported in plan year 2016 reflect the following assumption changes adopted from the January 1, 2016 valuation:

- The investment return assumption was decreased from 7.50% to 7.20%.
- The inflation assumption decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions were decreased by 0.15%.

Amounts reported in plan year 2015 reflect the following assumption changes adopted from the January 1, 2015 valuation:

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- Other assumptions that were modified: rate of salary increases, post retirement mortality, and certain demographics.

**B. Schedules of the District's Proportional Share of the Net Pension Liability (Asset) – Utah Retirement Systems**

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

**C. Schedules of District Contributions – Utah Retirement Systems**

These schedules only present information for our 2015 and subsequent reporting periods of the plans; prior-year information is not available.

Contributions as a percentage of covered payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. A portion of the required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability of the Tier 1 plans.

***COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS  
AND SCHEDULES***

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## **SALT LAKE CITY SCHOOL DISTRICT**

### ***Major Governmental Funds***

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#### ***General Fund***

*By definition the general fund is a major fund.*

To account for resources which are not required to be accounted for in any other fund. Revenues and expenditures of categorical federal and state programs are accounted for in this fund, if they are for the kindergarten through grade 12 regular day school programs.

#### ***Debt Service Fund***

To account for the accumulation of resources and the payment of general obligation bond principal and interest due annually.

#### ***Capital Projects Fund***

To account for resources collected by property taxes used for debt service, acquiring and improving sites, construction and remodeling facilities, and purchasing equipment necessary for providing educational programs for all students within the District.

#### ***Pass-Through Taxes Fund***

This fund is used to account for property taxes levied by the District, but remitted directly to other entities. Incremental taxes and the charter school levy are levied as authorized by Utah Code 17C-1 and Utah Code 53A-1, respectively. Incremental taxes and the charter school levy are recorded as revenue with an equivalent amount of expenditure representing the fact that these amounts are forwarded directly to other entities.

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual General Fund

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 100,506,036	\$ 108,892,192	\$ 8,386,156	\$ 99,904,251
Interest on investments	1,191,200	3,064,115	1,872,915	1,523,798
Other local	9,855,510	10,462,200	606,690	10,848,622
State of Utah	92,893,196	89,073,224	(3,819,972)	89,314,800
Federal government	16,721,301	16,448,602	(272,699)	18,151,415
Total revenues	221,167,243	227,940,333	6,773,090	219,742,886
<b>Expenditures:</b>				
Current:				
Instruction	138,740,751	136,898,616	1,842,135	136,805,278
Supporting services:				
Students	9,204,491	8,439,695	764,796	7,636,383
Instructional staff	18,390,771	17,113,186	1,277,585	16,115,269
General district administration	1,121,872	1,041,495	80,377	1,006,563
General school administration	15,368,035	15,489,309	(121,274)	15,044,125
Central services	6,452,236	6,248,147	204,089	5,904,196
Operation and maintenance of school buildings	20,193,301	20,712,455	(519,154)	22,524,300
Student transportation	6,510,248	6,294,865	215,383	5,950,804
Child nutrition services	295,027	336,354	(41,327)	126,969
Community services	10,112,807	9,455,238	657,569	8,885,188
Total expenditures	226,389,539	222,029,360	4,360,179	219,999,075
Excess (deficiency) of revenues over (under) expenditures	(5,222,296)	5,910,973	11,133,269	(256,189)
<b>Other financing sources:</b>				
Transfer in	-	-	-	10,152,426
Net change in fund balances	(5,222,296)	5,910,973	11,133,269	9,896,237
<b>Fund balances - beginning</b>	60,719,722	60,719,722	-	50,823,485
<b>Fund balances - ending</b>	<u>\$ 55,497,426</u>	<u>\$ 66,630,695</u>	<u>\$ 11,133,269</u>	<u>\$ 60,719,722</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Debt Service Fund

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 8,804,304	\$ 9,599,312	\$ 795,008	\$ 9,146,508
Interest on investments	8,000	107,941	99,941	49,942
Total revenues	8,812,304	9,707,253	894,949	9,196,450
<b>Expenditures:</b>				
Principal retirement	7,350,000	7,350,000	-	7,110,000
Interest on bonds	1,581,000	1,581,000	-	1,824,925
Other fees	2,000	2,000	-	2,000
Total expenditures	8,933,000	8,933,000	-	8,936,925
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(120,696)	774,253	894,949	259,525
<b>Fund balances - beginning</b>	2,733,112	2,733,112	-	2,473,587
<b>Fund balances - ending</b>	<u>\$ 2,612,416</u>	<u>\$ 3,507,365</u>	<u>\$ 894,949</u>	<u>\$ 2,733,112</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Capital Projects Fund

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 27,713,650	\$ 29,500,699	\$ 1,787,049	\$ 28,623,277
Interest on investments	374,275	1,322,916	948,641	753,529
Other local	69,298	176,678	107,380	2,775,980
Federal government	379,745	379,745	-	396,746
Total revenues	28,536,968	31,380,038	2,843,070	32,549,532
<b>Expenditures:</b>				
Facilities acquisition and construction services	47,474,264	40,102,596	7,371,668	21,523,507
Equipment	736,104	143,859	592,245	641,985
Interest on bonds	72,500	71,406	(1,094)	72,501
Bond agent fees	5,200	5,200	-	5,200
Total expenditures	48,288,068	40,323,061	7,962,819	22,243,193
Excess (deficiency) of revenues over (under) expenditures	(19,751,100)	(8,943,023)	10,805,889	10,306,339
<b>Other financing sources:</b>				
Proceeds from sale of capital assets	73,000	70,997	(2,003)	76,920
Net change in fund balances	(19,678,100)	(8,872,026)	10,803,886	10,383,259
<b>Fund balances - beginning</b>	53,432,905	53,432,905	-	43,049,646
<b>Fund balances - ending</b>	<u>\$ 33,754,805</u>	<u>\$ 44,560,879</u>	<u>\$ 10,803,886</u>	<u>\$ 53,432,905</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### Pass-Through Taxes Fund

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 16,836,314	\$ 16,711,229	\$ (125,085)	\$ 15,682,244
<b>Expenditures:</b>				
Current:			-	-
Community services	16,836,314	16,711,229	125,085	15,682,244
Excess of revenues over expenditures - net change in fund balances	-	-	-	-
<b>Fund balances - beginning</b>	-	-	-	-
<b>Fund balances - ending</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## **SALT LAKE CITY SCHOOL DISTRICT**

### ***Nonmajor Governmental Funds***

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#### ***Special Revenue Funds***

##### ***Child Nutrition Fund***

This fund accounts for the operation of the District's school lunch and breakfast programs, contract catering services, and a summer program for economically disadvantaged children. Revenues are generated through cash sales of food items in addition to federal and state subsidies.

##### ***Student Activities Fund***

To account for the receipts and disbursements of monies for student activities and organizations at the individual schools.

##### ***District Foundation Fund***

This fund is used to account for financial resources collected and spent by the District's 501(c)(3) foundation. Revenues are generated through donations from community members and businesses are used to augment the educational needs of teachers and students of the District.

# SALT LAKE CITY SCHOOL DISTRICT

## Combining Balance Sheet Nonmajor Governmental Funds

June 30, 2019

	Child Nutrition	Student Activities	District Foundation	Total
<b>Assets:</b>				
Cash and investments	\$ 1,126,780	\$ 3,373,949	\$ 3,529,469	\$ 8,030,198
Receivables:				
Other local	15,154	-	599	15,753
State of Utah	593,416	-	-	593,416
Federal government	233,949	-	-	233,949
Inventories	869,043	-	-	869,043
Prepaid expenditures	978	-	-	978
Total assets	<u>\$ 2,839,320</u>	<u>\$ 3,373,949</u>	<u>\$ 3,530,068</u>	<u>\$ 9,743,337</u>
<b>Liabilities:</b>				
Accounts payable	\$ 88,876	\$ 23,422	\$ 85,651	\$ 197,949
Due to student organizations	-	220,352	-	220,352
Unearned revenue:				
Other local	245,666	-	632,000	877,666
Total liabilities	<u>334,542</u>	<u>243,774</u>	<u>717,651</u>	<u>1,295,967</u>
<b>Fund balances:</b>				
Nonspendable:				
Inventories	869,043	-	-	869,043
Prepaid expenditures	978	-	-	978
Restricted:				
Child nutrition services	1,634,757	-	-	1,634,757
Assigned:				
Students	-	3,130,175	-	3,130,175
Foundation	-	-	2,812,417	2,812,417
Total fund balances	<u>2,504,778</u>	<u>3,130,175</u>	<u>2,812,417</u>	<u>8,447,370</u>
Total liabilities and fund balances	<u>\$ 2,839,320</u>	<u>\$ 3,373,949</u>	<u>\$ 3,530,068</u>	<u>\$ 9,743,337</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds Year Ended June 30, 2019

	Child Nutrition	Student Activities	District Foundation	Total
<b>Revenues:</b>				
Student fees	\$ -	\$ 1,591,020	\$ -	\$ 1,591,020
Food sales	1,799,721	-	-	1,799,721
Earnings on investments	37,649	78,747	125,074	241,470
Donations	-	-	1,136,923	1,136,923
Other local	-	2,498,300	232,288	2,730,588
State of Utah	2,011,075	-	-	2,011,075
Federal government	9,334,122	-	-	9,334,122
Total revenues	13,182,567	4,168,067	1,494,285	18,844,919
<b>Expenditures:</b>				
Current:				
Instruction	-	4,086,794	-	4,086,794
Child nutrition services	13,142,110	-	-	13,142,110
Community services	-	-	1,056,896	1,056,896
Total expenditures	13,142,110	4,086,794	1,056,896	18,285,800
Excess (deficiency) of revenues over (under) expenditures	40,457	81,273	437,389	559,119
<b>Other financing sources and (uses):</b>				
Proceeds from sale of capital assets	16,614	-	-	16,614
Net change in fund balances	57,071	81,273	437,389	575,733
<b>Fund balances - beginning, as restated</b>	2,447,707	3,048,902	2,375,028	7,871,637
<b>Fund balances - ending</b>	<u>\$ 2,504,778</u>	<u>\$ 3,130,175</u>	<u>\$ 2,812,417</u>	<u>\$ 8,447,370</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### Child Nutrition

### A Nonmajor Special Revenue Fund

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Food sales	\$ 1,622,714	\$ 1,799,721	\$ 177,007	\$ 1,450,266
Earnings on investments	29,681	37,649	7,968	29,681
State of Utah	2,071,486	2,011,075	(60,411)	1,842,866
Federal government	9,667,601	9,334,122	(333,479)	9,263,101
Total revenues	13,391,482	13,182,567	(208,915)	12,585,914
<b>Expenditures:</b>				
Current:				
Salaries	3,677,428	3,477,268	200,160	3,364,708
Employee benefits	1,755,456	1,658,060	97,396	1,536,835
Food	5,424,753	5,431,385	(6,632)	5,404,067
Supplies	727,370	704,230	23,140	693,288
Contracted services	585,194	519,705	65,489	828,562
Indirect costs	662,914	537,484	125,430	1,181,056
Equipment and maintenance	858,100	813,978	44,122	189,881
Total expenditures	13,691,215	13,142,110	549,105	13,198,397
Excess (deficiency) of revenues over (under) expenditures	(299,733)	40,457	340,190	(612,483)
<b>Other financing sources:</b>				
Proceeds from sale of capital assets	20,000	16,614	(3,386)	13,425
Net change in fund balances	(279,733)	57,071	336,804	(599,058)
<b>Fund balances - beginning</b>	2,447,707	2,447,707	-	3,046,765
<b>Fund balances - ending</b>	<u>\$ 2,167,974</u>	<u>\$ 2,504,778</u>	<u>\$ 336,804</u>	<u>\$ 2,447,707</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### Student Activities

### A Nonmajor Special Revenue Fund

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Interest from investments	\$ 58,000	\$ 78,747	\$ 20,747	\$ 53,258
Fees and fines	1,175,000	1,591,020	416,020	984,612
Vending	59,000	51,445	(7,555)	45,984
Other local	3,208,000	2,446,855	(761,145)	2,968,120
Total revenues	4,500,000	4,168,067	(331,933)	4,051,974
<b>Expenditures:</b>				
Current:				
Salaries	309,073	320,821	(11,748)	373,618
Employee benefits	97,947	55,085	42,862	71,106
Contract services	187,000	137,408	49,592	128,466
Purchased services	97,257	95,484	1,773	85,671
Supplies	3,786,723	3,463,217	323,506	3,358,565
Dues and fees	1,000	675	325	235
Equipment	21,000	14,104	6,896	1,457
Total expenditures	4,500,000	4,086,794	413,206	4,019,118
Excess of revenues over expenditures - net change in fund balances	-	81,273	81,273	32,856
<b>Fund balances - beginning</b>	3,048,902	3,048,902	-	3,016,046
<b>Fund balances - ending</b>	<u>\$ 3,048,902</u>	<u>\$ 3,130,175</u>	<u>\$ 81,273</u>	<u>\$ 3,048,902</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

### District Foundation

### A Nonmajor Special Revenue Fund

Year Ended June 30, 2019

	2019			2018
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Earnings on investments	\$ 168,000	\$ 125,074	\$ (42,926)	\$ 168,214
Donations	1,795,000	1,136,923	(658,077)	1,082,353
Other	-	232,288	232,288	188,583
Total revenues	1,963,000	1,494,285	(468,715)	1,439,150
<b>Expenditures:</b>				
Current:				
Salaries	250,000	163,970	86,030	50,717
Employee benefits	84,511	50,103	34,408	7,389
Purchased services	495,000	250,584	244,416	198,823
Instructional grants and scholarships	350,000	31,878	318,122	144,395
Supplies	730,000	532,426	197,574	567,859
Equipment	50,000	27,935	22,065	12,004
Facilities acquisition and construction services	-	-	-	2,583,964
Total expenditures	1,959,511	1,056,896	902,615	3,565,151
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	3,489	437,389	433,900	(2,126,001)
<b>Fund balances - beginning, as restated</b>	2,375,028	2,375,028	-	4,501,029
<b>Fund balances - ending</b>	<u>\$ 2,378,517</u>	<u>\$ 2,812,417</u>	<u>\$ 433,900</u>	<u>\$ 2,375,028</u>

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## **SALT LAKE CITY SCHOOL DISTRICT**

### ***Internal Service Funds***

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#### ***Distribution Services Fund***

To account for services provided to departments and schools in the District by the central warehousing system. Such costs are recovered by charging more than the invoice cost for items distributed through the warehouse.

#### ***Printing/Graphics Fund***

To account for printing services provided to departments and schools in the District by the District's printing shop. Costs are recovered by charges to user departments and schools.

#### ***Technical Services Fund***

To account for repair services provided to the various departments and schools of the District. Costs are recovered by charges to user departments and schools.

#### ***Employee Benefits Fund***

To account for accrued vacation and sick leave payments, early retirement insurance benefits, health and dental insurance payments, and worker's compensation payments.

# SALT LAKE CITY SCHOOL DISTRICT

## Combining Statement of Fund Net Position

### Internal Service Funds

June 30, 2019

With Comparative Totals for 2018

	2019					2018
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
<b>Assets:</b>						
Current assets:						
Cash and investments	\$ -	\$ -	\$ 352,097	\$ 17,638,045	\$ 17,990,142	\$ 15,288,152
Receivables	388	-	-	-	388	391
Inventories	418,076	23,621	59,441	-	501,138	271,154
Prepaid expenses	5,467	-	-	-	5,467	-
Total current assets	423,931	23,621	411,538	17,638,045	18,497,135	15,559,697
Noncurrent assets:						
Capital assets:						
Equipment	348,959	189,261	65,043	-	603,263	559,558
Accumulated depreciation	(213,935)	(92,718)	(63,451)	-	(370,104)	(418,233)
Net capital assets	135,024	96,543	1,592	-	233,159	141,325
Total assets	558,955	120,164	413,130	17,638,045	18,730,294	15,701,022
<b>Deferred Outflows of Resources:</b>						
Amounts related to pensions	97,517	39,444	228,306	-	365,267	371,785
<b>Liabilities:</b>						
Current liabilities:						
Accounts payable	150,647	17,335	4,852	-	172,834	27,209
Accrued vacation	-	-	-	86,083	86,083	119,317
Accrued sick leave	-	-	-	266,492	266,492	358,923
Early retirement incentive	-	-	-	980,902	980,902	1,010,470
Health insurance	-	-	-	3,484,656	3,484,656	3,517,533
Dental insurance	-	-	-	254,253	254,253	312,226
Workers compensation	-	-	-	305,557	305,557	368,030
Total current liabilities	150,647	17,335	4,852	5,377,943	5,550,777	5,713,708
Noncurrent liabilities:						
Net pension liability	263,509	113,113	614,739	-	991,361	637,368
Accrued vacation	-	-	-	730,591	730,591	677,499
Accrued sick leave	-	-	-	2,675,854	2,675,854	2,439,594
Early retirement incentive	-	-	-	2,458,575	2,458,575	2,539,452
Total noncurrent liabilities	263,509	113,113	614,739	5,865,020	6,856,381	6,293,913
Total liabilities	414,156	130,448	619,591	11,242,963	12,407,158	12,007,621
<b>Deferred Inflows of Resources:</b>						
Amounts related to pensions	6,681	1,781	13,900	-	22,362	334,107
<b>Net Position:</b>						
Net investment in capital assets	135,024	96,543	1,592	-	233,159	141,325
Unrestricted	100,611	(69,164)	6,353	6,395,082	6,432,882	3,589,754
Total net position	\$ 235,635	\$ 27,379	\$ 7,945	\$ 6,395,082	\$ 6,666,041	\$ 3,731,079

# SALT LAKE CITY SCHOOL DISTRICT

## Combining Statement of Revenues, Expenses, and Changes in Fund Net Position

### Internal Service Funds

Year Ended June 30, 2019

With Comparative Totals for 2018

	2019					2018
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
<b>Operating revenues:</b>						
Charges for services	\$ 614,776	\$ 291,977	\$ 1,111,340	\$ 21,059,100	\$ 23,077,193	\$ 21,864,173
<b>Operating expenses:</b>						
Salaries	279,621	107,993	598,713	-	986,327	970,962
Employee benefits	140,204	57,929	360,787	18,558,230	19,117,150	17,771,904
Materials	39,702	90,308	125,967	-	255,977	280,377
Contracted services	7,956	29,845	14,917	-	52,718	50,290
Equipment maintenance	28,234	-	3,215	-	31,449	26,357
Depreciation	13,227	22,682	2,389	-	38,298	32,196
Other expenses	55,132	5,325	9,534	-	69,991	110,260
Total operating expenses	564,076	314,082	1,115,522	18,558,230	20,551,910	19,242,346
Operating income (loss)	50,700	(22,105)	(4,182)	2,500,870	2,525,283	2,621,827
<b>Nonoperating income:</b>						
Gain on sale of capital assets	13,906	-	545	-	14,451	-
Interest on investments	-	-	4,103	391,125	395,228	212,319
Total non-operating revenues (expenses)	13,906	-	4,648	391,125	409,679	212,319
Change in net position	64,606	(22,105)	466	2,891,995	2,934,962	2,834,146
<b>Net position - beginning</b>	171,029	49,484	7,479	3,503,087	3,731,079	896,933
<b>Net position - ending</b>	<u>\$ 235,635</u>	<u>\$ 27,379</u>	<u>\$ 7,945</u>	<u>\$ 6,395,082</u>	<u>\$ 6,666,041</u>	<u>\$ 3,731,079</u>

**SALT LAKE CITY SCHOOL DISTRICT**

**Combining Statement of Fund Cash Flows  
Internal Service Funds**

*Year Ended June 30, 2019*

*With Comparative Totals for 2018*

	2019				2018	
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
<b>Cash flows from operating activities:</b>						
Receipts from interfund services provided	\$ 614,779	\$ 291,977	\$ 1,111,340	\$ 21,059,100	\$ 23,077,196	\$ 21,864,549
Payments to suppliers	(240,778)	(118,547)	(148,811)	-	(508,136)	(389,188)
Payments made to or on behalf of employees	(407,524)	(152,225)	(928,557)	(18,658,311)	(20,146,617)	(19,835,037)
Net cash provided (used) by operating activities	(33,523)	21,205	33,972	2,400,789	2,422,443	1,640,324
<b>Cash flows from capital and related financing activities:</b>						
Sale of capital assets	17,750	-	545	-	18,295	-
Acquisition of capital assets	(112,573)	(21,403)	-	-	(133,976)	(70,567)
Net cash provided (used) by capital and related financing activities	(94,823)	(21,403)	545	-	(115,681)	(70,567)
<b>Cash flows from investing activities:</b>						
Interest earned	-	-	4,103	391,125	395,228	212,319
Change in cash and cash equivalents	(128,346)	(198)	38,620	2,791,914	2,701,990	1,782,076
<b>Cash and Cash Equivalents - Beginning</b>	<u>128,346</u>	<u>198</u>	<u>313,477</u>	<u>14,846,131</u>	<u>15,288,152</u>	<u>13,506,076</u>
<b>Cash and Cash Equivalents - Ending</b> (displayed as cash and investments in the combining statement of fund net position)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 352,097</u>	<u>\$ 17,638,045</u>	<u>\$ 17,990,142</u>	<u>\$ 15,288,152</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 50,700	\$ (22,105)	\$ (4,182)	\$ 2,500,870	\$ 2,525,283	\$ 2,621,827
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	13,227	22,682	2,389	-	38,298	32,196
Pension expense	(76,991)	(34,561)	(193,675)	-	(305,227)	193,913
Changes in operating assets and liabilities:						
Receivables	3	-	-	-	3	376
Inventories	(233,353)	(237)	3,606	-	(229,984)	94,978
Prepaid expenses	(5,466)	-	-	-	(5,466)	-
Accounts payable	129,065	7,168	1,216	-	137,449	(16,882)
Net pension liability	89,292	48,258	224,618	-	362,168	(219,091)
Accrued vacation	-	-	-	19,858	19,858	(49,164)
Accrued sick leave	-	-	-	143,829	143,829	(53,748)
Early retirement incentive payable	-	-	-	(110,445)	(110,445)	(584,586)
Health insurance payable	-	-	-	(32,877)	(32,877)	(446,352)
Dental insurance payable	-	-	-	(57,973)	(57,973)	(26,119)
Workers compensation payable	-	-	-	(62,473)	(62,473)	92,976
Total adjustments	(84,223)	43,310	38,154	(100,081)	(102,840)	(981,503)
Net cash provided (used) by operating activities	<u>\$ (33,523)</u>	<u>\$ 21,205</u>	<u>\$ 33,972</u>	<u>\$ 2,400,789</u>	<u>\$ 2,422,443</u>	<u>\$ 1,640,324</u>
Noncash investing, capital, and financing activities	none	none	none	none	none	none

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# SALT LAKE CITY SCHOOL DISTRICT

## STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	80 - 85
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	86 - 89
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	90 - 95
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	96 - 97
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	98 - 109
<b>Continuing Disclosure Information</b> These schedules are required as part of the District's ongoing general obligation bonded debt disclosures and give additional information to investors about the financial trends and tax base of the District.	110 - 117

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

## SALT LAKE CITY SCHOOL DISTRICT

### Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

Fiscal Year Ended June 30,	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position
2019	\$ 295,590,039	\$ 51,368,464	\$ (11,760,765)	\$ 335,197,738
2018	269,145,657	59,388,811	(14,148,907)	314,385,561
2017	260,683,699	49,382,011	(22,667,340)	287,398,370
2016	249,277,178	51,519,294	(26,394,016)	274,402,456
2015	246,369,037	45,430,231	(35,226,396)	256,572,872
2014	246,581,273	37,426,080	(42,119,504)	241,887,849
2013	244,506,480	39,885,077	46,583,520	330,975,077
2012	236,865,736	36,736,166	47,128,386	320,730,288
2011	228,314,411	37,596,288	46,483,756	312,394,455
2010	217,482,173	34,558,724	40,792,140	292,833,037

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

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units. As a result, the beginning net position balance (June 30, 2017) was increased by \$4,501,029. Prior years have not been restated.

Note: In FY2015, the District implemented GASB Statements 68 and 71, recording its proportionate share of net pension liabilities. As a result, the beginning net position balance (June 30, 2014) was decreased by \$97,942,595. Prior years have not been restated.

## SALT LAKE CITY SCHOOL DISTRICT

### Fund Balances - Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

Fiscal Year Ended June 30,	General Fund					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2019	\$ 169,236	\$ -	\$ 7,000,000	\$ 45,777,152	\$ 13,684,307	\$ 66,630,695
2018	235,033	-	7,000,000	41,245,395	12,239,294	60,719,722
2017	313,102	-	7,000,000	32,246,787	11,263,596	50,823,485
2016	112,365	-	7,000,000	29,966,831	11,214,374	48,293,570
2015	100,026	-	7,000,000	28,288,245	9,034,359	44,422,630
2014	75,587	-	7,000,000	28,543,112	9,413,515	45,032,214
2013	94,310	-	7,000,000	27,263,411	9,296,032	43,653,753
2012	114,464	-	7,000,000	27,118,083	9,605,666	43,838,213
2011	144,865	-	7,000,000	26,404,314	10,254,912	43,804,091
2010	123,845	-	7,000,000	19,512,177	11,837,262	38,473,284

Fiscal Year Ended June 30,	All Other Governmental Funds					
	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
2019	\$ 1,050,108	\$ 49,522,914	\$ -	\$ 5,942,592	\$ -	\$ 56,515,614
2018	876,805	57,760,164	-	5,400,685	-	64,037,654
2017	913,331	47,656,667	460,753	12,707,719	-	61,738,470
2016	899,336	50,050,619	466,941	11,037,734	-	62,454,630
2015	793,731	44,040,499	319,414	7,758,185	-	52,911,829
2014	806,019	35,862,356	409,885	7,497,751	-	44,576,011
2013	609,278	30,496,551	-	7,511,013	-	38,616,842
2012	634,151	28,496,614	-	6,353,859	-	35,484,624
2011	529,853	37,876,976	-	5,127,627	-	43,534,456
2010	873,766	33,444,270	-	3,202,250	-	37,520,286

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

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units.

As a result, the beginning fund balance (June 30, 2017) of all other governmental funds was increased by \$4,501,029.  
Prior years have not been restated.

## SALT LAKE CITY SCHOOL DISTRICT

### Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2019	2018	2017	2016
<b>Expenses:</b>				
Instruction	\$ 162,410,748	\$ 155,079,876	\$ 165,982,553	\$ 157,579,097
Supporting services:				
Students	8,736,606	7,492,203	6,965,626	6,218,591
Instructional staff	17,679,826	15,832,820	18,248,249	16,823,554
General district administration	1,170,178	1,079,089	1,365,983	1,117,841
General school administration	16,000,652	14,779,164	13,962,911	13,206,765
Central	6,538,274	5,757,728	5,505,182	5,502,790
Operation and maintenance of school buildings	22,071,691	23,321,534	20,931,327	21,970,649
Student transportation	7,152,175	6,649,375	6,593,242	6,378,272
Child nutrition services	13,743,899	13,374,183	13,525,585	13,389,707
Community services	27,434,824	28,028,676	18,167,811	14,794,072
Interest on long-term liabilities	1,239,851	1,510,627	1,752,609	1,963,779
Total expenses	284,178,724	272,905,275	273,001,078	258,945,117
<b>Program Revenues:</b>				
Charges for services:				
Instruction	1,719,992	2,059,872	4,310,213	4,385,232
Supporting services	161,103	152,157	115,190	133,176
Child nutrition services	1,799,721	1,450,266	1,435,850	1,423,050
Community services	1,987,019	2,272,979	-	-
Operating grants and contributions	65,012,185	64,117,326	65,665,467	64,544,677
Total program revenues	70,680,020	70,052,600	71,526,720	70,486,135
Net (expense)/revenue	(213,498,704)	(202,852,675)	(201,474,358)	(188,458,982)
<b>General Revenues and Other Changes in Net Position:</b>				
Property taxes	164,700,882	153,287,248	146,025,053	141,023,430
Federal and state aid not restricted to specific purposes	52,234,583	54,140,602	52,635,837	51,156,775
Earnings on investments	5,131,670	2,790,741	2,147,568	1,249,264
Miscellaneous	12,243,746	15,120,246	13,661,814	12,859,097
Total general and other	234,310,881	225,338,837	214,470,272	206,288,566
Change in net position	\$ 20,812,177	\$ 22,486,162	\$ 12,995,914	\$ 17,829,584

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

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units. Prior years have not been restated.

Note: Pass-through taxes were first reported in 2015 with an equal amount reported as community services expenditures.

2015	2014	2013	2012	2011	2010
\$ 156,111,302	\$ 160,402,578	\$ 156,240,735	\$ 153,694,103	\$ 154,113,899	\$ 153,348,876
5,933,832	5,979,448	5,850,872	5,965,406	6,059,853	6,245,107
16,011,030	15,986,650	14,605,154	15,361,417	14,897,568	15,406,650
1,107,411	1,274,078	1,541,222	1,051,678	1,205,297	1,279,297
12,100,581	12,268,416	11,675,857	11,811,898	11,321,300	11,293,363
5,017,189	4,790,277	4,626,812	4,555,684	4,850,665	4,622,323
20,345,227	19,390,891	19,648,790	18,295,132	18,208,395	18,234,484
5,841,251	6,775,690	6,179,347	6,058,589	5,851,624	5,059,709
12,787,372	12,935,867	13,587,803	14,547,742	14,257,099	13,079,043
13,963,081	931,160	1,248,839	919,813	717,929	562,525
2,239,134	2,712,179	3,324,175	3,823,970	4,571,285	5,322,106
251,457,410	243,447,234	238,529,606	236,085,432	236,054,914	234,453,483
4,276,266	4,498,291	3,233,891	4,481,581	4,131,741	3,388,844
215,887	374,145	349,616	370,779	445,325	475,060
1,377,844	1,317,206	1,416,254	1,198,038	1,790,335	1,339,422
659,100	1,876,152	2,102,406	2,012,325	1,208,121	1,183,018
64,669,217	65,294,680	68,959,797	69,875,094	71,722,359	70,280,605
71,198,314	73,360,474	76,061,964	77,937,817	79,297,881	76,666,949
(180,259,096)	(170,086,760)	(162,467,642)	(158,147,615)	(156,757,033)	(157,786,534)
127,422,010	112,767,576	107,488,446	103,998,011	102,066,099	97,273,621
56,849,798	55,395,080	53,071,691	53,295,236	64,447,486	64,685,625
453,413	876,215	1,367,829	1,518,660	1,316,194	1,683,970
10,218,898	9,903,256	10,784,465	7,856,127	8,960,693	8,814,375
194,944,119	178,942,127	172,712,431	166,668,034	176,790,472	172,457,591
<u>\$ 14,685,023</u>	<u>\$ 8,855,367</u>	<u>\$ 10,244,789</u>	<u>\$ 8,520,419</u>	<u>\$ 20,033,439</u>	<u>\$ 14,671,057</u>

## SALT LAKE SCHOOL DISTRICT

### Changes in Fund Balances - Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2019	2018	2017	2016
<b>Revenues:</b>				
Property taxes	\$ 164,703,432	\$ 153,356,280	\$ 145,957,519	\$ 141,028,773
Other local	22,633,572	22,922,942	21,539,131	19,968,466
State of Utah	91,084,299	91,157,666	89,212,633	86,406,711
Federal government	26,162,469	27,811,262	29,088,671	29,294,741
Total revenues	304,583,772	295,248,150	285,797,954	276,698,691
<b>Expenditures:</b>				
Instruction	140,985,410	140,824,396	145,655,930	139,814,349
Supporting services:				
Students	8,439,695	7,636,383	6,947,586	6,247,205
Instructional staff	17,113,186	16,115,269	18,202,941	16,893,271
General district administration	1,041,495	1,006,563	1,290,676	1,045,533
General school administration	15,489,309	15,044,125	13,929,259	13,262,497
Central	6,248,147	5,904,196	5,486,401	5,536,082
Operation and maintenance of buildings	20,712,455	22,524,300	19,860,499	21,043,256
Student transportation	6,294,865	5,950,804	5,832,589	5,724,106
Child nutrition services	13,478,464	13,325,366	13,362,790	13,244,906
Community services	27,223,363	28,132,583	18,167,753	14,794,275
Capital outlay	40,246,455	22,165,492	26,328,330	15,236,851
Debt service:				
Principal retirement	7,350,000	7,110,000	6,855,000	8,162,722
Bond issuance costs	-	-	-	-
Interest, fiscal charges and other	1,659,606	1,904,626	2,159,538	2,368,343
Total expenditures	306,282,450	287,644,103	284,079,292	263,373,396
Excess (deficiency) of revenues over (under) expenditures	(1,698,678)	7,604,047	1,718,662	13,325,295
<b>Other financing sources (uses):</b>				
Refunding bonds issued	-	-	-	-
Bonds issued	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Proceeds from the sale of capital assets	87,611	90,345	95,093	88,446
Total other financing sources (uses)	87,611	90,345	95,093	88,446
Net change in fund balances	\$ (1,611,067)	\$ 7,694,392	\$ 1,813,755	\$ 13,413,741
Debt service as a percentage of noncapital expenditures	3.30%	3.31%	3.41%	4.15%

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

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units.  
Prior years have not been restated.

Note: Pass-through taxes were first reported in 2015 with an equal amount reported  
as community services expenditures.

2015	2014	2013	2012	2011	2010
\$ 127,727,136	\$ 113,271,145	\$ 108,165,953	\$ 104,391,365	\$ 101,544,260	\$ 96,367,544
17,137,920	18,791,513	19,197,207	17,381,548	17,810,066	16,723,463
91,507,175	88,738,160	85,619,270	85,203,428	91,265,093	89,412,671
30,011,840	31,951,600	36,412,218	37,966,902	44,904,752	45,553,559
266,384,071	252,752,418	249,394,648	244,943,243	255,524,171	248,057,237
140,714,894	136,144,991	136,600,090	133,718,233	136,628,817	133,719,808
6,224,570	5,979,448	5,850,872	5,847,163	5,942,934	6,138,199
16,545,451	15,940,426	14,582,807	14,759,440	14,312,976	14,872,111
1,026,961	1,142,448	1,189,225	1,054,156	1,292,099	1,225,378
12,556,070	12,268,416	11,675,857	11,457,168	11,179,035	10,972,640
5,243,070	4,790,277	4,626,812	4,555,684	4,850,665	4,622,323
19,914,455	18,791,047	19,319,852	17,381,827	17,390,412	17,478,438
5,266,543	6,076,530	5,580,941	5,463,831	5,253,829	4,508,769
12,624,971	12,727,244	13,130,040	13,544,074	13,267,624	12,174,820
13,963,081	931,160	1,248,839	919,813	717,929	562,525
14,127,872	13,286,721	15,933,609	27,390,187	22,491,052	18,073,415
7,815,000	14,340,000	12,810,000	12,433,000	12,111,000	11,483,000
-	-	240,476	130,143	208,491	78,023
2,716,793	3,072,526	3,987,980	4,140,961	4,797,153	5,443,821
258,739,731	245,491,234	246,777,400	252,795,680	250,444,016	241,353,270
7,644,340	7,261,184	2,617,248	(7,852,437)	5,080,155	6,703,967
-	-	22,140,000	16,360,000	18,255,000	-
-	-	-	-	6,000,000	5,000,000
-	-	3,260,900	2,062,922	2,984,071	-
-	-	(25,148,502)	(18,664,358)	(21,076,861)	-
81,894	76,446	78,112	78,163	102,612	254,258
81,894	76,446	330,510	(163,273)	6,264,822	5,254,258
\$ 7,726,234	\$ 7,337,630	\$ 2,947,758	\$ (8,015,710)	\$ 11,344,977	\$ 11,958,225
4.19%	7.16%	7.07%	7.04%	7.18%	7.23%

# SALT LAKE CITY SCHOOL DISTRICT

## Assessed Value and Estimated Actual Value of Taxable Property Last Ten Tax Years December 31, 2009 through 2018

Tax Year	Centrally Assessed	Residential	Industrial & Commercial	Agriculture	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2009	\$ 1,603,357,209	\$ 7,704,027,024	\$ 7,362,953,510	\$ 1,213,020	\$ 2,752,043,271	\$ 19,423,594,034	0.005976	\$ 25,580,544,749	75.93%
2010	1,609,972,716	7,379,392,292	7,341,913,730	1,005,510	2,597,999,755	18,930,284,003	0.006371	24,826,812,300	76.25%
2011	1,576,916,496	7,441,337,891	7,472,027,650	1,044,620	2,061,037,331	18,552,363,988	0.006408	24,496,904,249	75.73%
2012	1,617,923,834	7,322,058,294	7,607,614,630	1,001,680	2,012,288,200	18,560,886,638	0.006626	24,407,186,130	76.05%
2013	1,699,347,198	7,592,180,829	8,057,786,330	1,288,240	2,223,873,242	19,574,475,839	0.006651	25,638,645,909	76.35%
2014	1,675,767,308	7,998,504,654	8,769,911,490	1,335,940	2,457,162,256	20,902,681,648	0.006303	27,302,520,481	76.56%
2015	1,816,940,749	8,538,284,481	9,262,137,660	1,361,629	2,499,620,187	22,118,344,706	0.006497	28,958,202,757	76.38%
2016	2,042,289,238	9,295,626,813	10,168,116,640	1,417,220	2,808,606,991	24,316,056,902	0.006180	31,767,892,472	76.54%
2017	1,903,805,638	10,155,441,022	11,101,906,410	2,102,470	2,885,083,396	26,048,338,936	0.005748	34,202,174,968	76.16%
2018	2,126,753,319	11,012,275,647	12,585,326,640	4,878,850	3,069,979,745	28,799,214,201	0.005500	37,655,084,178	76.48%

Source: Property Tax Division, Utah State Tax Commission

## SALT LAKE CITY SCHOOL DISTRICT

### Direct and Overlapping Property Tax Rates

#### Last Ten Tax Years

December 31, 2009 through 2018

(rate per \$1 of assessed value)

	Tax Rates for the Tax Year Ended December 31,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Salt Lake City School District direct rates:										
Basic program (1)	0.001666	0.001568	0.001675	0.001736	0.001419	0.001535	0.001651	0.001591	0.001527	0.001433
Voted local (2)	0.000734	0.000802	0.000861	0.000915	0.000951	0.000973	0.001000	0.000880	0.001800	0.001768
Board local (3)	0.001724	0.001861	0.002109	0.002259	0.002284	0.001975	0.001835	0.000400	0.000200	0.000200
K-3 reading program	(b)	(b)	(b)	(b)	(b)	(b)	(b)	0.000121	0.000121	0.000121
Transportation (4)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	0.000151	0.000095	(a)
Tort liability (5)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	0.000100	0.000022	0.000022
Recreation (6)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	0.000485	0.000120	0.000116
Capital outlay (7)	0.000950	0.001038	0.001122	0.001094	0.001115	0.001162	0.001130	0.001119	0.001229	0.001123
10% of Basic - Other (8)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	0.000545	0.000225	0.000223
Debt service (9)	0.000352	0.000375	0.000413	0.000493	0.000534	0.001006	0.001010	0.001016	0.001032	0.000970
Charter School Levy (10)	0.000074	0.000104	na	na	na	na	na	na	na	na
Total direct rate	0.005500	0.005748	0.006180	0.006497	0.006303	0.006651	0.006626	0.006408	0.006371	0.005976
Overlapping Rates:										
Salt Lake City Corporation	0.003977	0.004286	0.004557	0.004862	0.004893	0.005036	0.004743	0.004622	0.004637	0.003896
Salt Lake City Library	0.000766	0.000834	0.000705	0.000749	0.000782	0.000820	0.000846	0.000817	0.000791	0.000760
Salt Lake County	0.002025	0.002238	0.002371	0.002531	0.003036	0.003180	0.002793	0.002696	0.002593	0.002278
Central Utah Water Conservancy District	0.000400	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455	0.000436	0.000421	0.000400
S.L.C. Metro. Water District	0.000302	0.000325	0.000349	0.000373	0.000391	0.000409	0.000423	0.000409	0.000414	0.000398
Mosquito Abatement District	0.000141	0.000160	0.000171	0.000121	0.000127	0.000132	0.000136	0.000131	0.000132	0.000126

#### Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature
- (2) Maximum rate is 0.002000
- (3) Maximum rate is 0.002500
- (4) Maximum rate is 0.000300
- (5) Maximum rate is 0.000100
- (6) No maximum rate
- (7) Maximum rate is 0.002400
- (8) Maximum rate based on formula and changes annually
- (9) No maximum rate, but must have voter approval for bonds issued
- (10) Rate set by Utah State Legislature

(a) The Transportation levy became available by law for student transportation to and from school in 2010

(b) For the tax year 2012, the legislature consolidated these levies into the Board local levy

Source: Utah State Tax Commission

## SALT LAKE CITY SCHOOL DISTRICT

### Some of the Principal Property Taxpayers Current Year and Nine Years Ago

Taxpayer	December 31, 2018			December 31, 2009		
	Taxable Value	Rank	Percent of District's Total Taxable Value (1)	Taxable Value	Rank	Percent of District's Total Taxable Value (1)
LDS Church (City Creek Reserve, Deseret Title, Property Reserve)	\$ 893,643,326	1	3.7%	\$ 232,377,919	2	1.2%
PacifiCorp	484,329,357	2	2.0%	331,490,986	1	1.7%
Delta Air Lines	249,192,600	3	1.0%	165,759,010	5	0.8%
Wasatch Plaza Holdings LLC	204,873,100	4	0.9%	156,971,900	6	0.8%
KBSIII 222 Main, LLC	175,277,700	5	0.7%			
AT&T Inc	171,757,787	6	0.7%			
Questar Gas	160,028,642	7	0.7%			
Sky West Airlines	146,724,819	8	0.6%	216,852,107	3	1.1%
MPLD Husky LLC	138,510,300	9	0.6%			
Verizon Communications Inc	131,190,252	10	0.5%			
Century Link (formerly Qwest Corporation)				166,439,079	4	0.8%
Inland Western Salt City Gateway				143,516,300	7	0.7%
Boyer Block 57 Associates				123,627,300	8	0.6%
Southwest Airlines				98,856,510	9	0.5%
Grand America Hotel Company				94,387,200	10	0.5%
Totals	<u>\$ 2,755,527,883</u>		<u>11.5%</u>	<u>\$ 1,730,278,311</u>		<u>8.8%</u>
Assessed Taxable Value	\$ 23,929,910,882			\$ 19,598,562,942		

Source: Salt Lake City Corporation and District records

(1) Excludes motor vehicles (fee-in-lieu and age based)

## SALT LAKE CITY SCHOOL DISTRICT

### Property Tax Levies and Collections Last Ten Tax Years

Year Ended December 31,	Taxes Levied for The Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009	\$ 97,662,099	\$ 93,364,752	95.60%	\$ 3,632,391	\$ 96,997,143	99.32%
2010	102,507,323	98,984,079	96.56%	3,159,559	102,143,638	99.65%
2011	104,561,807	101,267,001	96.85%	2,685,807	103,952,808	99.42%
2012	105,362,837	102,220,670	97.02%	2,805,384	105,026,054	99.68%
2013	111,823,157	108,914,237	97.40%	2,684,542	111,598,779	99.80%
2014	114,709,677	112,196,238	97.81%	2,324,876	114,521,114	99.84%
2015	124,014,302	121,622,690	98.07%	2,203,244	123,825,934	99.85%
2016	130,306,483	127,231,689	97.64%	3,005,384	130,237,073	99.95%
2017	137,552,872	135,004,720	98.15%	2,350,635	137,355,355	99.86%
2018	146,253,990	143,323,239	98.00%	-	143,323,239	98.00%

Source: Salt Lake County Treasurer's Office (includes Property Tax and Motor Vehicle Fee In Lieu).

This schedule recognizes collections on a calendar year (tax year) basis, whereas property tax collections reported in the basic financial statements are on a fiscal year basis.

# SALT LAKE CITY SCHOOL DISTRICT

## Ratios of Outstanding Debt and General Bonded Debt Last Ten Fiscal Years

	Year Ended June 30,			
	2019	2018	2017	2016
<b>Ratios of Outstanding Debt:</b>				
General Obligation Bonds	\$ 28,050,000	\$ 35,400,000	\$ 42,510,000	\$ 49,365,000
Bond Issuance Premiums, Net of Discounts	2,863,616	3,628,296	4,401,843	5,175,391
Qualified School Construction Bonds	11,000,000	11,000,000	11,000,000	11,000,000
Total Debt	<u>\$ 41,913,616</u>	<u>\$ 50,028,296</u>	<u>\$ 57,911,843</u>	<u>\$ 65,540,391</u>
Total Debt as Percentage of Taxable Value	0.15%	0.19%	0.24%	0.30%
Total Debt Per Capita	\$ 209	\$ 249	\$ 299	\$ 340
Total Debt Per Student	\$ 1,829	\$ 2,144	\$ 2,441	\$ 2,707
<b>Ratios of General Bonded Debt:</b>				
General Obligation Bonds	\$ 28,050,000	\$ 35,400,000	\$ 42,510,000	\$ 49,365,000
Bond Issuance Premiums, Net of Discounts	2,863,616	3,628,296	4,401,843	5,175,391
Amounts Available in Debt Service Fund (1)	(3,507,365)	(2,733,112)	(2,473,587)	(2,105,147)
Net General Bonded Debt	<u>\$ 27,406,251</u>	<u>\$ 36,295,184</u>	<u>\$ 44,438,256</u>	<u>\$ 52,435,244</u>
Net General Bonded Debt as Percentage of Taxable Value	0.10%	0.14%	0.18%	0.24%
Net General Bonded Debt Per Capita	\$ 137	\$ 181	\$ 229	\$ 272
Net General Bonded Debt Per Student	\$ 1,196	\$ 1,555	\$ 1,873	\$ 2,166

Source: Salt Lake City School District records

(1) This is the amount restricted for debt service principal payments

2015	2014	2013	2012	2011	2010
\$ 57,527,722	\$ 65,342,722	\$ 79,682,722	\$ 93,442,722	\$ 107,280,722	\$ 121,055,722
5,948,934	6,860,915	7,773,953	5,244,023	3,721,811	1,284,797
11,000,000	11,000,000	11,000,000	11,000,000	11,000,000	5,000,000
<u>\$ 74,476,656</u>	<u>\$ 83,203,637</u>	<u>\$ 98,456,675</u>	<u>\$ 109,686,745</u>	<u>\$ 122,002,533</u>	<u>\$ 127,340,519</u>
0.36%	0.43%	0.53%	0.59%	0.64%	0.66%
\$ 390	\$ 435	\$ 520	\$ 578	\$ 654	\$ 695
\$ 3,087	\$ 3,403	\$ 4,089	\$ 4,502	\$ 5,013	\$ 5,267

\$ 57,527,722	\$ 65,342,722	\$ 79,682,722	\$ 93,442,722	\$ 107,280,722	\$ 121,055,722
5,948,934	6,860,915	7,773,953	5,244,023	3,721,811	1,284,797
(2,392,307)	(2,545,234)	(1,730,665)	(997,217)	(473,173)	(144,027)
<u>\$ 61,084,349</u>	<u>\$ 69,658,403</u>	<u>\$ 85,726,010</u>	<u>\$ 97,689,528</u>	<u>\$ 110,529,360</u>	<u>\$ 122,196,492</u>
0.29%	0.36%	0.46%	0.53%	0.58%	0.63%
\$ 320	\$ 364	\$ 453	\$ 514	\$ 593	\$ 667
\$ 2,532	\$ 2,849	\$ 3,560	\$ 4,009	\$ 4,542	\$ 5,054

## SALT LAKE CITY SCHOOL DISTRICT

### Direct and Overlapping Governmental Activities Debt As of June 30, 2019

Taxing Entity (1)	2018 Taxable Value (2)	Salt Lake School District's Portion of Taxable Value	District's Percent- age (3)	Entity's General Obligation Debt	District's Portion of G. O. Debt
Overlapping:					
Salt Lake City *	\$ 28,398,218,663	\$ 28,398,218,663	100.0%	\$ 113,420,000	\$ 113,420,000
Salt Lake County **	109,989,388,242	35,746,551,179	32.5%	147,075,000	47,799,375
Total Overlapping Debt					161,219,375
Direct:					
General Obligation Debt					28,050,000
Qualified School Construction Debt					11,000,000
Unamortized Premiums					2,863,616
Total Direct Debt					41,913,616
Total Direct and Overlapping Debt					<u>\$ 203,132,991</u>

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

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

(3) Percentage based on total shared area of land in respective geographical boundaries.

\* Source: Salt Lake City Corporation

\*\* Source: Salt Lake County Auditor's Office

## SALT LAKE CITY SCHOOL DISTRICT

### Legal Debt Margin Information Last Ten Fiscal Years June 30, 2010 through 2019

Fiscal Year Ended June 30,	Estimated Fair Market Value	Debt Limit 4% of Fair Market Value	Less General Obligation Debt	Legal Debt Margin	Percentage of Debt To Debt Limit
2010	\$ 25,580,544,749	\$ 1,023,221,790	\$ 122,340,519	\$ 900,881,271	11.96%
2011	24,826,812,300	993,072,492	111,002,533	882,069,959	11.18%
2012	24,496,904,249	979,876,170	98,686,745	881,189,425	10.07%
2013	24,407,186,130	976,287,445	87,456,675	888,830,770	8.96%
2014	25,638,645,909	1,025,545,836	72,203,637	953,342,199	7.04%
2015	27,302,520,481	1,092,100,819	63,476,656	1,028,624,163	5.81%
2016	28,958,202,757	1,158,328,110	54,540,391	1,103,787,719	4.71%
2017	31,767,892,472	1,270,715,699	46,911,843	1,223,803,856	3.69%
2018	34,202,174,968	1,368,086,999	39,028,296	1,329,058,703	2.85%
2019	37,655,084,178	1,506,203,367	30,913,616	1,475,289,751	2.05%

The general obligation indebtedness of the District is limited by Utah law to 4% of the fair market value of taxable property in the District. The legal debt margin (additional debt incurring capacity of the District) is based on estimated assessed value. As determined by the Utah State Auditor and Utah State Treasurer, the deferred amounts associated with debt issuances are to be included in the calculation of debt margin.

For debt incurring capacity only, in computing the fair market value of taxable property in the District, the fair market value of all tax equivalent property (which value includes the values of motor vehicles, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State) is included as part of the fair market value of the taxable property in the District.

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

# SALT LAKE CITY SCHOOL DISTRICT

## Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year) As of June 30, 2019

		2020	2021	2022	2023	
Series 2000	Principal	\$ -	\$ -	\$ -	\$ -	
\$ 10,000,000	Interest	-	(2)	-	-	
Series 2002B	Principal	-	(6)	-	-	
\$ 12,315,000	Interest	-	(6)	-	-	
Series 2003A	Principal	-	(4)	(3)	(3)	(3)
\$ 45,000,000	Interest	-	(4)	(3)	(3)	(3)
Series 2005A	Principal	-	(8)	(7)	(8)	(8)
\$ 35,000,000	Interest	-	(8)	(7)	(8)	(8)
Series 2006	Principal	-	(1)	(1)	-	
\$ 31,255,000	Interest	-	(1)	(1)	-	
Series 2007A	Principal	-	(5)	(5)	(5)	(5)
\$ 9,876,000	Interest	-	(5)	(5)	(5)	(5)
Series 2010	Principal	2,735,000	2,850,000	2,135,000	2,240,000	
\$ 18,255,000	Interest	448,250	338,850	196,350	89,600	
Series 2012	Principal	410,000	1,885,000	-	-	
\$ 16,360,000	Interest	64,750	56,550	-	-	
Series 2013	Principal	4,530,000	3,280,000	1,855,000	1,950,000	
\$ 21,840,000	Interest	747,950	521,450	357,450	264,700	
Total		<u>\$ 8,935,950</u>	<u>\$ 8,931,850</u>	<u>\$ 4,543,800</u>	<u>\$ 4,544,300</u>	
Total Principal		\$ 7,675,000	\$ 8,015,000	\$ 3,990,000	\$ 4,190,000	
Total Interest		<u>1,260,950</u>	<u>916,850</u>	<u>553,800</u>	<u>354,300</u>	
Total		<u>\$ 8,935,950</u>	<u>\$ 8,931,850</u>	<u>\$ 4,543,800</u>	<u>\$ 4,544,300</u>	

- (1) The principal and interest due in fiscal 2020 through 2021 on the Series 2006 bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series 2013
- (2) The principal and interest due in fiscal 2020 on the Series 2000 bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2002B.
- (3) The principal and interest due in fiscal 2021 through 2023 on the Series 2003A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2007A.
- (4) The principal and interest due in fiscal 2020 on the Series 2003A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2010.
- (5) The principal and interest due in fiscal 2020 through 2023 on the Series 2007A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2010.
- (6) The principal and interest due in fiscal 2020 on the Series 2002B bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2012.
- (7) The principal and interest due in fiscal 2021 on the Series 2005A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2012.
- (8) The principal and interest due in fiscal 2020 and 2022 through 2025 on the Series 2005A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2013.

Source: Salt Lake City School District records

2024		2025		Total
\$	-	\$	-	\$ -
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-	(8)	-	(8)
	-	(8)	-	(8)
	-		-	-
	-		-	-
	-		-	-
	-		-	-
	-		-	9,960,000
	-		-	1,073,050
	-		-	2,295,000
	-		-	121,300
	2,050,000		2,130,000	15,795,000
	167,200		85,200	2,143,950
\$	2,217,200	\$	2,215,200	\$ 31,388,300
\$	2,050,000	\$	2,130,000	\$ 28,050,000
	167,200		85,200	3,338,300
\$	2,217,200	\$	2,215,200	\$ 31,388,300

## SALT LAKE CITY SCHOOL DISTRICT

### Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year Ended June 30,	Salt Lake City Estimated Population (1)	Salt Lake City Total Personal Income (2)	Salt Lake City Per Capita Income (2)	Salt Lake City Unemployment Rate (3)	Salt Lake City Estimated Workforce (4)	Estimated Construction Within Salt Lake City (5)	Percentage of Students of Minority Ancestry (6)
2010	183,102	\$ 8,201,517,302	\$ 44,792	7.1%	289,301	\$ 214,364,500	55%
2011	186,440	8,427,996,847	45,205	7.6%	294,575	286,071,300	50%
2012	189,899	8,576,139,629	45,162	6.0%	300,040	430,762,000	50%
2013	189,314	9,110,918,478	48,126	5.0%	299,116	371,443,200	50%
2014	191,180	8,924,247,269	46,680	3.7%	302,064	111,490,800	58%
2015	190,884	9,729,392,270	50,970	3.4%	301,597	426,622,200	58%
2016	192,672	10,107,991,962	52,462	3.2%	304,422	541,007,300	57%
2017	193,744	10,205,689,966	52,676	3.8%	306,116	1,482,582,900	57%
2018	200,544	10,683,308,743	53,272	3.4%	316,860	843,146,200	57%
2019	200,591	n/a	n/a	3.2%	316,934	823,102,313	56%

#### Sources:

(1) U.S. Census Bureau

(2) Utah State Tax Commission

(3) U.S. Department of Labor - All rates are annual except for the final year, which is the rate at June 30, 2018.

(4) Salt Lake County website and U.S. Census Bureau website

*40% of the Salt Lake County workforce and 20% of the state total workforce commute to jobs located within City limits.*

(5) University of Utah Bureau of Economic and Business Research

*Based on building permits issued by city planning and zoning departments. Values are estimated construction costs.*

(6) Based on data available to District personnel

n/a - This information was not available when this report was published.

## SALT LAKE CITY SCHOOL DISTRICT

### Principal Employers Current Year and Nine Years Ago June 30, 2010 and 2019

Employer	June 30, 2019		June 30, 2010	
	Estimated Number of Employees	Percent of District's Total Estimated Workforce	Estimated Number of Employees	Percent of District's Total Estimated Workforce
University of Utah (including hospital)	11,000 - 15,000	3.47%	17,000 - 24,000	5.88%
State of Utah	8,000 - 10,000	2.52%	20,000 +	6.91%
Salt Lake County	5,000 - 7,000	1.58%	5,000 - 7,000	1.73%
Intermountain Health Care	5,000 - 7,000	1.58%	4,000 - 6,000	1.38%
Salt Lake City School District	3,000 - 4,000	0.95%	3,000 - 4,000	1.04%
L-3 Communications	3,000 - 4,000	0.95%	2,000 - 3,000	0.69%
Primary Children's Hospital	3,000 - 4,000	0.95%	2,000 - 3,000	0.69%
LDS Church	2,000 - 4,000	0.63%	2,000 - 4,000	0.69%
ARUP Laboratories	2,000 - 3,000	0.63%	1,000 - 2,000	0.35%
Delta Airlines	2,000 - 3,000	0.63%	2,000 - 3,000	0.69%
Salt Lake City Corporation	2,500 - 3,000	0.79%	3,000 - 4,000	1.04%
Totals	47,000	14.67%	61,000	21.09%

Source - State of Utah

Note: The number of employees within the District's boundaries for these employers is unavailable. Therefore, the number of employees listed represents the approximate number of total employees in Salt Lake City.

## SALT LAKE CITY SCHOOL DISTRICT

### Expenses by Function - Statement of Activities Last Ten Fiscal Years

Function	Year Ended June 30,				
	2019	2018	2017	2016	2015
Instruction	\$ 162,410,748 57.15%	\$ 155,079,876 56.83%	\$ 165,982,553 60.80%	\$ 157,579,097 60.85%	\$ 156,111,302 62.08%
Supporting services:					
Students	8,736,606 3.07%	7,492,203 2.75%	6,965,626 2.55%	6,218,591 2.40%	5,933,832 2.36%
Instructional staff	17,679,826 6.22%	15,832,820 5.80%	18,248,249 6.68%	16,823,554 6.50%	16,011,030 6.37%
General district administration	1,170,178 0.41%	1,079,089 0.40%	1,365,983 0.50%	1,117,841 0.43%	1,107,411 0.44%
General school administration	16,000,652 5.63%	14,779,164 5.42%	13,962,911 5.11%	13,206,765 5.10%	12,100,581 4.81%
Central	6,538,274 2.30%	5,757,728 2.11%	5,505,182 2.02%	5,502,790 2.13%	5,017,189 2.00%
Operation and maintenance of school buildings	22,071,691 7.77%	23,321,534 8.55%	20,931,327 7.67%	21,970,649 8.48%	20,345,227 8.09%
Student transportation	7,152,175 2.52%	6,649,375 2.44%	6,593,242 2.42%	6,378,272 2.46%	5,841,251 2.32%
Child nutrition services	13,743,899 4.84%	13,374,183 4.90%	13,525,585 4.95%	13,389,707 5.17%	12,787,372 5.09%
Community services	27,434,824 9.65%	28,028,676 10.27%	18,167,811 6.65%	14,794,072 5.71%	13,963,081 5.55%
Interest on long-term liabilities	1,239,851 0.44%	1,510,627 0.55%	1,752,609 0.64%	1,963,779 0.76%	2,239,134 0.89%
Total	<u>\$ 284,178,724</u>	<u>\$ 272,905,275</u>	<u>\$ 273,001,078</u>	<u>\$ 258,945,117</u>	<u>\$ 251,457,410</u>
Average Daily Membership	22,921	23,336	23,726	24,211	24,127
Average Expenses Per Pupil	\$ 12,398	\$ 11,695	\$ 11,506	\$ 10,695	\$ 10,423

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units. Prior years have not been restated.

Note: During the year ended June 30, 2015, the District first reported pass-through tax revenue with an equal amount being recognized as community services expenses.

Note: The totals on percentages may not equal an even 100.00% due to rounding.

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

2014	2013	2012	2011	2010
\$ 160,402,578 65.89%	\$ 156,240,735 65.50%	\$ 153,694,103 65.10%	\$ 154,113,899 65.29%	\$ 153,348,876 65.41%
5,979,448 2.46%	5,850,872 2.45%	5,965,406 2.53%	6,059,853 2.57%	6,245,107 2.66%
15,986,650 6.57%	14,605,154 6.12%	15,361,417 6.51%	14,897,568 6.31%	15,406,650 6.57%
1,274,078 0.52%	1,541,222 0.65%	1,051,678 0.45%	1,205,297 0.51%	1,279,297 0.55%
12,268,416 5.04%	11,675,857 4.89%	11,811,898 5.00%	11,321,300 4.80%	11,293,363 4.82%
4,790,277 1.97%	4,626,812 1.94%	4,555,684 1.93%	4,850,665 2.05%	4,622,323 1.97%
19,390,891 7.97%	19,648,790 8.24%	18,295,132 7.75%	18,208,395 7.71%	18,234,484 7.78%
6,775,690 2.78%	6,179,347 2.59%	6,058,589 2.57%	5,851,624 2.48%	5,059,709 2.16%
12,935,867 5.31%	13,587,803 5.70%	14,547,742 6.16%	14,257,099 6.04%	13,079,043 5.58%
931,160 0.38%	1,248,839 0.52%	919,813 0.39%	717,929 0.30%	562,525 0.24%
2,712,179 1.11%	3,324,175 1.39%	3,823,970 1.62%	4,571,285 1.94%	5,322,106 2.27%
<u>\$ 243,447,234</u>	<u>\$ 238,529,606</u>	<u>\$ 236,085,432</u>	<u>\$ 236,054,914</u>	<u>\$ 234,453,483</u>
24,447	24,077	24,365	24,336	24,177
\$ 9,958	\$ 9,907	\$ 9,690	\$ 9,700	\$ 9,697

## SALT LAKE CITY SCHOOL DISTRICT

### Expenses by Function Per Pupil - Statement of Activities Last Ten Fiscal Years

Function	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	\$ 7,086 57.15%	\$ 6,647 56.83%	\$ 6,994 60.80%	\$ 6,509 60.85%	\$ 6,470 62.08%	\$ 6,561 65.89%	\$ 6,489 65.50%	\$ 6,308 65.10%	\$ 6,333 65.29%	\$ 6,343 65.41%
Supporting services:										
Students	381 3.07%	321 2.75%	294 2.55%	257 2.40%	246 2.36%	245 2.46%	243 2.45%	245 2.53%	249 2.57%	259 2.66%
Instructional staff	771 6.22%	678 5.80%	769 6.68%	695 6.50%	664 6.37%	654 6.57%	607 6.12%	630 6.51%	612 6.31%	637 6.57%
General district administration	51 0.41%	46 0.40%	58 0.50%	46 0.43%	46 0.44%	52 0.52%	64 0.65%	42 0.45%	50 0.51%	53 0.55%
General school administration	698 5.63%	633 5.42%	589 5.11%	545 5.10%	502 4.81%	502 5.04%	485 4.89%	485 5.00%	465 4.80%	467 4.82%
Central	285 2.30%	247 2.11%	232 2.02%	227 2.13%	208 2.00%	196 1.97%	192 1.94%	187 1.93%	199 2.05%	191 1.97%
Operation and maintenance of school buildings	963 7.77%	999 8.55%	882 7.67%	907 8.48%	843 8.09%	793 7.97%	816 8.24%	751 7.75%	748 7.71%	754 7.78%
Student transportation	312 2.52%	285 2.44%	278 2.42%	263 2.46%	242 2.32%	277 2.78%	257 2.59%	249 2.57%	240 2.48%	210 2.16%
Child nutrition services	600 4.84%	573 4.90%	570 4.95%	553 5.17%	530 5.09%	529 5.31%	564 5.70%	597 6.16%	586 6.04%	541 5.58%
Community services	1197 9.65%	1201 10.27%	766 6.65%	611 5.71%	579 5.55%	38 0.38%	52 0.52%	38 0.39%	30 0.30%	23 0.24%
Interest on long-term liabilities	54 0.44%	65 0.55%	74 0.64%	81 0.76%	93 0.89%	111 1.11%	138 1.39%	157 1.62%	188 1.94%	220 2.27%
Total	<u>\$ 12,398</u>	<u>\$ 11,695</u>	<u>\$ 11,506</u>	<u>\$ 10,695</u>	<u>\$ 10,423</u>	<u>\$ 9,958</u>	<u>\$ 9,907</u>	<u>\$ 9,690</u>	<u>\$ 9,700</u>	<u>\$ 9,697</u>
Average Daily Membership	22,921	23,336	23,726	24,211	24,127	24,447	24,077	24,365	24,336	24,177

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units. Prior years have not been restated.

Note: During the year ended June 30, 2015, the District first reported pass-through tax revenue with an equal amounts being recognized as community services expenses.

Note: The totals on percentages may not equal an even 100.00% due to rounding.

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

## SALT LAKE CITY SCHOOL DISTRICT

### Full-time Equivalents Last Ten Fiscal Years

Function	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	1,679.44	1,737.03	1,763.31	1,723.86	1,712.32	1,685.61	1,721.00	1,736.47	1,745.78	1,769.96
Supporting services:										
Students	91.87	85.98	80.67	71.19	74.78	70.96	70.02	70.02	69.48	70.47
Instructional staff	153.35	157.30	159.58	136.45	129.77	122.96	129.67	129.67	131.67	137.56
General district administration	4.00	4.00	4.00	3.50	3.50	3.50	3.50	3.50	3.50	3.50
General school administration	157.97	167.72	139.09	136.25	136.31	133.39	133.52	132.05	131.53	130.57
Central	55.99	55.73	54.26	54.27	54.74	53.38	53.89	52.87	55.75	55.96
Operation and maintenance of school buildings	201.10	197.51	212.79	197.18	208.18	203.43	210.16	214.87	217.48	213.19
Student transportation	57.30	57.82	60.35	63.71	62.05	53.65	53.00	53.51	55.55	59.28
Other support services	35.84	44.40	43.92	37.12	40.30	38.56	45.59	45.60	37.47	35.80
Child nutrition services	136.42	142.66	144.27	149.42	154.49	161.90	175.15	175.97	179.73	168.39
Community services	219.89	223.57	225.57	266.94	253.27	537.63	531.11	531.11	530.86	540.83
Capital outlay	33.98	35.46	40.20	40.45	37.93	38.93	41.46	41.46	44.44	43.97
Total	<u>2,827.15</u>	<u>2,909.18</u>	<u>2,928.01</u>	<u>2,880.34</u>	<u>2,867.64</u>	<u>3,103.90</u>	<u>3,168.07</u>	<u>3,187.10</u>	<u>3,203.24</u>	<u>3,229.48</u>
Licensed (teachers)	1,310.63	1,356.27	1,352.18	1,321.93	1,322.43	1,303.01	1,351.00	1,332.02	1,347.05	1,346.44
Classified (support)	<u>1,516.52</u>	<u>1,552.91</u>	<u>1,575.83</u>	<u>1,558.41</u>	<u>1,545.21</u>	<u>1,800.89</u>	<u>1,817.07</u>	<u>1,855.08</u>	<u>1,856.19</u>	<u>1,883.04</u>
Total	<u>2,827.15</u>	<u>2,909.18</u>	<u>2,928.01</u>	<u>2,880.34</u>	<u>2,867.64</u>	<u>3,103.90</u>	<u>3,168.07</u>	<u>3,187.10</u>	<u>3,203.24</u>	<u>3,229.48</u>

Source: Salt Lake City School District records

## SALT LAKE CITY SCHOOL DISTRICT

### Expenditures by Function - General Fund Last Ten Fiscal Years

Function	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	\$ 136,898,616 61.66%	\$ 136,805,278 62.18%	\$ 133,859,849 66.55%	\$ 128,920,339 66.97%	\$ 127,893,110 68.14%	\$ 122,147,644 68.04%	\$ 122,634,083 68.79%	\$ 120,032,041 68.66%	\$ 122,465,000 68.48%	\$ 120,175,647 68.33%
Supporting Services:										
Students	8,439,695 3.80%	7,636,383 3.47%	6,849,571 3.41%	6,135,406 3.19%	6,114,159 3.26%	5,948,151 3.31%	5,821,332 3.27%	5,819,902 3.33%	5,892,066 3.29%	6,086,687 3.46%
Instructional staff	17,113,186 7.71%	16,115,269 7.33%	14,936,803 7.43%	13,575,203 7.05%	12,679,160 6.75%	11,798,020 6.57%	11,484,003 6.44%	11,832,489 6.77%	11,657,062 6.52%	12,359,162 7.03%
General district administration	1,041,495 0.47%	1,006,563 0.46%	1,052,007 0.52%	811,039 0.42%	720,534 0.38%	748,818 0.42%	719,420 0.40%	613,129 0.35%	903,263 0.51%	885,924 0.50%
General school administration	15,489,309 6.98%	15,044,125 6.84%	11,574,529 5.75%	11,071,417 5.75%	10,538,290 5.61%	10,326,406 5.75%	10,170,799 5.70%	11,457,168 6.55%	11,179,035 6.25%	10,972,640 6.24%
Central	6,248,147 2.81%	5,904,196 2.68%	5,342,482 2.66%	5,386,665 2.80%	5,105,707 2.72%	4,646,347 2.59%	4,586,731 2.57%	4,516,641 2.58%	4,811,435 2.69%	4,596,755 2.61%
Operation and maintenance of school buildings	20,712,455 9.33%	22,524,300 10.24%	19,438,391 9.66%	20,735,493 10.77%	19,233,081 10.25%	17,692,535 9.85%	17,183,397 9.64%	15,000,732 8.58%	16,511,711 9.23%	16,129,239 9.17%
Student transportation	6,294,865 2.84%	5,950,804 2.70%	5,832,589 2.90%	5,724,106 2.97%	5,266,543 2.81%	6,076,530 3.38%	5,580,941 3.13%	5,463,831 3.13%	5,253,829 2.94%	4,508,769 2.56%
Child nutrition services	336,354 0.15%	126,969 0.06%	141,183 0.07%	150,119 0.08%	152,324 0.08%	146,715 0.08%	98,303 0.06%	96,268 0.06%	165,900 0.09%	160,086 0.09%
Community services	9,455,238 4.26%	8,885,188 4.04%	2,119,093 1.05%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
<b>Total</b>	<b>\$ 222,029,360</b>	<b>\$ 219,999,075</b>	<b>\$ 201,146,497</b>	<b>\$ 192,509,787</b>	<b>\$ 187,702,908</b>	<b>\$ 179,531,166</b>	<b>\$ 178,279,009</b>	<b>\$ 174,832,201</b>	<b>\$ 178,839,301</b>	<b>\$ 175,874,909</b>
Average Daily Membership	22,921	23,336	23,726	24,211	24,127	24,447	24,077	24,365	24,336	24,177
Average Expenditures Per Pupil	\$ 9,687	\$ 9,427	\$ 8,478	\$ 7,951	\$ 7,780	\$ 7,344	\$ 7,405	\$ 7,176	\$ 7,349	\$ 7,274

Note: During the year ended June 30, 2017, the District first reported charter local replacement as a community services expense with an equal amount being recognized as a state revenue.

Note: The totals on percentages may not equal an even 100.00% due to rounding.

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

# SALT LAKE CITY SCHOOL DISTRICT

## Expenditures by Function Per Pupil - General Fund Last Ten Fiscal Years

Function	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Instruction	\$ 5,973 61.66%	\$ 5,862 62.18%	\$ 5,642 66.55%	\$ 5,325 66.97%	\$ 5,301 68.14%	\$ 4,996 68.04%	\$ 5,093 68.79%	\$ 4,927 68.66%	\$ 5,032 68.48%	\$ 4,971 68.33%
Supporting Services:										
Students	368 3.80%	327 3.47%	289 3.41%	253 3.19%	253 3.26%	243 3.31%	242 3.27%	239 3.33%	242 3.29%	252 3.46%
Instructional staff	747 7.71%	691 7.33%	630 7.43%	561 7.05%	526 6.75%	483 6.57%	477 6.44%	486 6.77%	479 6.52%	511 7.03%
General district administration	45 0.47%	43 0.46%	44 0.52%	33 0.42%	30 0.38%	31 0.42%	30 0.40%	25 0.35%	37 0.51%	37 0.50%
General school administration	676 6.98%	645 6.84%	488 5.75%	457 5.75%	437 5.61%	422 5.75%	422 5.70%	470 6.55%	459 6.25%	454 6.24%
Central	273 2.81%	253 2.68%	225 2.66%	222 2.80%	212 2.72%	190 2.59%	191 2.57%	185 2.58%	198 2.69%	190 2.61%
Operation and maintenance of school buildings	904 9.33%	965 10.24%	819 9.66%	856 10.77%	797 10.25%	724 9.85%	714 9.64%	616 8.58%	679 9.23%	667 9.17%
Student transportation	275 2.84%	255 2.70%	246 2.90%	236 2.97%	218 2.81%	249 3.38%	232 3.13%	224 3.13%	216 2.94%	186 2.56%
Child nutrition services	15 0.15%	5 0.06%	6 0.07%	6 0.08%	6 0.08%	6 0.08%	4 0.06%	4 0.06%	7 0.09%	6 0.09%
Community services	411 4.26%	381 4.04%	89 1.05%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	<u>\$ 9,687</u>	<u>\$ 9,427</u>	<u>\$ 8,478</u>	<u>\$ 7,951</u>	<u>\$ 7,780</u>	<u>\$ 7,344</u>	<u>\$ 7,405</u>	<u>\$ 7,176</u>	<u>\$ 7,349</u>	<u>\$ 7,274</u>
Average Daily Membership	22,921	23,336	23,726	24,211	24,127	24,447	24,077	24,365	24,336	24,177

Note: During the year ended June 30, 2017, the District first reported charter local replacement as a community services expense with an equal amount being recognized as a state revenue.

Note: The totals on percentages may not equal an even 100.00% due to rounding.

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

## SALT LAKE CITY SCHOOL DISTRICT

### Child Nutrition - Facts and Figures Last Ten Fiscal Years

	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Number of schools participating in lunch program	38	38	38	38	38	38	42	43	44	43
Student lunches served:										
Free	1,462,147	1,555,001	1,676,069	1,764,199	1,781,097	1,833,539	1,957,723	1,957,471	1,970,525	1,865,781
Reduced price	209,603	216,111	225,765	220,253	251,621	289,797	279,805	298,036	264,327	357,018
Fully paid	603,266	589,504	552,424	540,969	501,338	469,686	550,313	607,648	604,580	601,930
Total	2,275,016	2,360,616	2,454,258	2,525,421	2,534,056	2,593,022	2,787,841	2,863,155	2,839,432	2,824,729
Adult lunches served:	39,381	43,877	43,595	50,205	50,782	54,378	61,755	64,817	58,232	55,359
Number of schools participating in breakfast program	37	37	37	37	37	37	37	38	36	39
Student breakfasts served:										
Free	758,079	745,907	814,860	771,443	740,958	734,863	772,709	812,068	830,348	791,251
Reduced price	93,075	94,165	93,581	86,096	91,050	99,857	100,697	105,388	93,510	121,545
Fully paid	142,918	122,343	109,131	93,934	71,608	65,729	65,478	75,776	75,497	72,603
Total	994,072	962,415	1,017,572	951,473	903,616	900,449	938,884	993,232	999,355	985,399
Number of serving days	177	177	177	177	177	177	177	177	177	177
Average daily participation:										
Student lunch	12,853	13,337	13,866	14,268	14,317	14,650	15,751	16,176	15,872	15,959
Adult lunch	222	248	246	284	287	307	349	366	329	313
Student breakfast	5,616	5,437	5,749	5,376	5,105	5,087	5,304	5,611	5,646	5,567
Average daily membership	22,921	23,336	23,726	24,211	24,127	24,447	24,077	24,365	24,336	24,177
Student lunches served as a percentage of ADM	56.08%	57.15%	58.44%	58.93%	59.34%	59.93%	65.42%	66.39%	65.22%	66.01%
Number of students on:										
Free	11,744	12,381	13,145	13,313	13,518	13,145	13,919	13,759	13,964	13,526
Reduced price	1,669	1,742	1,757	1,839	1,868	2,087	2,374	2,056	1,763	2,516
Percentage of students on:										
Free	51.24%	53.06%	55.40%	54.99%	56.03%	53.77%	57.81%	56.47%	57.38%	55.95%
Reduced price	7.28%	7.46%	7.41%	7.60%	7.74%	8.54%	9.86%	8.44%	7.24%	10.41%

Note: In addition to the District's schools, there are several private schools that participate in the lunch program.

Source: Salt Lake City School District records

## SALT LAKE CITY SCHOOL DISTRICT

### Student Enrollment Statistics Last Ten School Years

Year Ended June 30,	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
2010	24,177	23,043	95.31%	24,494
2011	24,336	23,206	95.36%	24,649
2012	24,365	23,198	95.21%	24,638
2013	24,077	22,887	95.06%	24,487
2014	24,447	23,248	95.10%	24,728
2015	24,127	22,900	94.91%	24,383
2016	24,211	22,937	94.74%	24,370
2017	23,726	22,443	94.59%	23,819
2018	23,336	21,247	91.05%	23,601
2019	22,921	21,851	95.33%	23,108

Source: Salt Lake City School District records

## SALT LAKE CITY SCHOOL DISTRICT

### History of High School Graduates Last Ten School Years

Year Ended June 30,	East	Highland	West	Horizonte	Innovations*	Salt Lake Center for Science Education*	Total
2010	376	316	390	99			1,181
2011	354	282	450	133			1,219
2012	398	316	423	190			1,327
2013	419	299	420	201	11	17	1,367
2014	385	315	494	204	33	42	1,473
2015	368	332	440	262	77	38	1,517
2016	427	339	405	191	98	39	1,499
2017	406	362	445	247	97	46	1,603
2018	420	333	475	128	101	48	1,505
2019	422	359	554	167	103	46	1,651

Source: Salt Lake City School District records

\* Innovations High School and the Salt Lake Center for Science Education Charter School had their first graduating class in 2013

## SALT LAKE CITY SCHOOL DISTRICT

### Number of Students Per Instructional Staff Last Ten School Years

Year Ended June 30,	Average Daily Membership	Teachers and Instructional Staff	Average Ratio of Students to Teachers and Instructional Staff
2010	24,177	1,770	13.66
2011	24,336	1,746	13.94
2012	24,365	1,736	14.04
2013	24,077	1,721	13.99
2014	24,447	1,686	14.50
2015	24,127	1,712	14.09
2016	24,211	1,729	14.00
2017	23,726	1,763	13.46
2018	23,336	1,737	13.43
2019	22,921	1,679	13.65

Source: Salt Lake City School District records

## SALT LAKE CITY SCHOOL DISTRICT

### Teacher Compensation Data Last Ten Fiscal Years

Year Ended June 30,	Bachelor Degree 1st Year Teacher Wage	Doctorate Degree 25th Year Teacher Wage	District Median* Teacher Wage	District Median* Teacher Benefits	Total District Median* Teacher Compensation	State Median* Teacher Compensation
2010	\$ 37,280	\$ 70,633	\$ 51,050	\$ 21,157	\$ 72,207	\$ 69,531
2011	37,280	70,633	51,234	21,228	72,462	69,785
2012	37,280	72,009	54,943	22,803	77,746	70,883
2013	37,280	72,009	55,261	25,259	80,520	71,099
2014	37,653	72,729	57,364	26,615	83,979	74,028
2015	38,030	74,184	58,803	29,173	87,976	76,664
2016	39,171	76,410	59,122	29,331	88,453	77,080
2017	39,954	77,938	60,272	29,902	90,174	78,579
2018	43,887	82,391	65,227	32,360	97,587	85,039
2019	45,001	84,485	na	na	na	na

\* As calculated and reported by the Utah State Board of Education in the Annual Statistical Report

na - This information was not available when this report was published.

Source: Salt Lake City School District records

# SALT LAKE SCHOOL DISTRICT

## Capital Asset Information Last Ten Fiscal Years

	Year Ended June 30,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Buildings:										
Elementary Schools										
Number	28	28	28	28	28	28	28	28	28	28
Square feet	2,043,603	2,043,603	2,021,647	2,021,647	2,021,647	2,021,647	2,021,647	2,015,695	2,015,695	2,003,837
Capacity	15,700	15,700	15,700	15,700	15,700	15,700	15,700	15,700	15,700	15,650
Enrollment	12,236	12,595	13,084	13,610	13,902	13,890	13,727	13,985	14,073	13,747
Percent of capacity	77.94%	80.22%	83.34%	86.69%	88.55%	88.47%	87.43%	89.08%	89.64%	87.84%
Average age	26.39	25.39	24.39	23.39	22.39	21.39	20.39	19.39	18.79	17.79
Middle Schools										
Number	5	5	5	5	5	5	5	5	5	5
Square feet	645,813	645,813	645,813	645,813	645,813	645,813	645,813	645,813	645,813	645,813
Capacity	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750	3,750
Enrollment	3,650	3,684	3,731	3,388	3,251	3,301	3,169	3,213	3,204	3,234
Percent of capacity	97.33%	98.24%	99.49%	90.35%	86.69%	88.03%	84.51%	85.68%	85.44%	86.24%
Average age	17.20	16.20	15.20	14.20	13.20	12.20	11.20	10.20	9.20	8.20
High Schools										
Number	4	4	4	4	4	4	4	4	4	4
Square feet	1,438,553	1,438,553	1,438,553	1,438,553	1,438,553	1,438,553	1,438,553	1,421,087	1,421,087	1,403,621
Capacity	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Enrollment	7,193	7,313	7,008	6,969	6,797	6,732	6,807	6,685	6,683	6,779
Percent of capacity	95.91%	97.51%	93.44%	92.92%	90.63%	89.76%	90.76%	89.13%	89.11%	90.39%
Average age	51.50	50.50	49.50	48.50	47.50	46.50	45.50	44.50	43.50	42.50
Other Buildings										
Number	8	8	8	8	8	8	7	7	7	7
Square feet	366,696	366,696	366,696	366,696	366,696	366,696	338,157	338,157	338,157	338,157
Average age	34.13	33.13	32.13	31.13	30.13	29.13	32.14	31.14	37.57	36.57
Total Buildings										
Number *	45	45	45	45	45	45	44	44	44	44
Square feet	4,494,665	4,494,665	4,472,709	4,472,709	4,472,709	4,472,709	4,444,170	4,420,752	4,420,752	4,391,428
Capacity	26,950	26,950	26,950	26,950	26,950	26,950	26,950	26,950	26,950	26,900
Enrollment	23,079	23,592	23,823	23,967	23,950	23,923	23,703	23,883	23,960	23,760
Percent of capacity	85.64%	87.54%	88.40%	88.93%	88.87%	88.77%	87.95%	88.62%	88.91%	88.33%
Average age	28.98	27.98	26.98	25.98	24.98	23.98	23.50	22.50	22.93	21.93
Number of Portables **	36	36	36	36	35	26	25	23	23	25
Acres of Land	403.36	403.36	403.36	403.21	402.51	402.51	402.51	402.51	402.51	401.33
Number of Vehicles	260	244	260	246	267	282	284	279	270	262

\* The number of schools may not match the number of operating schools due to schools just constructed not yet opened, schools closed but still being maintained, or timing of demolition and construction of replacement schools. Each school may have a couple of buildings associated with it; however, for purposes of this schedule, each school campus is considered one building.

\*\* Portables are not included in a school's capacity or square footage calculations.

Source: Salt Lake City School District records

## SALT LAKE CITY SCHOOL DISTRICT

### Historical Summaries of Taxable Values of Property

#### Last Ten Tax Years

For the Tax Years Ended December 31, 2009 through 2018

	2018		2017	2016	2015
	Taxable Value	% of T.V.	Taxable Value	Taxable Value	Taxable Value
<i>Set by State Tax Commission- Centrally Assessed</i>	\$ 2,126,753,319	7.4	\$ 1,903,805,638	\$ 2,042,289,238	\$ 1,816,940,749
<i>Set by County Assessor- Locally Assessed:</i>					
Real Property:					
Residential real estate-primary use	10,820,873,957	37.6	9,962,688,152	9,104,550,513	8,356,464,221
Residential real estate-not primary use	191,401,690	0.7	192,752,870	191,076,300	181,820,260
Commercial and industrial real estate	12,585,326,640	43.7	11,101,906,410	10,168,116,640	9,262,137,660
Agricultural - FAA	4,878,850	0.0	2,102,470	132,660	128,209
Unimproved non FAA	-	-	-	1,284,560	1,233,420
Total Real Property	23,602,481,137	82.0	21,259,449,902	19,465,160,673	17,801,783,770
Personal Property:					
Fee in lieu property	414,455,481	1.4	387,357,103	386,146,020	367,378,563
Mobile homes-primary residential use	2,967,127	0.0	3,111,443	3,248,517	3,362,286
Mobile homes-other use	9,075,587	0.0	5,998,056	5,621,928	5,731,645
Commercial and industrial property	2,643,481,550	9.2	2,488,616,794	2,413,590,526	2,123,147,693
Total Personal Property	3,069,979,745	10.7	2,885,083,396	2,808,606,991	2,499,620,187
Total Locally Assessed	26,672,460,882	92.6	24,144,533,298	22,273,767,664	20,301,403,957
Total Taxable Property	<u>\$ 28,799,214,201</u>	<u>100.0</u>	<u>\$ 26,048,338,936</u>	<u>\$ 24,316,056,902</u>	<u>\$ 22,118,344,706</u>
Total Taxable Property (less fee in lieu/age-based property)	<u>\$ 28,384,758,720</u>		<u>\$ 25,660,981,833</u>	<u>\$ 23,929,910,882</u>	<u>\$ 21,750,966,143</u>

Source: Property Tax Division, Utah State Tax Commission.

2014	2013	2012	2011	2010	2009
Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value
\$ 1,675,767,308	\$ 1,699,347,198	\$ 1,617,923,834	\$ 1,576,916,496	\$ 1,609,972,716	\$ 1,603,357,209
7,818,551,874	7,408,172,999	7,141,731,914	7,261,895,281	7,203,158,472	7,521,205,474
179,952,780	184,007,830	180,326,380	179,442,610	176,233,820	182,821,550
8,769,911,490	8,057,786,330	7,607,614,630	7,472,027,650	7,341,913,730	7,362,953,510
119,110	57,770	58,730	56,380	62,270	72,180
1,216,830	1,230,470	942,950	988,240	943,240	1,140,840
16,769,752,084	15,651,255,399	14,930,674,604	14,914,410,161	14,722,311,532	15,068,193,554
334,675,590	325,440,400	331,778,681	330,048,407	871,292,046	864,197,808
3,473,366	3,590,420	3,745,243	3,653,927	3,709,447	3,956,511
5,180,360	4,686,113	5,249,553	4,722,895	6,782,678	4,260,559
2,113,832,940	1,890,156,309	1,671,514,723	1,722,612,102	1,716,215,584	1,879,628,393
2,457,162,256	2,223,873,242	2,012,288,200	2,061,037,331	2,597,999,755	2,752,043,271
19,226,914,340	17,875,128,641	16,942,962,804	16,975,447,492	17,320,311,287	17,820,236,825
<u>\$ 20,902,681,648</u>	<u>\$ 19,574,475,839</u>	<u>\$ 18,560,886,638</u>	<u>\$ 18,552,363,988</u>	<u>\$ 18,930,284,003</u>	<u>\$ 19,423,594,034</u>
<u>\$ 20,568,006,058</u>	<u>\$ 19,249,035,439</u>	<u>\$ 18,229,107,957</u>	<u>\$ 18,222,315,581</u>	<u>\$ 18,058,991,957</u>	<u>\$ 18,559,396,226</u>

# SALT LAKE CITY SCHOOL DISTRICT

## Statements of Net Position Governmental Activities Years Ended June 30, 2010 through 2019

	Year Ended June 30,			
	2019	2018	2017	2016
<b>Assets:</b>				
Cash and investments	\$ 162,138,564	\$ 154,902,057	\$ 134,939,836	\$ 136,902,940
Accounts receivable:				
Property taxes	144,796,128	139,090,913	131,339,409	140,997,367
Other local	515,420	1,115,481	898,936	524,203
State of Utah	2,485,425	1,778,772	1,833,842	1,326,067
Federal government	5,548,873	7,267,645	12,054,110	6,426,655
Due from component unit	-	-	32,775	32,775
Inventories	1,370,181	1,065,018	1,142,635	1,140,020
Prepaid expenses	355,768	317,974	449,930	248,814
Restricted cash	6,579,779	5,816,866	5,054,902	4,305,330
Note receivable	612,650	683,647	755,393	827,945
Net pension asset	-	-	-	4,556
Capital assets:				
Sites and construction in progress	75,554,256	44,895,449	52,861,344	38,132,275
Other capital assets, net of accumulated depreciation	260,262,375	272,140,456	263,145,126	273,645,201
Total assets	660,219,419	629,074,278	604,508,238	604,514,148
<b>Deferred Outflows of Resources:</b>				
Deferred charge on refunding	1,687,024	2,138,048	2,589,072	3,040,093
Amounts related to pensions	52,317,537	53,245,734	50,292,634	44,780,386
Total Deferred outflows of resources	54,004,561	55,383,782	52,881,706	47,820,479
<b>Liabilities:</b>				
Accounts payable	8,483,535	5,454,627	5,475,821	4,131,076
Accrued interest	436,485	542,584	614,060	698,462
Accrued salary and related benefits	25,410,199	23,193,365	21,679,847	20,838,017
Unearned revenue:				
Local	980,418	1,102,025	427,903	408,283
State of Utah	1,612,558	1,618,415	1,743,979	1,540,585
Federal government	54,099	-	254,289	469,897
Noncurrent liabilities:				
Due or payable within one year	13,052,943	13,036,499	13,249,671	12,431,270
Due or payable after one year	182,096,937	139,908,933	180,220,218	186,888,199
Total liabilities	232,127,174	184,856,448	223,665,788	227,405,789
<b>Deferred Inflows of Resources:</b>				
Property taxes levied for future year	143,108,836	137,023,997	129,032,232	138,600,226
Amounts related to pensions	3,790,232	48,192,054	17,293,554	11,926,156
Total deferred inflows of resources	146,899,068	185,216,051	146,325,786	150,526,382
<b>Net Position:</b>				
Net investment in capital assets	295,590,039	269,145,657	260,683,699	249,277,178
Restricted for:				
Capital projects	39,060,909	48,777,969	39,258,346	42,745,021
Debt service	9,802,777	8,163,135	7,076,900	5,909,924
Child nutrition services	2,504,778	2,447,707	3,046,765	2,864,349
Special programs	-	-	-	-
Student activities	-	-	-	-
Scholarships and programs	-	-	-	-
Unrestricted	(11,760,765)	(14,148,907)	(22,667,340)	(26,394,016)
Total net position	\$ 335,197,738	\$ 314,385,561	\$ 287,398,370	\$ 274,402,456

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

Note: In FY2018, the District implemented GASB Statement 80, blending requirements for certain component units. As a result, the beginning net position balance (June 30, 2017) was increased by \$4,501,029. Prior years have not been restated.

Note: In FY2015, the District implemented GASB statements 68 and 71, recording its proportionate share of net pension liabilities. As a result, the beginning net position balance (June 30, 2014) was decreased by \$97,942,595. Prior years have not been restated.

2015	2014	2013	2012	2011	2010
\$ 123,873,375	\$ 114,832,565	\$ 102,580,013	\$ 102,377,616	\$ 110,018,366	\$ 94,603,264
136,349,829	107,476,990	110,423,076	107,847,323	108,468,137	102,549,322
1,151,603	817,357	726,685	706,159	950,631	1,492,709
1,088,248	1,664,974	1,125,230	1,312,389	898,156	575,732
7,894,869	8,654,056	14,405,149	14,450,054	13,420,836	18,871,643
21,281	10,161	55,651	140,192	32,284	33,744
999,300	1,126,458	854,810	833,521	833,091	1,087,131
237,594	190,295	216,762	302,042	211,347	260,260
3,560,207	2,820,623	2,081,545	1,342,658	600,802	-
900,967	973,657	1,045,228	1,118,054	1,191,318	1,292,052
60,695	19,637	-	-	-	-
37,685,467	32,954,353	37,530,624	48,124,574	43,988,441	76,252,132
279,669,112	292,779,212	300,820,956	295,382,784	295,688,461	261,942,224
593,492,547	564,320,338	571,865,729	573,937,366	576,301,870	558,960,213
3,491,114	4,051,345	4,611,575	3,045,123	2,454,870	1,628,336
14,426,732	11,781,574	-	-	-	-
17,917,846	15,832,919	4,611,575	3,045,123	2,454,870	1,628,336
6,365,122	2,390,479	4,476,131	3,720,570	5,237,546	3,984,419
780,504	906,413	913,952	1,338,837	1,499,923	1,663,513
20,829,380	21,341,759	21,990,885	23,155,357	21,161,747	20,735,624
309,937	1,885,328	1,454,056	229,281	192,656	1,324,070
1,485,151	1,635,539	1,527,941	5,411,083	3,251,084	5,104,591
623,778	812,611	874,815	807,152	938,540	662,686
13,659,807	13,522,591	16,957,175	14,766,933	14,959,110	13,767,017
168,010,929	191,176,069	90,252,160	100,195,604	113,084,547	120,421,776
212,064,608	233,670,789	138,447,115	149,624,817	160,325,153	167,663,696
133,802,190	104,594,619	107,055,112	103,582,261	103,582,262	98,463,480
8,970,723	-	-	-	-	-
142,772,913	104,594,619	107,055,112	103,582,261	103,582,262	98,463,480
246,369,037	246,581,273	244,506,480	236,865,736	228,314,411	217,482,173
37,389,920	33,210,251	26,963,231	24,594,980	28,492,313	25,963,061
5,396,002	1,891,664	1,344,287	308,030	-	268,588
2,644,309	2,324,165	2,322,234	2,517,560	2,873,396	2,884,901
-	-	5,159,577	4,310,662	3,289,391	3,710,271
-	-	2,436,612	2,124,821	2,194,639	1,731,903
-	-	1,659,136	2,880,113	746,549	-
(35,226,396)	(42,119,504)	46,583,520	47,128,386	46,483,756	40,792,140
\$ 256,572,872	\$ 241,887,849	\$ 330,975,077	\$ 320,730,288	\$ 312,394,455	\$ 292,833,037

## SALT LAKE CITY SCHOOL DISTRICT

### General Fund Comparative Balance Sheets Years Ended June 30, 2010 through 2019

	Year Ended June 30,			
	2019	2018	2017	2016
<b>Assets:</b>				
Cash and investments	\$ 88,186,103	\$ 78,324,853	\$ 64,146,972	\$ 65,956,200
Accounts receivable:				
Property taxes	90,301,642	89,892,586	81,697,466	96,657,641
Other local	499,279	781,143	892,203	377,510
State of Utah	1,892,009	1,274,369	1,059,739	543,783
Federal government	5,314,924	6,999,878	10,414,714	5,397,081
Prepaid expenditures	169,236	235,033	313,102	112,365
Total assets	<u>\$ 186,363,193</u>	<u>\$ 177,507,862</u>	<u>\$ 158,524,196</u>	<u>\$ 169,044,580</u>
<b>Liabilities:</b>				
Liabilities:				
Accounts payable	\$ 1,528,156	\$ 1,511,137	\$ 1,984,744	\$ 903,457
Accrued salaries and related benefits	25,410,199	23,193,365	21,679,847	20,838,017
Unearned revenue:				
Other local	102,752	127,035	25,210	136,982
State of Utah	1,612,558	1,618,415	1,743,979	1,527,653
Federal government	54,099	-	254,289	469,897
Total liabilities	<u>28,707,764</u>	<u>26,449,952</u>	<u>25,688,069</u>	<u>23,876,006</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable property tax revenue	1,725,593	1,766,680	1,774,614	2,099,850
Property taxes levied for future year	<u>89,299,141</u>	<u>88,571,508</u>	<u>80,238,028</u>	<u>94,775,154</u>
Total deferred inflows of resources	<u>91,024,734</u>	<u>90,338,188</u>	<u>82,012,642</u>	<u>96,875,004</u>
<b>Fund balances:</b>				
Nonspendable:				
Prepaid expenditures	169,236	235,033	313,102	112,365
Committed:				
Economic stabilization	7,000,000	7,000,000	7,000,000	7,000,000
Assigned:				
Charter schools	736,254	759,086	845,022	756,250
Programs	30,222,750	27,042,786	17,742,473	15,810,903
Schools	3,342,187	2,967,562	3,183,331	2,923,717
Employee benefit obligations	11,475,961	10,475,961	10,475,961	10,475,961
Unassigned	<u>13,684,307</u>	<u>12,239,294</u>	<u>11,263,596</u>	<u>11,214,374</u>
Total fund balances	<u>66,630,695</u>	<u>60,719,722</u>	<u>50,823,485</u>	<u>48,293,570</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 186,363,193</u>	<u>\$ 177,507,862</u>	<u>\$ 158,524,196</u>	<u>\$ 169,044,580</u>

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

2015	2014	2013	2012	2011	2010
\$ 61,969,953	\$ 61,483,014	\$ 56,989,681	\$ 58,485,506	\$ 57,382,593	\$ 49,944,014
92,440,733	70,117,980	72,040,006	70,359,586	70,764,605	66,704,411
701,276	439,723	295,292	367,906	405,164	352,854
530,204	781,249	222,699	615,917	288,377	278,266
6,238,212	7,128,289	12,284,360	12,628,674	10,089,833	15,153,359
100,026	75,587	94,310	114,464	144,865	123,845
<u>\$ 161,980,404</u>	<u>\$ 140,025,842</u>	<u>\$ 141,926,348</u>	<u>\$ 142,572,053</u>	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>
\$ 2,083,593	\$ 1,005,793	\$ 1,741,726	\$ 1,306,635	\$ 1,128,698	\$ 1,060,967
20,829,380	21,341,759	21,990,885	23,155,357	21,161,747	20,735,624
68,526	13,382	18,930	35,400	31,298	51,181
1,410,218	1,635,539	1,527,941	3,134,679	1,459,822	4,900,372
623,778	812,611	874,815	807,152	938,540	662,686
25,015,495	24,809,084	26,154,297	28,439,223	24,720,105	27,410,830
2,066,817	1,947,023	2,275,550	2,717,556	2,974,180	2,625,908
90,475,462	68,237,521	69,842,748	67,577,061	67,577,061	64,046,727
92,542,279	70,184,544	72,118,298	70,294,617	70,551,241	66,672,635
100,026	75,587	94,310	114,464	144,865	123,845
7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
761,355	914,387	915,589	1,074,149	756,073	400,625
15,542,191	15,857,611	15,841,276	16,223,740	16,017,386	12,061,073
2,508,738	2,295,153	2,030,585	2,294,233	2,104,894	1,740,004
9,475,961	9,475,961	8,475,961	7,525,961	7,525,961	5,310,475
9,034,359	9,413,515	9,296,032	9,605,666	10,254,912	11,837,262
44,422,630	45,032,214	43,653,753	43,838,213	43,804,091	38,473,284
<u>\$ 161,980,404</u>	<u>\$ 140,025,842</u>	<u>\$ 141,926,348</u>	<u>\$ 142,572,053</u>	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>

## SALT LAKE CITY SCHOOL DISTRICT

### General Fund

#### Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances Years Ended June 30, 2010 through 2019

	Proposed Budget 2020	Year Ended June 30,			
		2019	2018	2017	2016
<b>Revenues:</b>					
Property taxes	\$ 106,352,285	\$ 108,892,192	\$ 99,904,251	\$ 98,413,434	\$ 93,719,159
Interest	1,191,200	3,064,115	1,523,798	1,367,743	785,853
Other local	10,316,893	10,462,200	10,848,622	3,249,203	3,519,698
State of Utah	90,808,787	89,073,224	89,314,800	84,331,644	81,711,570
Federal government	15,605,816	16,448,602	18,151,415	16,314,388	16,644,447
Total revenues	224,274,981	227,940,333	219,742,886	203,676,412	196,380,727
<b>Expenditures:</b>					
Instruction	146,471,253	136,898,616	136,805,278	133,859,849	128,920,339
Supporting services:					
Students	9,449,741	8,439,695	7,636,383	6,849,571	6,135,406
Instructional staff	18,230,812	17,113,186	16,115,269	14,936,803	13,575,203
General district administration	1,111,549	1,041,495	1,006,563	1,052,007	811,039
General school administration	15,835,976	15,489,309	15,044,125	11,574,529	11,071,417
Central	6,554,733	6,248,147	5,904,196	5,342,482	5,386,665
Operation and maintenance of school buildings	20,406,867	20,712,455	22,524,300	19,438,391	20,735,493
Student transportation	6,213,419	6,294,865	5,950,804	5,832,589	5,724,106
Child nutrition services	270,042	336,354	126,969	141,183	150,119
Community services	9,281,506	9,455,238	8,885,188	2,119,093	-
Total expenditures	233,825,898	222,029,360	219,999,075	201,146,497	192,509,787
Excess (deficiency) of revenues over (under) expenditures	(9,550,917)	5,910,973	(256,189)	2,529,915	3,870,940
<b>Other financing sources:</b>					
Transfer in	-	-	10,152,426	-	-
Net change in fund balance	(9,550,917)	5,910,973	9,896,237	2,529,915	3,870,940
<b>Fund balances - beginning</b>	<u>60,719,722</u>	<u>60,719,722</u>	<u>50,823,485</u>	<u>48,293,570</u>	<u>44,422,630</u>
<b>Fund balances - ending</b>	<u>\$ 51,168,805</u>	<u>\$ 66,630,695</u>	<u>\$ 60,719,722</u>	<u>\$ 50,823,485</u>	<u>\$ 48,293,570</u>

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

2015	2014	2013	2012	2011	2010
\$ 81,457,397	\$ 74,962,972	\$ 71,560,420	\$ 64,858,727	\$ 62,793,446	\$ 60,252,172
139,299	601,601	1,050,876	1,165,916	1,055,216	884,610
3,073,815	4,413,761	4,667,032	6,860,079	6,987,243	5,879,817
86,268,603	83,199,671	80,211,270	79,714,817	85,940,854	84,284,144
16,154,210	17,731,622	20,604,951	22,266,784	27,393,349	26,790,429
187,093,324	180,909,627	178,094,549	174,866,323	184,170,108	178,091,172
127,893,110	122,147,644	122,634,083	120,032,041	122,465,000	120,175,647
6,114,159	5,948,151	5,821,332	5,819,902	5,892,066	6,086,687
12,679,160	11,798,020	11,484,003	11,832,489	11,657,062	12,359,162
720,534	748,818	719,420	613,129	903,263	885,924
10,538,290	10,326,406	10,170,799	11,457,168	11,179,035	10,972,640
5,105,707	4,646,347	4,586,731	4,516,641	4,811,435	4,596,755
19,233,081	17,692,535	17,183,397	15,000,732	16,511,711	16,129,239
5,266,543	6,076,530	5,580,941	5,463,831	5,253,829	4,508,769
152,324	146,715	98,303	96,268	165,900	160,086
-	-	-	-	-	-
187,702,908	179,531,166	178,279,009	174,832,201	178,839,301	175,874,909
(609,584)	1,378,461	(184,460)	34,122	5,330,807	2,216,263
-	-	-	-	-	-
(609,584)	1,378,461	(184,460)	34,122	5,330,807	2,216,263
45,032,214	43,653,753	43,838,213	43,804,091	38,473,284	36,257,021
\$ 44,422,630	\$ 45,032,214	\$ 43,653,753	\$ 43,838,213	\$ 43,804,091	\$ 38,473,284

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