

SALT LAKE CITY SCHOOL DISTRICT

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2013

PREPARED BY THE OFFICE OF THE
BUSINESS ADMINISTRATOR

Janet M. Roberts, Business Administrator
Alan T. Kearsley, C.P.A., Director of Finance

SALT LAKE CITY SCHOOL DISTRICT

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November 29, 2013

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, 2013 is submitted herewith.

State law requires that school districts publish within six 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, 2013 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, 2013 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, 2013 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 legal compliance audit, the purpose of which is to examine general and major state program compliance with applicable state laws and regulations.

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

www.slcschools.org

The Single Audit and State of Utah Legal 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 enjoying 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 24,077 students in kindergarten through twelfth grade living within the boundaries of Salt Lake City, which are part of a total population of approximately 190,000 citizens. In accomplishing this goal, the District operates 38 schools comprised of 5 high schools, 5 intermediate schools, 27 elementary schools and 2 charter schools. The average age of the District's 38 buildings is about 24 years. Additionally, the District operates several other educational programs. These include community schools, adult education opportunities, sheltered workshop programs, and many programs for at-risk and disabled students, along with programs for highly-motivated students.

Component Units

The Salt Lake Education Foundation (Foundation) is a discretely presented 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 separate column on the government-wide financial statements 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 District receives almost one-half of general fund revenues from state sources. The majority of the state funds for education are derived from income taxes. The Governor's Office of Planning and Budget is projecting that for 2013, Utah's job growth is expected to grow at 3.5%, above its long-term average of 3.1%, while the nation stays at 1.4%. Construction employment is projected to grow 9.4% in 2013 as housing takes on a leading role in the economic recovery. Utah's personal income is expected to increase by 4.5%, 1.6 % above the anticipated U.S. increase of only 2.9%. Per capita personal income is forecast to increase 2.7% in 2013.

Because the District's student enrollment is not increasing while statewide student enrollment is increasing, state funds have been shifting in recent years to cover growth. In addition, the amount the District is required to contribute to the Utah Retirement System for employees will increase by 1.7% for the upcoming fiscal year, and is anticipated to increase by 1.73% the year after. In total, the District is faced with a 2.6% budgeted deficiency between revenues and expenditures for the next fiscal year. This deficiency will be addressed through a combination of increasing efficiencies, personnel cuts (through attrition), program/service cuts or modifications, as well as other cost saving measures.

The approved tax rate for the 2013 calendar year is 0.006651, up from 0.006626 for the 2012 year. This tax rate reflects a slight decrease in the calculated basic state levy as well as a tax increase approved by the Board of Education.

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. During fiscal 2013, the District's unused legal debt capacity is approximately \$901.6 million.

Major Initiatives

During the 2009-10 fiscal year, the District developed a new Student Achievement Plan for 2010-2015. This plan contains the guiding values which will determine where the District allocates financial resources in order to best meet the stated goals. These goals are as follows:

The Central Essential

Curriculum, Instruction, and Assessment – Continuous cycles of curriculum, instruction, and assessment give all students access to quality instruction aligned to core standards.

Supporting Essentials

Early Childhood – Programs for families and preschool children provide a foundation for success in school and life, empowering parents to support children's cognitive, social, and physical development and promote future learning.

Equity and Advocacy – All students receive the necessary resources, instruction, support, and advocacy to achieve comparably high outcomes, with emphasis on students of color, English learners, students in poverty, and students with disabilities.

Internal Communications and External Relations – Accurate, efficient, effective, and culturally relevant communication strengthens relationships among all stakeholders in support of public education.

Family and School Collaboration – Inclusive educational environments offer many and varied opportunities for families and schools to engage together as advocates and supporters of our students' learning.

School Choice – All families and students have access to a variety of school or program choices including neighborhood schools, academies, magnet programs, and optional programs.

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, 2012. The District has received certificates continuously for thirty-six 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.

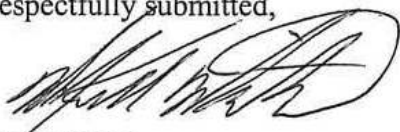
The Association of School Business Officials (ASBO) has awarded its Certificate of Excellence to the Salt Lake City School District. This award certifies that the annual financial report for the year ended June 30, 2012, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials of the United States and Canada. The District has received certificates continuously for 34 years. The District believes that the 2013 annual report, which will be submitted to ASBO for an annual review, also conforms to these principles and standards.

Acknowledgement

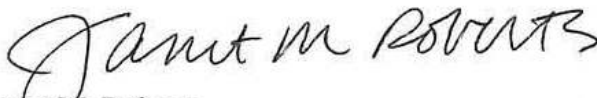
Many individuals helped in preparing this report, including members of the various business departments. We express our appreciation to Alan Kearsley, CPA, Director of Finance; and Cynthia Done, CPA, Senior Accountant for the major effort in closing the year and making sure that this report was prepared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



McKell Withers,
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, 2012

A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is written in a cursive, flowing style.

Executive Director/CEO

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Salt Lake City School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2012*

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



A handwritten signature in black ink, reading "Ron McCulley", written over a horizontal line.

Ron McCulley, CPPB, RSBO
President

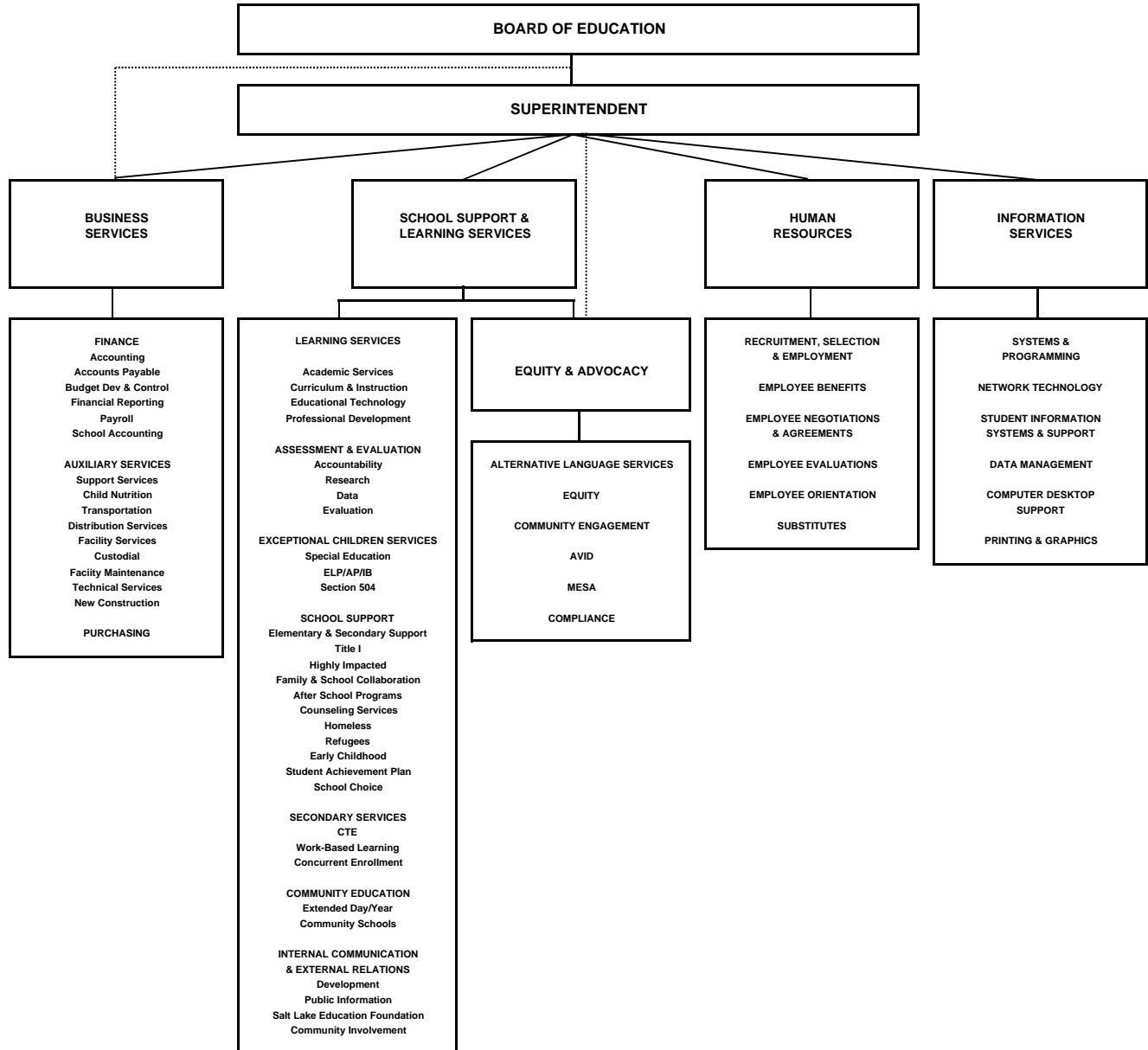
A handwritten signature in black ink, reading "John D. Musso", written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

Administrative Organizational Chart Salt Lake City School District

THE ADMINISTRATION

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.

Kristi Swett, President	Precinct Number Seven
Heather Bennett, Vice President.....	Precinct Number Five
Tiffany Sandberg	Precinct Number One
J. Michael Clára.....	Precinct Number Two
Douglas Nelson	Precinct Number Three
Rosemary Emery	Precinct Number Four
Laurel Young	Precinct Number Six
Lavenita Vaitai	Student Board Member

McKell Withers	Superintendent of Schools
Janet M. Roberts	Business Administrator



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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, the discretely presented component unit, 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, 2013, 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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Salt Lake City School District as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis 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 29, 2013, 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 29, 2013

Management's Discussion and Analysis

This section of Salt Lake 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, 2013. 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 \$331.0 million at the close of the most recent fiscal year.
- During the year, expenses were \$10.3 million less than the \$248.8 million generated in taxes and other revenues for governmental activities. This was an increase from last year, when expenses were less than revenues by \$8.3 million.
- Student enrollment decreased by 288 students to a total of 24,077 students for fiscal 2013. The value of the State's Weighted Pupil Unit (WPU) increased by \$26 or 0.92%. Total state aid increased by \$0.4 million.
- Federal aid decreased by \$1.6 million mainly due to federal funding reductions.
- During fiscal 2013, the District completed the retrofit of the Lowell and Goodwin Avenue sites, as well as the fieldhouse and classroom renovation project at West High School. Construction of the Glendale/Mountain View Community Learning Center was continued throughout the year and is anticipated to be completed in fiscal 2014 at an estimated total cost of \$5.8 million.

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 include not only the District itself (known as the *primary government*), but also a legally separate education foundation for which the District is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself. The Municipal Building Authority, although also legally separate, functions for all practical purposes as a department of the District, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 20 and 21 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 six 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*, and the *capital projects fund*, each of which are considered to be major funds. Data from the other three 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 22 to 26 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 27 to 29 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 31 to 48 of this report.

Supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to basic financial statements. Combining and individual fund statements and schedules can be found on pages 50 to 63 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 \$331.0 million at the close of the most recent fiscal year.

SALT LAKE SCHOOL DISTRICT'S Net Position

(in millions of dollars)

June 30, 2013 and 2012

	Governmental activities		Total change
	2013	2012	2013-2012
Current and other assets	\$ 233.5	\$ 230.4	\$ 3.1
Capital assets	338.4	343.5	(5.1)
Total assets	571.9	573.9	(2.0)
Deferred outflows of resources	4.6	3.0	1.6
Current and other liabilities	31.2	34.6	(3.4)
Long-term liabilities outstanding	107.2	118.0	(10.8)
Total liabilities	138.4	152.6	(14.2)
Deferred inflows of resources	107.1	103.6	3.5
Net position:			
Net investment in capital assets	244.5	236.9	7.6
Restricted	39.9	36.7	3.2
Unrestricted	46.6	47.1	(0.5)
Total net position, as restated	\$ 331.0	\$ 320.7	\$ 10.3

- The largest portion of the District's net position (73.8%) reflects its investment in capital assets (e.g., sites, buildings, equipment and vehicles net of accumulated depreciation), less any related debt (general obligation bonds payable less unspent bond proceeds) 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 (12.1%) 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 balance of *unrestricted net position* (14.1%) may be used to meet the District's obligations to students, employees, and creditors and to honor next year's budget.

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

The District's net position increased by \$10.3 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, 2013 and 2012

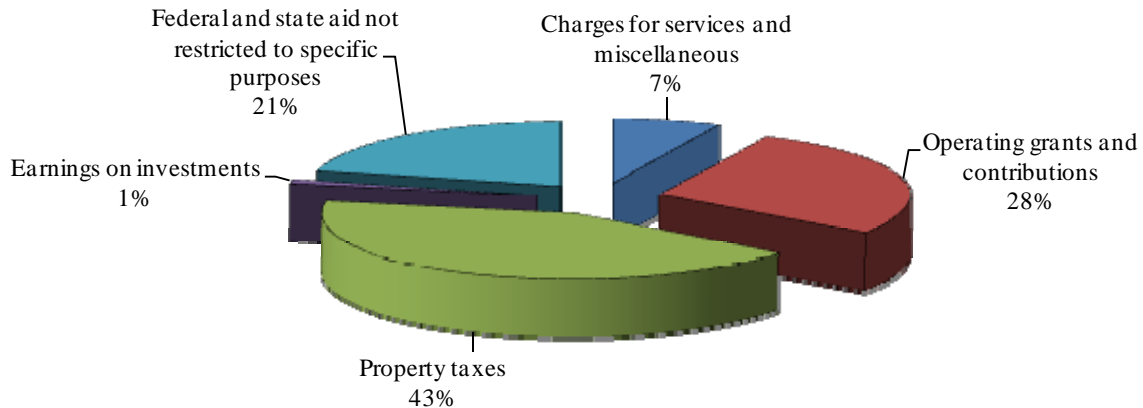
	Governmental activities		Total change
	2013	2012	2013-2012
Revenues:			
Program revenues:			
Charges for services	\$ 7.1	\$ 8.0	\$ (0.9)
Operating grants and contributions	69.0	69.9	(0.9)
General revenues:			
Property taxes	107.5	104.0	3.5
Federal and state aid not restricted to specific purposes	53.1	53.3	(0.2)
Earnings on investments	1.4	1.5	(0.1)
Miscellaneous	10.7	7.9	2.8
Total revenues	248.8	244.6	4.2
Expenses:			
Instruction	156.2	153.8	2.4
Supporting services:			
Students	5.9	6.0	(0.1)
Instructional staff	14.6	15.4	(0.8)
General district administration	1.5	1.2	0.3
General school administration	11.7	11.8	(0.1)
Central services	4.6	4.5	0.1
Operation and maintenance of school buildings	19.6	18.3	1.3
Student transportation	6.2	6.1	0.1
Child nutrition services	13.6	14.5	(0.9)
Community services	1.3	0.9	0.4
Interest on long-term liabilities	3.3	3.8	(0.5)
Total expenses	238.5	236.3	2.2
Change in net position	10.3	8.3	2.0
Net position - beginning, as restated	320.7	312.4	8.3
Net position - ending	\$ 331.0	\$ 320.7	\$ 10.3

Governmental activities. The key elements of the increase in the District's net position for the year ended June 30, 2013 are as follows:

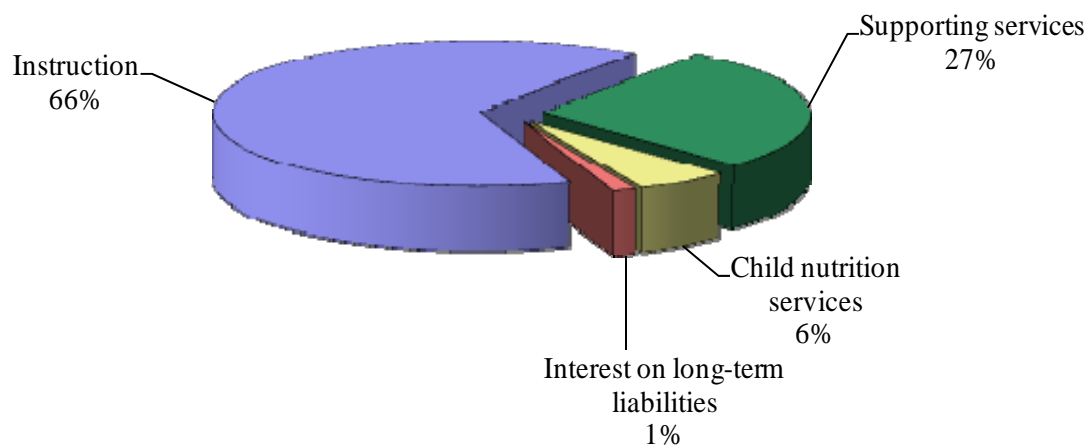
- Operating grants and contributions decreased by \$0.9 million primarily due to decreases in federal funding.
- State aid increased by \$0.4 million due to a slight increase in the weighted pupil unit (WPU) which was offset by decreases in other state funding sources, including a decrease in the minimum school program as a result of the increased property tax revenue received. State aid is based primarily on weighted pupil units (WPU) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. 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. Certain students receive a weighting greater than one. The value of the WPU (\$2,842) increased by 0.92% over the prior year.
- Property taxes increased by \$3.5 million due to increased basic and discretionary rates as well as increased collection rates.

- Expenses for instruction increased by \$2.4 million mostly due to increased salary and benefit costs.
- Other expenses remained relatively unchanged. Increases to retirement and insurance costs have been offset by efficiencies and other cost saving measures.

**SALT LAKE CITY SCHOOL DISTRICT
Revenues by Source - Governmental Activities
Year Ended June 30, 2013**



**SALT LAKE CITY SCHOOL DISTRICT
Expenses by Function - Governmental Activities
Year Ended June 30, 2013**



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. As the District completed the year, its governmental funds reported a combined fund balance of \$82.3 million, \$3.0 million more than the previous year. The fund balance of the *general fund* decreased by \$0.2 million for the year due to the planned use of resources for a one-time salary payment for employees. The fund balance of the *capital projects fund* increased by \$2.7 million or 11.7%, due to the accumulation of resources to pay for future construction projects and other capital needs. The fund balance of the *debt service fund* increased by \$0.7 million. 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 reflect the debt needs. In addition, the following other changes in fund balances should be noted:

- Expenditures for general District purposes totaled \$178.3 million, an increase of 2.0% during the current fiscal year. This compares to a 2.2% increase in fiscal 2012. Instruction represents 68.8% of *general fund* expenditures.
- *General fund* salaries totaled \$111.9 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$40.2 million to arrive at 85.3% of total *general fund* expenditures.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, committed, assigned and unassigned portions. Nonspendable includes inventories and prepaid expenditures that are not expected to be converted to cash. Restricted includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes. Committed balances reflect the District's self-imposed limitation on the use of otherwise-available, expendable financial resources in governmental funds. Assigned balances in the general fund and other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes. Unassigned balances in the general fund are all other available net fund resources. At June 30, 2013, the District's combined governmental fund balance is \$82.3 million (\$0.7 million in nonspendable, \$30.5 million in restricted, \$7.0 million in committed, \$34.8 million in assigned, and \$9.3 million in unassigned fund balances).

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 \$3.9 million or 2.2% in total general fund expenditures. The most significant budgetary adjustments may be summarized as follows:

- \$1.4 million or 1.1% increase in instruction, to reflect a reallocation of resources from instructional staff, the use of unanticipated prior year carryovers, and increases in supplies and equipment.
- \$2.0 million or 17.5% increase in instructional staff—supporting services to reflect the receipt and use of school improvement grants, and the use of unanticipated prior year carryovers.
- \$0.9 million or 18.9% increase in student transportation for the purchase of additional buses.

Even with these budget adjustments, actual expenditures were \$7.2 million less than final budgeted amounts. The most significant variances may be summarized as follows:

- \$5.1 million or 4.0% positive variance in instruction, due to unspent supply allocations and equipment budgets which are carried over to the next year.
- \$2.0 million or 14.9% positive variance in instructional staff—supporting services due to the carryover of school improvement grants into the next year.

Revenues were \$1.3 million more than the final budgeted amount. State revenue was \$0.8 million or 1.0% less than the final budgeted amount due to less Minimum School 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. Federal revenue was \$2.5 million or 10.8% less than the final budgeted amount due to cuts in federal school funding. Property tax revenue surpassed projections by \$4.0 million or 6.0% in part due to a higher than expected collection rate and an increased assessed valuation. 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 \$2.3 million in unearned federal and state revenue at June 30, 2013.

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 2013 the retrofit of two mixed use buildings and a high school fieldhouse were completed, and the construction of the Glendale/Mountain View Community Learning Center was continued. The project in progress has a projected cost of \$5.8 million. The total expended on this project at June 30, 2013 is \$4.6 million, leaving a projected cost to complete all projects begun to date at \$1.2 million.

Capital assets at June 30, 2013 and 2012 are outlined below:

SALT LAKE CITY SCHOOL DISTRICT'S Capital Assets (net of accumulated depreciation, in millions of dollars) June 30, 2013 and 2012

	Governmental activities		Total change 2013-2012
	2013	2012	
Sites	\$ 33.0	\$ 33.0	\$ -
Construction in progress	4.6	15.2	(10.6)
Buildings	292.7	288.6	4.1
Equipment	3.9	3.3	0.6
Vehicles	4.2	3.4	0.8
Total capital assets, net	<u>\$ 338.4</u>	<u>\$ 343.5</u>	<u>\$ (5.1)</u>

Additional information on the District's capital assets can be found in Note 4 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, 2013 is \$984.2 million. Net general obligation debt at June 30, 2013 is \$87.5 million, resulting in a legal debt margin of \$896.7 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, 2013 and 2012

	Governmental activities 2013	2012	Total change 2013-2012
General obligation bonds	\$ 87.5	\$ 98.7	\$ (11.2)
QSCB Bonds	11.0	11.0	-
Outstanding bonds, net	<u>\$ 98.5</u>	<u>\$ 109.7</u>	<u>\$ (11.2)</u>

Additional information on the District's long-term debt can be found in Note 7 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	2012	2013	2014 *	2015 *	2016 *	2017 *
Average Daily Membership	24,365	24,077	24,103	24,184	24,285	24,362

* Projected ADM

The District's enrollment for the year ended June 30, 2013 decreased by 288 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 First South, Salt Lake City, UT 84111.

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BASIC FINANCIAL STATEMENTS

SALT LAKE CITY SCHOOL DISTRICT

Statement of Net Position

June 30, 2013

	Primary Government Governmental Activities	Component Unit District Foundation
Assets:		
Cash and investments	\$ 102,580,013	\$ 2,326,966
Receivables:		
Property taxes	110,423,076	-
Other local	726,685	-
State of Utah	1,125,230	-
Federal government	14,405,149	-
Due from component unit	55,651	-
Inventories	854,810	-
Prepaid expenses	216,762	-
Investments restricted for debt service	2,081,545	-
Note receivable	1,045,228	-
Capital assets:		
Sites and construction in progress	37,530,624	-
Buildings, equipment, and vehicles, net of accumulated depreciation	300,820,956	-
Total assets	571,865,729	2,326,966
Deferred Outflows of Resources:		
Deferred charge on refunding	4,611,575	-
Liabilities:		
Accounts payable	4,476,131	23,171
Accrued interest	913,952	-
Accrued salaries and related benefits	21,990,885	-
Due to primary government	-	55,651
Unearned revenue:		
Other local sources	1,454,056	-
State of Utah	1,527,941	-
Federal government	874,815	-
Long-term liabilities:		
Portion due or payable within one year	16,957,175	-
Portion due or payable after one year	90,252,160	-
Total liabilities	138,447,115	78,822
Deferred Inflows of Resources:		
Property taxes levied for future year	107,055,112	-
Net Position:		
Net investment in capital assets	244,506,480	-
Restricted:		
Special programs	5,159,577	-
Child nutrition	2,322,234	-
Student activities	2,436,612	-
Debt service	1,344,287	-
Capital projects	26,963,231	-
Scholarships and programs	1,659,136	-
Unrestricted	46,583,520	2,248,144
Total net position	\$ 330,975,077	\$ 2,248,144

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, 2013

Activities or Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Government	Component Unit
				Total Governmental Activities	District Foundation
Primary government:					
Governmental activities:					
Instruction	\$ 156,240,735	\$ 3,233,891	\$ 44,696,081	\$ (108,310,763)	
Supporting services:					
Students	5,850,872	-	1,444,349	(4,406,523)	
Instructional staff	14,605,154	-	4,951,699	(9,653,455)	
General district administration	1,541,222	-	799,262	(741,960)	
General school administration	11,675,857	-	970,923	(10,704,934)	
Central	4,626,812	-	299,432	(4,327,380)	
Operation and maintenance of school buildings	19,648,790	338,336	1,382,092	(17,928,362)	
Student transportation	6,179,347	11,280	2,707,406	(3,460,661)	
Child nutrition services	13,587,803	1,416,254	11,407,305	(764,244)	
Community services	1,248,839	2,102,406	301,248	1,154,815	
Interest on long-term liabilities	3,324,175	-	-	(3,324,175)	
Total primary government	<u>\$ 238,529,606</u>	<u>\$ 7,102,167</u>	<u>\$ 68,959,797</u>	<u>(162,467,642)</u>	
Component unit:					
Salt Lake Education Foundation	<u>\$ 2,234,357</u>	<u>\$ -</u>	<u>\$ 2,165,855</u>		\$ (68,502)
General revenues:					
Property taxes:					
Basic state supported program for regular K-12 instruction (set by state legislature)				26,782,889	-
Voted local				16,222,222	-
Board local				29,767,778	-
Debt service				16,384,445	-
Capital outlay for buildings and other capital needs				18,331,112	-
Total property taxes				<u>107,488,446</u>	-
Federal and state revenue not restricted to specific purposes				53,071,691	-
Earnings on investments				1,367,829	106,700
Miscellaneous				10,784,465	-
Total general revenues				<u>172,712,431</u>	<u>106,700</u>
Change in net position				10,244,789	38,198
Net position - beginning, as restated				<u>320,730,288</u>	<u>2,209,946</u>
Net position - ending				<u>\$ 330,975,077</u>	<u>\$ 2,248,144</u>

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

SALT LAKE CITY SCHOOL DISTRICT

Balance Sheet Governmental Funds June 30, 2013

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 56,989,681	\$ 1,740,202	\$ 25,018,377	\$ 9,586,932	\$ 93,335,192
Receivables:					
Property taxes	72,040,006	19,746,425	16,340,549	2,296,096	110,423,076
Other local	295,292	11,922	1,069,186	450,761	1,827,161
State of Utah	222,699	-	-	902,531	1,125,230
Federal government	12,284,360	-	-	2,120,789	14,405,149
Inventories	-	-	-	486,826	486,826
Prepaid expenditures	94,310	-	27,877	94,575	216,762
Restricted cash	-	-	2,081,545	-	2,081,545
Total assets	<u>\$ 141,926,348</u>	<u>\$ 21,498,549</u>	<u>\$ 44,537,534</u>	<u>\$ 15,938,510</u>	<u>\$ 223,900,941</u>
Liabilities:					
Accounts payable	\$ 1,741,726	\$ -	\$ 1,825,381	\$ 359,027	\$ 3,926,134
Due to student organizations	-	-	-	268,206	268,206
Accrued salaries and related benefits	21,990,885	-	-	-	21,990,885
Unearned revenue:					
Other local	18,930	-	-	1,435,126	1,454,056
State of Utah	1,527,941	-	-	-	1,527,941
Federal government	874,815	-	-	-	874,815
Total liabilities	26,154,297	-	1,825,381	2,062,359	30,042,037
Deferred Inflows of Resources:					
Unavailable revenue note receivable	-	-	1,045,228	-	1,045,228
Unavailable property tax revenue	2,275,550	623,737	516,154	72,528	3,487,969
Property taxes levied for future year	69,842,748	19,144,147	15,842,153	2,226,064	107,055,112
Total deferred inflows of resources	72,118,298	19,767,884	17,403,535	2,298,592	111,588,309
Fund Balances:					
Nonspendable:					
Inventories	-	-	-	486,826	486,826
Prepaid expenditures	94,310	-	27,877	94,575	216,762
Restricted:					
Debt service	-	1,730,665	-	-	1,730,665
Capital projects	-	-	25,280,741	-	25,280,741
Community recreation	-	-	-	1,659,136	1,659,136
Child nutrition services	-	-	-	1,826,009	1,826,009
Committed:					
Economic stabilization	7,000,000	-	-	-	7,000,000
Assigned:					
Charter schools	915,589	-	-	-	915,589
Programs	15,841,276	-	-	5,016,901	20,858,177
Programs reported in the schools	2,030,585	-	-	57,500	2,088,085
Students	-	-	-	2,436,612	2,436,612
Employee benefit obligations	8,475,961	-	-	-	8,475,961
Unassigned	9,296,032	-	-	-	9,296,032
Total fund balances	<u>43,653,753</u>	<u>1,730,665</u>	<u>25,308,618</u>	<u>11,577,559</u>	<u>82,270,595</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 141,926,348</u>	<u>\$ 21,498,549</u>	<u>\$ 44,537,534</u>	<u>\$ 15,938,510</u>	<u>\$ 223,900,941</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, 2013

Total fund balances for governmental funds	\$ 82,270,595
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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	\$ 32,954,353	
Construction in progress	4,576,271	
Buildings, net of \$178,339,814 accumulated depreciation	292,727,452	
Equipment, net of \$5,369,437 accumulated depreciation	3,732,039	
Vehicles, net of \$7,715,318 accumulated depreciation	<u>4,243,068</u>	338,233,183

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.

3,487,969

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.

1,045,228

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

(913,952)

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 and liabilities 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:

697,154

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	(79,682,722)	
Qualified school construction bonds payable	(11,000,000)	
Unamortized deferred amounts on refunding	4,611,575	
Unamortized premiums and discounts	<u>(7,773,953)</u>	<u>(93,845,100)</u>

Total net position of governmental activities	<u><u>\$ 330,975,077</u></u>
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SALT LAKE CITY SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds Year Ended June 30, 2013

	Major Funds			Nonmajor Governmental Funds	Total Governmental Funds
	General	Debt Service	Capital Projects		
Revenues:					
Property taxes	\$ 71,560,420	\$ 17,441,126	\$ 17,109,462	\$ 2,054,945	\$ 108,165,953
Earnings on investments	1,050,876	25,092	157,427	77,180	1,310,575
School lunch sales	-	-	-	1,416,254	1,416,254
Other local sources	4,667,032	-	257,415	11,545,931	16,470,378
State of Utah	80,211,270	-	23,013	5,384,987	85,619,270
Federal government	20,604,951	-	-	15,807,267	36,412,218
Total revenues	178,094,549	17,466,218	17,547,317	36,286,564	249,394,648
Expenditures:					
Current:					
Instruction	122,634,083	-	-	13,966,007	136,600,090
Supporting services:					
Students	5,821,332	-	-	29,540	5,850,872
Instructional staff	11,484,003	-	-	3,098,804	14,582,807
General district administration	719,420	-	-	469,805	1,189,225
General school administration	10,170,799	-	-	1,505,058	11,675,857
Central	4,586,731	-	-	40,081	4,626,812
Operation and maintenance of school buildings	17,183,397	-	-	2,136,455	19,319,852
Student transportation	5,580,941	-	-	-	5,580,941
Child nutrition services	98,303	-	-	13,031,737	13,130,040
Community services	-	-	-	1,248,839	1,248,839
Capital outlay	-	-	14,912,487	1,021,122	15,933,609
Debt service:					
Principal retirement	-	12,810,000	-	-	12,810,000
Bond issuance costs	-	240,476	-	-	240,476
Interest, fiscal charges, and other	-	3,934,692	53,288	-	3,987,980
Total expenditures	178,279,009	16,985,168	14,965,775	36,547,448	246,777,400
Excess (deficiency) of revenues over (under) expenditures	(184,460)	481,050	2,581,542	(260,884)	2,617,248
Other financing sources (uses):					
Refunding bonds issued	-	22,140,000	-	-	22,140,000
Bond premium	-	3,260,900	-	-	3,260,900
Payment to refunded bond escrow agent	-	(25,148,502)	-	-	(25,148,502)
Proceeds from the sale of capital assets	-	-	72,825	5,287	78,112
Total other financing sources (uses)	-	252,398	72,825	5,287	330,510
Net change in fund balances	(184,460)	733,448	2,654,367	(255,597)	2,947,758
Fund balances - beginning	43,838,213	997,217	22,654,251	11,833,156	79,322,837
Fund balances - ending	\$ 43,653,753	\$ 1,730,665	\$ 25,308,618	\$ 11,577,559	\$ 82,270,595

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, 2013

Net change in fund balances-total governmental funds	\$ 2,947,758
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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. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital asset purchases	\$ 9,033,743	
Loss on disposal of capital assets	5,286	
Proceeds from sale of capital assets	(78,112)	
Depreciation expense	<u>(14,152,720)</u>	(5,191,803)

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	12,810,000	
General obligation refunding bonds issued	(22,140,000)	
Premium on refunding bonds	(3,260,900)	
Payment to refunded bond escrow agent	25,148,502	
Interest expense	424,885	
Amortization of bond premiums and discounts	650,397	
Amortization of deferred amounts on refunding	<u>(411,477)</u>	13,221,407

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 increased this year.

(677,507)

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.

(55,066)

Change in net position of governmental activities	<u>\$ 10,244,789</u>
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SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 67,524,431	\$ 67,524,431	\$ 71,560,420	\$ 4,035,989
Earnings on investments	900,869	904,269	1,050,876	146,607
Other local sources	4,133,490	4,238,836	4,667,032	428,196
State of Utah	80,585,689	81,003,234	80,211,270	(791,964)
Federal government	22,078,825	23,093,798	20,604,951	(2,488,847)
Total revenues	175,223,304	176,764,568	178,094,549	1,329,981
Expenditures:				
Current:				
Instruction	126,405,931	127,767,779	122,634,083	5,133,696
Supporting services:				
Students	5,981,062	5,942,368	5,821,332	121,036
Instructional staff	11,491,618	13,498,667	11,484,003	2,014,664
General district administration	883,685	808,800	719,420	89,380
General school administration	10,184,354	10,083,133	10,170,799	(87,666)
Central	4,665,304	4,727,591	4,586,731	140,860
Operation and maintenance of school buildings	16,939,078	16,707,823	17,183,397	(475,574)
Student transportation	4,935,798	5,871,019	5,580,941	290,078
Child nutrition services	97,352	103,196	98,303	4,893
Total expenditures	181,584,182	185,510,376	178,279,009	7,231,367
Excess of expenditures over revenues - net change in fund balances	(6,360,878)	(8,745,808)	(184,460)	8,561,348
Fund balances - beginning	43,838,213	43,838,213	43,838,213	-
Fund balances - ending	<u>\$ 37,477,335</u>	<u>\$ 35,092,405</u>	<u>\$ 43,653,753</u>	<u>\$ 8,561,348</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, 2013

Assets:

Current assets:

Cash and investments	\$ 9,244,821
Inventories	367,984
Receivables	403
	<hr/>
Total current assets	9,613,208

Noncurrent assets:

Capital assets:

Equipment	501,201
Accumulated depreciation	(382,804)
	<hr/>
Net capital assets	118,397
	<hr/>
Total assets	9,731,605

Liabilities:

Current liabilities:

Accounts payable	281,791
Accrued vacation	92,095
Accrued sick leave	356,016
Early retirement incentive payable	1,251,251
Dental insurance payable	401,253
Workers compensation payable	516,560
	<hr/>
Total current liabilities	2,898,966

Noncurrent liabilities:

Accrued vacation	1,106,613
Accrued sick leave	3,076,189
Early retirement incentive payable	1,952,683
	<hr/>
Total noncurrent liabilities	6,135,485
	<hr/>
Total liabilities	9,034,451

Net position:

Net investment in capital assets	118,397
Unrestricted	578,757
	<hr/>
Total net position	\$ 697,154

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, 2013

Operating revenues:

Charges for services	\$ 5,419,975
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Operating expenses:

Salaries	946,677
Employee benefits	4,030,871
Materials	388,263
Contracted services	33,571
Equipment maintenance	25,689
Depreciation	36,801
Other expenses	70,423

Total operating expenses	<u>5,532,295</u>
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Operating loss	(112,320)
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Nonoperating income:

Earnings on investments	<u>57,254</u>
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Change in net position	(55,066)
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Total net position - beginning	<u>752,220</u>
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Total net position - ending	<u><u>\$ 697,154</u></u>
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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, 2013

Cash flows from operating activities:

Receipts from interfund services provided	\$ 5,419,844
Payments to suppliers	(505,987)
Payments to employees	(4,545,803)
Net cash provided by operating activities	<u>368,054</u>

Cash flows from investing activities:

Interest earned	<u>57,254</u>
Net change in cash and cash equivalents	425,308

Cash and cash equivalents - beginning

8,819,513

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

\$ 9,244,821

Reconciliation of operating loss to net cash provided by operating activities:

Operating loss \$ (112,320)

Adjustments to reconcile operating loss to net cash used by operating activities:

Depreciation expense 36,801

Changes in operating assets and liabilities:

Receivables (131)

Inventories 18,965

Accounts payable (7,006)

Accrued vacation (28,905)

Accrued sick leave (91,635)

Early retirement incentive payable 273,075

Dental insurance payable 16,962

Workers compensation payable 262,248

Total adjustments 480,374

Net cash provided by operating activities \$ 368,054

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

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 District and all entities for which the District is considered to be financially accountable. The District is not a component unit of any other primary government.

- *Blended component unit.* 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*.
- *Discretely presented component unit.* The Salt Lake Education Foundation (the 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 Foundation is presented as a discretely presented component unit of the District. Financial information specific to the Foundation may be obtained by writing the Foundation at 440 East 100 South, Salt Lake City, UT 84111.

Government-wide and fund financial statements – The *government-wide financial statements* (the statement of net position and the statement of changes in net position) display information about the primary government (the District) and its discretely presented component unit. 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. 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

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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.

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. The government-wide and proprietary fund financial statements 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.

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

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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 22 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, 2013, 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.

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).

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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 are recorded at estimated fair value at the date of donation. 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

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.

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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

Deferred Outflows/Inflows of Resources – Beginning with 2013, the District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These Statements provide financial reporting guidance to standardize the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. They also establish accounting standards and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities, and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Implementation of these new Statements resulted in a restatement of the District's government-wide net position beginning balance (see Note 11).

In addition to assets, the 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. The District only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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. The District has three items, two of which arise only under a modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the items, *unavailable revenue*, are reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and unavailable local revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The item, *revenue for future year*, is reported in both the statement of net position and the governmental funds balance sheet. These amounts account for property taxes levied on January 1, 2013 for the 2013-2014 school year.

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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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- **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, debt service, and community recreation.
 - Remaining fund balances in the child nutrition fund.
 - **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the District's Board of Education. Fund balance commitments can only be removed or changed by the same type of action (for example, 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 in the *general fund* to the following purpose:

Economic stabilization. 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.

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, 2013, as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 2,504,434
Carrying amount of investments	104,484,090
Total cash and investments	<u>\$ 106,988,524</u>
Governmental funds cash and investments	\$ 93,335,192
Internal service funds cash and investments	9,244,821
Statement of net position cash and investments, unrestricted	102,580,013
Investments restricted for debt service	2,081,545
Component unit cash and investments	2,326,966
Total cash and investments	<u>\$ 106,988,524</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, US Treasury obligations, US agency issues, high-grade commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah.

The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District considers the 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, 2013, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Salt Lake City School District	\$ 2,417,809	\$ 2,397,949	\$ 416,382
Salt Lake Education Foundation	86,625	109,726	109,688
Total deposits	<u>\$ 2,504,434</u>	<u>\$ 2,507,675</u>	<u>\$ 526,070</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, 2013, the uninsured amount of the District's and Foundation's bank deposits was uncollateralized. At June 30, 2013, \$1,978,364 of the District's bank deposits

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

were uninsured and uncollateralized. No deposits are collateralized nor are they required to be by state statute.

Investments – The District’s investments are with the PTIF 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 held by the Utah State Treasurer, including investment-grade corporate notes, money market mutual funds, top-tier commercial paper, and certificates of deposit. The portfolio has a weighted average of 74 days. 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, 2013, 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)	\$ 53,068,802	\$ 53,068,802	\$ -	\$ -	\$ -
Corporate bonds	49,174,947	25,727,426	22,851,479	596,042	-
	102,243,749	78,796,228	22,851,479	596,042	-
Salt Lake Education Education Foundation, a component unit:					
Fixed income securities	612,376	611,911	-	376	89
Mutual funds	1,627,965	1,627,965	-	-	-
	2,240,341	2,239,876	-	376	89
Total investments	\$ 104,484,090	\$ 81,036,104	\$ 22,851,479	\$ 596,418	\$ 89

- **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

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

tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by Standard and Poor's Corporation at the time of purchase. The District has no investment policy that would further limit its investment choices.

As of June 30, 2013, the District has the following investments subject to credit risk:

<u>Credit Rating as of Year End</u>	<u>Fair Value</u>
Salt Lake City School District:	
PTIF:	
Unrated	\$ 53,068,802
Corporate bonds:	
Aaa/Aaa*	1,575,109
A1/A2/A3	31,426,955
Baa1	8,005,851
Baa2	<u>8,167,032</u>
	102,243,749
Salt Lake Education Foundation, a component unit:	
Fixed income securities:	
Aaa	612,376
Mutual funds:	
Unrated	<u>1,627,965</u>
	<u>2,240,341</u>
Total investments	<u>\$ 104,484,090</u>

- **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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

3. PROPERTY TAXES

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 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 August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2.5% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 31 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at an annual rate determined by the County; the interest period is from January 1 until date paid.

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, 2013, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2013 or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period, after which time the county treasurer may force sale of property to collect the delinquent portion. The property taxes receivable and property taxes deferred inflows of resources accounts at June 30, 2013 are summarized as follows:

	Major Funds			Other	
	General	Debt Service	Capital Projects	Governmental Funds	Totals
Property taxes - receivable:					
Levied for current and prior years					
(delinquent)	\$ 2,275,550	\$ 623,737	\$ 516,154	\$ 72,528	\$ 3,487,969
Levied for future year	69,764,456	19,122,688	15,824,395	2,223,568	106,935,107
	<u>\$ 72,040,006</u>	<u>\$ 19,746,425</u>	<u>\$ 16,340,549</u>	<u>\$ 2,296,096</u>	<u>\$ 110,423,076</u>
Property taxes - deferred revenue:					
Levied for future year and collected	\$ 78,292	\$ 21,459	\$ 17,758	\$ 2,496	\$ 120,005
Levied for future year and uncollected	69,764,456	19,122,688	15,824,395	2,223,568	106,935,107
Deferred property tax revenue - governmental activities, statement of net assets	69,842,748	19,144,147	15,842,153	2,226,064	107,055,112
Levied for current and prior years (delinquent)	2,275,550	623,737	516,154	72,528	3,487,969
Deferred property tax revenue - governmental funds, balance sheet	<u>\$ 72,118,298</u>	<u>\$ 19,767,884</u>	<u>\$ 16,358,307</u>	<u>\$ 2,298,592</u>	<u>\$ 110,543,081</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Sites	\$ 32,954,353	\$ -	\$ -	\$ 32,954,353
Construction in progress	15,170,221	5,958,400	(16,552,350)	4,576,271
Total capital assets, not being depreciated	48,124,574	5,958,400	(16,552,350)	37,530,624
Capital assets, being depreciated:				
Buildings/leasehold improvements	454,514,916	16,552,350	-	471,067,266
Equipment	8,670,248	1,538,760	(606,331)	9,602,677
Vehicles	10,647,096	1,536,583	(225,293)	11,958,386
Total capital assets, being depreciated	473,832,260	19,627,693	(831,624)	492,628,329
Accumulated depreciation for:				
Buildings/leasehold improvements	(165,872,142)	(12,467,672)	-	(178,339,814)
Equipment	(5,357,837)	(1,000,735)	606,331	(5,752,241)
Vehicles	(7,219,497)	(721,114)	225,293	(7,715,318)
Total accumulated depreciation	(178,449,476)	(14,189,521)	831,624	(191,807,373)
Total capital assets, being depreciated, net	295,382,784	5,438,172	-	300,820,956
Governmental activity capital assets, net	<u>\$ 343,507,358</u>	<u>\$ 11,396,572</u>	<u>\$ (16,552,350)</u>	<u>\$ 338,351,580</u>

For the year ended June 30, 2013, depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 12,633,745
Supporting services:	
Instructional staff	22,347
General district administration	111,521
Operation and maintenance of school buildings	328,938
Student transportation	598,406
Child nutrition services	457,763
Capital assets held by the District's internal service funds are charged to the various functions based on their usage of the assets	<u>36,801</u>
Total depreciation expense, governmental activities	<u>\$ 14,189,521</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

The District is obligated at June 30, 2013, under construction commitments as follows:

<u>Project</u>	<u>Project Authorized</u>	<u>Costs to Date</u>	<u>Costs to Complete</u>
Glendale/Mountain View Community Learning Center	<u>\$ 5,800,000</u>	<u>\$ 4,576,271</u>	<u>\$ 1,223,729</u>

A restriction of fund balance established in the *capital projects fund* for construction commitments will be used to fulfill the required costs to complete at June 30, 2013.

5. RETIREMENT PLANS

Defined Benefit Plans – The District contributes to the State and School Division cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (URS) and Plans (the System).

The System provides refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The System is established and governed by the respective sections of *Utah Code* Title 49. The Utah State Retirement and Insurance Benefit Act in Title 49 provides for the administration of the System under the direction of the Utah State Retirement Board whose members are appointed by the Governor. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

The contribution requirements of the System are authorized by state statute and specified by the Utah State Retirement Board. The District's required contribution rates (actuarially determined) to the System for the year ended June 30, 2013 range from 6.65% to 18.76% of covered salaries. Plan members in one of the plans are also required to contribute 1.00% of covered salaries.

For the years ended June 30, 2013, 2012, and 2011, the District contributed \$22,101,422, \$19,223,050, and \$18,557,347, respectively, and employees contributed \$13,075, \$13,944, and \$14,992, respectively, to the System. Contributions were equal to the required contributions for each year.

Defined Contribution Plans – The District participates in a deferred compensation plan, under Internal Revenue Code Section 401(k), to supplement retirement benefits accrued by participants in the System. During the year ended June 30, 2013, District contributions for participating employees ranged from 1.50% to 10.00% of covered salaries based on the plan within the System.

Employees participating in the System can make additional contributions up to specified limits. For the year ended June 30, 2013, the District contributed \$1,885,567 and employee contributions totaled \$3,114,907. The 401(k) plan funds are fully vested to the participants at the time of deposit. Contributions and earnings may be withdrawn by the employee upon termination or may be used as supplemental income upon retirement. Plan assets are administered and held by URS and URS has the authority to establish or amend contribution requirements and other plan provisions.

The District also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

employment and are vested immediately upon participating. Employee contributions to the Section 457 plan totaled \$300,016 for the year ended June 30, 2013. The assets of the plan are administered and held by URS and URS has the authority to establish or amend contribution requirements and other plan provisions.

In addition to the defined contribution and deferred compensation plans, the District offers its employees two tax-advantaged savings plans authorized by the Internal Revenue Code Section 408. Employees are eligible to participate from the date of employment and are vested immediately upon participation. For the year ended June 30, 2013 employee contributions totaled \$74,966 and \$1,305 to the Roth IRA and Traditional IRA, respectively. The assets of the plan are administered and held by URS and URS has the authority to amend the plan.

Termination Benefits – 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, 2013 is \$1,125,532 and the total liability at June 30, 2013 is \$3,203,934. This liability is serviced through the internal service 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.

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; errors and omissions; violation of civil rights; theft of, damage to, and destruction of assets; and natural disasters. These risks are covered by the District's participation in the State Risk Management System for school districts. This is a pooled arrangement where the districts pay experienced rated annual premiums which are designed to pay claims and build sufficient reserves so that the system will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base. 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. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year.

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, 2013, an estimate of all future costs based on open claims was recorded as a liability of \$516,560; this liability is serviced through the internal service fund. The District carries a co-insurance policy to cover individual claims in excess of \$400,000.

A reconciliation of the accrued liability for the years ended June 30, 2013 and 2012 is as follows:

	Workers Compensation	
	2013	2012
Accrued liability - beginning	\$ 254,312	\$ 256,143
Charges for services	945,209	655,335
Claims paid	(682,961)	(657,166)
Accrued liability - ending	<u>\$ 516,560</u>	<u>\$ 254,312</u>

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

The District provides commercial insurance for major medical and accident risks along with separate life insurance and long-term disability policies. Additional liabilities are not incurred from the settlement of claims under these policies.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

The District self-insures dental benefits for employees and retains a third-party administrator to process claims. At June 30, 2013, the current unpaid and the incurred but not reported liabilities were recorded as a liability of \$401,253. This liability is considered current as claims are submitted for payment within a year of the date of service and is recorded in the internal service 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, 2013 and 2012 is as follows:

	Accrued Dental Insurance	
	2013	2012
Accrued liability - beginning	\$ 384,291	\$ 343,066
Charges for services	1,197,922	1,188,147
Claims paid	(1,180,960)	(1,146,922)
Accrued liability - ending	<u>\$ 401,253</u>	<u>\$ 384,291</u>

There have been no significant changes in insurance coverage from those in force in the prior year. Settlements have not exceeded the limits of our insurance coverage for each of the past three years.

Effective September 1, 2013, the District became self-insured for its health insurance benefits and retained a third-party administrator to process claims. The District carries a co-insurance policy to cover individual claims in excess of \$200,000.

7. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2013 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 93,442,722	\$ 22,140,000	\$ (35,900,000)	\$ 79,682,722	\$ 14,340,000
Qualified school construction bonds	11,000,000	-	-	11,000,000	-
Unamortized premiums and discounts	<u>5,244,023</u>	<u>3,260,900</u>	<u>(730,970)</u>	<u>7,773,953</u>	<u>-</u>
Total bonds payable, net	109,686,745	25,400,900	(36,630,970)	98,456,675	14,340,000
Accrued vacation	1,227,612	65,410	(94,316)	1,198,706	92,095
Accrued sick leave	3,523,840	273,886	(365,521)	3,432,205	356,016
Early retirement incentive	2,930,859	1,125,532	(852,457)	3,203,934	1,251,251
Accrued dental insurance	384,291	1,197,922	(1,180,960)	401,253	401,253
Workers compensation	<u>254,312</u>	<u>945,209</u>	<u>(682,961)</u>	<u>516,560</u>	<u>516,560</u>
Total governmental activity long-term liabilities	<u>\$ 118,007,659</u>	<u>\$ 29,008,859</u>	<u>\$ (39,807,185)</u>	<u>\$ 107,209,333</u>	<u>\$ 16,957,175</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 *internal service fund*.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

General Obligation Bonds – The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2013, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 14,340,000	\$ 2,988,578	\$ 17,328,578
2015	7,815,000	2,634,779	10,449,779
2016	8,162,722	2,287,454	10,450,176
2017	6,855,000	2,079,525	8,934,525
2018	7,110,000	1,824,925	8,934,925
2019-2023	31,220,000	4,666,901	35,886,901
2024-2025	4,180,000	252,400	4,432,400
Totals	<u>\$ 79,682,722</u>	<u>\$ 16,734,562</u>	<u>\$ 96,417,284</u>

General obligation school building bonds payable at June 30, 2013, with their outstanding balances are comprised of the following individual issues:

\$4,742,722 school building qualified zone academy bonds, due on October 31, 2015, interest of 0.83%. \$ 4,742,722

\$35,000,000 2005A school building serial bonds, due in annual installments of \$1,285,000 to \$2,540,000, beginning March 1, 2006, through March 1, 2025, interest from 3.00% to 4.25%. During the year ended June 30, 2012, \$2,150,000 of these bonds were defeased. During the year ended June 30, 2013, \$9,550,000 of these bonds were defeased. 3,500,000

\$19,665,000 2005B refunding bonds, due in annual installments of \$135,000 to \$5,755,000, beginning March 1, 2006, through March 1, 2015, interest from 3.00% to 5.00%. 6,715,000

\$31,255,000 2006 school building serial bonds, due in annual installments of \$1,540,000 to \$3,255,000, beginning March 1, 2007, through March 1, 2021, interest from 3.50% to 4.50%. During the year ended June 30, 2013, \$5,730,000 of these bonds were defeased. 9,295,000

\$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%. 17,955,000

\$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%. 15,335,000

\$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%. 22,140,000
\$ 79,682,722

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, 2013, is \$984,206,900. General obligation debt plus unamortized premiums and discounts at June 30, 2013 is \$87,456,675, resulting in a legal debt margin of \$896,750,225.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

Advance Refunding – In June of 2013, the District issued \$22,140,000 of general obligation refunding bonds (Series 2013) to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$23,090,000 of previously issued general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government-wide financial statements. This advance refunding was undertaken to reduce total debt service payments over the next twelve years by \$1,752,514 and resulted in an economic gain of \$1,431,788.

Qualified School Construction Bonds – Qualified school construction bonds, issued by the Building Authority, payable at June 30, 2013, 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 \$352,948 due, beginning March 1, 2012, through March 1, 2024, gross interest rate of 5.45%, federal income tax credit rate subsidy of 5.21%, resulting in a net interest rate of 0.24%.		<u>6,000,000</u>
	\$	<u>11,000,000</u>

The District transfers \$737,941 annually into a sinking fund. At June 30, 2013, the sinking fund has a balance of \$2,081,545. The annual requirements to amortize all lease revenue bonds outstanding as of June 30, 2013, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Net Interest	Total
2014	\$ -	\$ 51,400	\$ 51,400
2015	-	51,400	51,400
2016	-	51,400	51,400
2017	-	51,400	51,400
2018	-	51,400	51,400
2019-2023	-	257,000	257,000
2024-2028	<u>11,000,000</u>	<u>99,750</u>	<u>11,099,750</u>
Totals	<u>\$ 11,000,000</u>	<u>\$ 613,750</u>	<u>\$ 11,613,750</u>

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

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 5.21% federal income tax credit rate for the 2010 qualified school construction bonds is not owed by the District.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

8. 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, 2013. Total expenditures exceeded budgeted amounts by \$240,476 for the *debt service fund* for the year ended June 30, 2013.

9. 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.

10. SALE OF SCHOOL BUILDING

On March 18, 2008, the District sold the Matheson elementary school building to the Salt Lake Community Action Program. Annual payments are to be made to the District over a twenty-year period, and a note receivable bears interest at a rate of 0.65%. The annual anticipated payments as of June 30, 2013, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 73,437	\$ 7,255	\$ 80,692
2015	73,912	6,746	80,658
2016	74,390	6,234	80,624
2017	74,871	5,717	80,588
2018	75,355	4,841	80,196
2019-2023	384,151	16,833	400,984
2024-2027	289,112	4,426	293,538
Totals	<u>\$ 1,045,228</u>	<u>\$ 52,052</u>	<u>\$ 1,097,280</u>

SALT LAKE CITY SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

11. RESTATEMENT

The beginning net position in the government-wide statement of net position for governmental activities has been restated to reflect the effects of implementing GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities* (see Note 1) as follows:

	Government-wide Financial Statements <hr/> Governmental Activities <hr/>
Net position, as originally stated - June 30, 2012	\$ 321,305,433
Restate bond issuance costs as expense when incurred per GASB Statement Nos. 63 and 65	<hr/> (575,145)
Net position, as restated - June 30, 2012	<hr/> <u>\$ 320,730,288</u>

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

SALT LAKE CITY SCHOOL DISTRICT

Major Governmental Funds

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.

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property tax	\$ 67,524,431	\$ 71,560,420	\$ 4,035,989	\$ 64,858,727
Interest on investments	904,269	1,050,876	146,607	1,165,916
Other local sources	4,238,836	4,667,032	428,196	6,860,079
State of Utah	81,003,234	80,211,270	(791,964)	79,714,817
Federal government	23,093,798	20,604,951	(2,488,847)	22,266,784
Total revenues	176,764,568	178,094,549	1,329,981	174,866,323
Expenditures:				
Current:				
Instruction	127,767,779	122,634,083	5,133,696	120,032,041
Supporting services:				
Students	5,942,368	5,821,332	121,036	5,819,902
Instructional staff	13,498,667	11,484,003	2,014,664	11,832,489
General district administration	808,800	719,420	89,380	613,129
General school administration	10,083,133	10,170,799	(87,666)	11,457,168
Central services	4,727,591	4,586,731	140,860	4,516,641
Operation and maintenance of school buildings	16,707,823	17,183,397	(475,574)	15,000,732
Student transportation	5,871,019	5,580,941	290,078	5,463,831
Child nutrition services	103,196	98,303	4,893	96,268
Total expenditures	185,510,376	178,279,009	7,231,367	174,832,201
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(8,745,808)	(184,460)	8,561,348	34,122
Fund balances - beginning	43,838,213	43,838,213	-	43,804,091
Fund balances - ending	<u>\$ 35,092,405</u>	<u>\$ 43,653,753</u>	<u>\$ 8,561,348</u>	<u>\$ 43,838,213</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, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property tax	\$ 16,236,915	\$ 17,441,126	\$ 1,204,211	\$ 17,396,111
Interest on investments	15,000	25,092	10,092	17,973
Total revenues	16,251,915	17,466,218	1,214,303	17,414,084
Expenditures:				
Bond issuance costs	-	240,476	(240,476)	130,143
Principal retirement	12,810,000	12,810,000	-	12,433,000
Interest on bonds	3,930,692	3,930,692	-	4,080,461
Other fees	4,000	4,000	-	5,000
Total expenditures	16,744,692	16,985,168	(240,476)	16,648,604
Excess (deficiency) of revenues over (under) expenditures	(492,777)	481,050	1,454,779	765,480
Other Financing Sources (Uses):				
Refunding bond proceeds	-	22,140,000	22,140,000	16,360,000
Bond premium	-	3,260,900	3,260,900	2,062,922
Payment to refunded bond escrow agent	-	(25,148,502)	(25,148,502)	(18,664,358)
Total other financing sources (uses)	-	252,398	252,398	(241,436)
Net change in fund balances	(492,777)	733,448	1,707,177	524,044
Fund balances - beginning	997,217	997,217	-	473,173
Fund balances - ending	\$ 504,440	\$ 1,730,665	\$ 1,707,177	\$ 997,217

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 16,366,535	\$ 17,109,462	\$ 742,927	\$ 13,832,281
Interest on investments	212,275	157,427	(54,848)	189,093
Other local sources	223,495	257,415	33,920	150,000
State of Utah	23,013	23,013	-	40,601
Total revenues	16,825,318	17,547,317	721,999	14,211,975
Expenditures:				
Equipment	2,169,540	253,590	1,915,950	1,869,036
Interest on bonds	51,400	49,088	(2,312)	51,400
Bond agent fees	4,200	4,200	-	4,100
Facilities acquisition and construction services	16,388,116	14,658,897	1,729,219	24,008,803
Total expenditures	18,613,256	14,965,775	3,642,857	25,933,339
Excess (deficiency) of revenues over (under) expenditures	(1,787,938)	2,581,542	4,364,856	(11,721,364)
Other Financing Sources:				
Sale of capital assets	49,170	72,825	23,655	73,264
Net change in fund balances	(1,738,768)	2,654,367	4,388,511	(11,648,100)
Fund balances - beginning	22,654,251	22,654,251	-	34,302,351
Fund balances - ending	<u>\$ 20,915,483</u>	<u>\$ 25,308,618</u>	<u>\$ 4,388,511</u>	<u>\$ 22,654,251</u>

SALT LAKE CITY SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

Special Programs Fund

To account for the operations of community school, various recreation programs and other major, non-regular day programs primarily funded by state and federal grants of the District.

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.

SALT LAKE CITY SCHOOL DISTRICT

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2013

	Special Revenue Funds			
	Special Programs	Child Nutrition	Student Activities	Total
Assets:				
Cash and investments	\$ 6,111,787	\$ 989,256	\$ 2,485,889	\$ 9,586,932
Receivables:				
Property taxes	2,296,096	-	-	2,296,096
Other local	443,619	-	7,142	450,761
State of Utah	165,534	736,997	-	902,531
Federal government	1,559,224	327,833	233,732	2,120,789
Inventories	-	486,826	-	486,826
Prepaid expenditures	85,176	9,399	-	94,575
Total assets	<u>\$ 10,661,436</u>	<u>\$ 2,550,311</u>	<u>\$ 2,726,763</u>	<u>\$ 15,938,510</u>
Liabilities:				
Accounts payable	\$ 228,648	\$ 108,434	\$ 21,945	\$ 359,027
Due to student organizations	-	-	268,206	268,206
Unearned revenue:				
Other local	1,315,483	119,643	-	1,435,126
Total liabilities	<u>1,544,131</u>	<u>228,077</u>	<u>290,151</u>	<u>2,062,359</u>
Deferred Inflows of Resources:				
Unavailable property tax revenue	72,528	-	-	72,528
Property taxes levied for future year	2,226,064	-	-	2,226,064
Total deferred inflows of resources	<u>2,298,592</u>	<u>-</u>	<u>-</u>	<u>2,298,592</u>
Fund balances:				
Nonspendable:				
Inventories	-	486,826	-	486,826
Prepaid expenditures	85,176	9,399	-	94,575
Restricted:				
Community recreation	1,659,136	-	-	1,659,136
Child nutrition services	-	1,826,009	-	1,826,009
Assigned:				
Programs	5,016,901	-	-	5,016,901
Schools	57,500	-	-	57,500
Students	-	-	2,436,612	2,436,612
Total fund balances	<u>6,818,713</u>	<u>2,322,234</u>	<u>2,436,612</u>	<u>11,577,559</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 10,661,436</u>	<u>\$ 2,550,311</u>	<u>\$ 2,726,763</u>	<u>\$ 15,938,510</u>

SALT LAKE CITY SCHOOL DISTRICT

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

Year Ended June 30, 2013

	Special Revenue Funds			
	Special Programs	Child Nutrition	Student Activities	Total
Revenues:				
Property taxes	\$ 2,054,945	\$ -	\$ -	\$ 2,054,945
Tuition	1,830,549	-	-	1,830,549
Student fees	-	-	734,707	734,707
Food sales	-	1,416,254	-	1,416,254
Earnings on investments	40,316	7,565	29,299	77,180
Other local revenues	6,141,246	-	2,839,429	8,980,675
State of Utah	3,695,674	1,689,313	-	5,384,987
Federal government	6,089,275	9,717,992	-	15,807,267
Total revenues	19,852,005	12,831,124	3,603,435	36,286,564
Expenditures:				
Current:				
Instruction	10,674,363	-	3,291,644	13,966,007
Supporting services:				
Students	29,540	-	-	29,540
Instructional staff	3,098,804	-	-	3,098,804
General district administration	469,805	-	-	469,805
General school administration	1,505,058	-	-	1,505,058
Central	40,081	-	-	40,081
Operation and maintenance of school buildings	2,136,455	-	-	2,136,455
Child nutrition services	-	13,031,737	-	13,031,737
Community services	1,248,839	-	-	1,248,839
Capital outlay	1,021,122	-	-	1,021,122
Total expenditures	20,224,067	13,031,737	3,291,644	36,547,448
Excess (deficiency) of revenues over (under) expenditures	(372,062)	(200,613)	311,791	(260,884)
Other financing sources:				
Proceeds from sale of capital assets	-	5,287	-	5,287
Net change in fund balances	(372,062)	(195,326)	311,791	(255,597)
Fund balances - beginning	7,190,775	2,517,560	2,124,821	11,833,156
Fund balances - ending	\$ 6,818,713	\$ 2,322,234	\$ 2,436,612	\$ 11,577,559

SALT LAKE CITY SCHOOL DISTRICT

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

A Nonmajor Special Revenue Fund

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 1,975,272	\$ 2,054,945	\$ 79,673	\$ 8,304,246
Tuition	1,604,777	1,830,549	225,772	1,897,119
Earnings on investments	300	40,316	40,016	58,248
Other local sources	6,199,510	6,141,246	(58,264)	2,655,280
State of Utah	3,875,392	3,695,674	(179,718)	3,895,590
Federal government:	5,671,646	6,089,275	417,629	5,136,482
Total revenues	19,326,897	19,852,005	525,108	21,946,965
Expenditures:				
Current:				
Instruction	11,828,004	10,674,363	1,153,641	10,199,549
Supporting services:				
Counseling and child accounting	29,717	29,540	177	27,261
Library media and educational supervision	3,825,390	3,098,804	726,586	2,926,951
General district administration	485,135	469,805	15,330	441,027
General school administration	1,761,906	1,505,058	256,848	-
Central	40,479	40,081	398	39,043
Operation and maintenance of school buildings	1,181,386	2,136,455	(955,069)	2,381,095
Community services	1,431,591	1,248,839	182,752	919,813
Capital outlay	1,416,704	1,021,122	395,582	1,512,348
Total expenditures	22,000,312	20,224,067	1,776,245	18,447,087
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(2,673,415)	(372,062)	2,301,353	3,499,878
Fund balances - beginning	7,190,775	7,190,775	-	3,690,897
Fund balances - ending	<u>\$ 4,517,360</u>	<u>\$ 6,818,713</u>	<u>\$ 2,301,353</u>	<u>\$ 7,190,775</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, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Food sales	\$ 1,446,981	\$ 1,416,254	\$ (30,727)	\$ 1,198,038
Earnings on investments	9,200	7,565	(1,635)	9,260
State of Utah	1,545,267	1,689,313	144,046	1,552,420
Federal government	9,604,924	9,717,992	113,068	10,327,353
Total revenues	12,606,372	12,831,124	224,752	13,087,071
Expenditures:				
Current:				
Salaries	3,417,392	3,416,145	1,247	3,586,440
Employee benefits	1,469,484	1,280,387	189,097	1,316,036
Food	6,138,648	6,294,528	(155,880)	6,328,420
Supplies	659,709	709,755	(50,046)	624,995
Contracted services	450,044	441,115	8,929	324,909
Indirect costs	604,785	591,611	13,174	631,121
Equipment and maintenance	378,126	298,196	79,930	635,885
Total expenditures	13,118,188	13,031,737	86,451	13,447,806
Excess (deficiency) of revenues over (under) expenditures	(511,816)	(200,613)	311,203	(360,735)
Other financing sources:				
Proceeds from sale of capital assets	8,000	5,287	(2,713)	4,899
Net change in fund balances	(503,816)	(195,326)	308,490	(355,836)
Fund balances - beginning	2,517,560	2,517,560	-	2,873,396
Fund balances - ending	\$ 2,013,744	\$ 2,322,234	\$ 308,490	\$ 2,517,560

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, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Interest from investments	\$ 35,000	\$ 29,299	\$ (5,701)	\$ 22,208
Fees and fines	700,000	734,707	34,707	680,582
Vending	50,000	55,449	5,449	50,711
Other	3,217,215	2,783,980	(433,235)	2,427,041
Federal government	-	-	-	236,283
Total revenues	4,002,215	3,603,435	(398,780)	3,416,825
Expenditures:				
Current:				
Salaries	135,872	210,853	(74,981)	132,076
Employee benefits	9,394	39,498	(30,104)	14,736
Contract services	819,240	138,721	680,519	42,146
Construction services	-	-	-	233,732
Purchased services	43,662	81,715	(38,053)	58,196
Supplies	4,678,962	2,785,850	1,893,112	2,951,280
Dues and fees	29,953	759	29,194	-
Equipment	2,910	34,248	(31,338)	54,477
Total expenditures	5,719,993	3,291,644	2,428,349	3,486,643
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(1,717,778)	311,791	2,029,569	(69,818)
Fund balances - beginning	2,124,821	2,124,821	-	2,194,639
Fund balances - ending	\$ 407,043	\$ 2,436,612	\$ 2,029,569	\$ 2,124,821

SALT LAKE CITY SCHOOL DISTRICT

Internal Service Funds

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, dental insurance payments and worker's compensation payments.

SALT LAKE CITY SCHOOL DISTRICT

Combining Statement of Fund Net Position

Internal Service Funds

June 30, 2013

With Comparative Totals for 2012

	2013				2012	
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
Assets:						
Current assets:						
Cash and investments	\$ -	\$ 57,713	\$ 74,667	\$ 9,112,441	\$ 9,244,821	\$ 8,819,513
Receivables	403	-	-	-	403	272
Inventories	280,341	20,890	66,753	-	367,984	386,948
Total current assets	280,744	78,603	141,420	9,112,441	9,613,208	9,206,733
Capital assets:						
Equipment	275,513	123,671	102,017	-	501,201	501,201
Accumulated depreciation	(188,527)	(108,184)	(86,093)	-	(382,804)	(346,003)
Net capital assets	86,986	15,487	15,924	-	118,397	155,198
Total assets	367,730	94,090	157,344	9,112,441	9,731,605	9,361,931
Liabilities:						
Current liabilities:						
Accounts payable	276,306	458	5,027	-	281,791	288,796
Accrued vacation	-	-	-	92,095	92,095	86,724
Accrued sick leave	-	-	-	356,016	356,016	379,149
Early retirement incentive	-	-	-	1,251,251	1,251,251	852,457
Dental insurance	-	-	-	401,253	401,253	384,291
Workers compensation	-	-	-	516,560	516,560	254,312
Total current liabilities	276,306	458	5,027	2,617,175	2,898,966	2,245,729
Noncurrent liabilities:						
Accrued vacation	-	-	-	1,106,613	1,106,613	1,140,889
Accrued sick leave	-	-	-	3,076,189	3,076,189	3,144,691
Early retirement incentive	-	-	-	1,952,683	1,952,683	2,078,402
Total noncurrent liabilities	-	-	-	6,135,485	6,135,485	6,363,982
Total liabilities	276,306	458	5,027	8,752,660	9,034,451	8,609,711
Net position:						
Net investment in capital assets	86,986	15,487	15,924	-	118,397	155,198
Unrestricted	4,438	78,145	136,393	359,781	578,757	597,022
Total net position	\$ 91,424	\$ 93,632	\$ 152,317	\$ 359,781	\$ 697,154	\$ 752,220

SALT LAKE CITY SCHOOL DISTRICT

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

Internal Service Funds

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013					2012
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
Operating revenues:						
Charges for services	\$ 691,395	\$ 210,929	\$ 909,693	\$ 3,607,958	\$ 5,419,975	\$ 4,889,714
Operating expenses:						
Salaries	330,537	103,512	512,628	-	946,677	946,105
Employee benefits	133,255	46,061	243,574	3,607,981	4,030,871	3,387,697
Materials	133,848	93,028	161,387	-	388,263	406,669
Contracted services	23,680	-	9,891	-	33,571	40,259
Utilities	-	-	-	-	-	216
Equipment maintenance	17,019	3,202	5,468	-	25,689	72,992
Depreciation	24,840	9,572	2,389	-	36,801	24,194
Other expenses	55,464	5,117	9,842	-	70,423	80,544
Total operating expenses	718,643	260,492	945,179	3,607,981	5,532,295	4,958,676
Operating loss	(27,248)	(49,563)	(35,486)	(23)	(112,320)	(68,962)
Nonoperating income						
Interest on investments	-	546	220	56,488	57,254	55,962
Change in net position	(27,248)	(49,017)	(35,266)	56,465	(55,066)	(13,000)
Net position - beginning	118,672	142,649	187,583	303,316	752,220	765,220
Net position - ending	\$ 91,424	\$ 93,632	\$ 152,317	\$ 359,781	\$ 697,154	\$ 752,220

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013				2012
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Totals
					Totals
Cash flows from operating activities:					
Receipts from interfund services provided	\$ 691,264	\$ 210,929	\$ 909,693	\$ 3,607,958	\$ 5,419,844
Payments to suppliers	(227,472)	(102,513)	(176,002)	-	(505,987)
Payments to employees	(463,792)	(149,573)	(756,202)	(3,176,236)	(4,545,803)
Net cash provided (used) by operating activities	-	(41,157)	(22,511)	431,722	368,054
Cash flows from capital and related financing activities:					
Acquisition of capital assets	-	-	-	-	-
					(90,616)
Cash flows from investing activities:					
Interest earned	-	546	220	56,488	57,254
Change in cash and cash equivalents	-	(40,611)	(22,291)	488,210	425,308
					(201,679)
Cash and Cash Equivalents - Beginning	-	98,324	96,958	8,624,231	8,819,513
Cash and Cash Equivalents - Ending (displayed as cash and investments in the combining statement of fund net position)	\$ -	\$ 57,713	\$ 74,667	\$ 9,112,441	\$ 9,244,821
					\$ 8,819,513
Reconciliation of operating loss to net cash provided (used) by operating activities:					
Operating loss	\$ (27,248)	\$ (49,563)	\$ (35,486)	\$ (23)	\$ (112,320)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Depreciation expense	24,840	9,572	2,389	-	36,801
Changes in operating assets and liabilities:					
Receivables	(131)	-	-	-	(131)
Inventories	9,414	2,209	7,342	-	18,965
Prepaid expenses	-	-	-	-	-
Accounts payable	(6,875)	(3,375)	3,244	-	(7,006)
Accrued vacation	-	-	-	(28,905)	(28,905)
Accrued sick leave	-	-	-	(91,635)	(91,635)
Early retirement incentive payable	-	-	-	273,075	273,075
Dental insurance payable	-	-	-	16,962	16,962
Workers compensation payable	-	-	-	262,248	262,248
Total adjustments	27,248	8,406	12,975	431,745	480,374
Net cash provided (used) by operating activities	\$ -	\$ (41,157)	\$ (22,511)	\$ 431,722	\$ 368,054
					\$ (167,025)
Noncash investing, capital, and financing activities	none	none	none	none	none

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.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	67 - 72
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	73 - 76
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	77 - 81
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	83 - 84
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	85 - 96
Continuing Disclosure Information 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.	97 - 101

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
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
2009	210,563,915	29,215,370	38,538,740	278,318,025
2008	186,489,384	40,756,654	29,964,471	257,210,509
2007	166,380,563	44,636,265	27,850,534	238,867,362
2006	162,814,724	32,031,730	24,733,099	220,423,265
2005	159,715,152	24,429,446	25,631,439	209,776,037
2004	149,216,590	26,961,246	27,756,938	203,934,774

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

SALT LAKE CITY SCHOOL DISTRICT

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

	Fiscal Year Ended June 30,			
	2013	2012	2011	2010
Expenses				
Instruction	\$ 156,240,735	\$ 153,694,103	\$ 154,113,899	\$ 153,348,876
Supporting services:				
Students	5,850,872	5,965,406	6,059,853	6,245,107
Instructional staff	14,605,154	15,361,417	14,897,568	15,406,650
General district administration	1,541,222	1,051,678	1,205,297	1,279,297
General school administration	11,675,857	11,811,898	11,321,300	11,293,363
Central	4,626,812	4,555,684	4,850,665	4,622,323
Operation and maintenance of school buildings	19,648,790	18,295,132	18,208,395	18,234,484
Student transportation	6,179,347	6,058,589	5,851,624	5,059,709
Other	-	-	-	-
Child nutrition services	13,587,803	14,547,742	14,257,099	13,079,043
Community services	1,248,839	919,813	717,929	562,525
Interest on long-term liabilities	3,324,175	3,823,970	4,571,285	5,322,106
Total expenses	<u>238,529,606</u>	<u>236,085,432</u>	<u>236,054,914</u>	<u>234,453,483</u>
Program Revenues				
Charges for services:				
Instruction	3,233,891	4,481,581	4,131,741	3,388,844
Supporting services	349,616	370,779	445,325	475,060
Community services	2,102,406	2,012,325	1,208,121	1,183,018
Child nutrition services	1,416,254	1,198,038	1,790,335	1,339,422
Operating grants and contributions	68,959,797	69,875,094	71,722,359	70,280,605
Total program revenues	<u>76,061,964</u>	<u>77,937,817</u>	<u>79,297,881</u>	<u>76,666,949</u>
Net (expense)/revenue	(162,467,642)	(158,147,615)	(156,757,033)	(157,786,534)
General Revenues and Other Changes in Net Position				
Property taxes	107,488,446	103,998,011	102,066,099	97,273,621
Federal and state aid not restricted to specific purposes	53,071,691	53,295,236	64,447,486	64,685,625
Earnings on investments	1,367,829	1,518,660	1,316,194	1,683,970
Miscellaneous	10,784,465	7,856,127	8,960,693	8,814,375
Special item - gain on sale of capital assets	-	-	-	-
Total general and other	<u>172,712,431</u>	<u>166,668,034</u>	<u>176,790,472</u>	<u>172,457,591</u>
Change in net position	<u>\$ 10,244,789</u>	<u>\$ 8,520,419</u>	<u>\$ 20,033,439</u>	<u>\$ 14,671,057</u>

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

2009	2008	2007	2006	2005	2004
\$ 151,755,972	\$ 148,719,117	\$ 128,022,243	\$ 121,024,092	\$ 122,973,768	\$ 117,521,481
6,528,229	6,160,831	5,601,671	5,337,591	4,844,132	4,656,927
16,297,035	16,828,598	16,309,593	15,056,516	14,660,073	14,019,717
1,147,099	1,067,519	1,150,893	827,400	638,125	848,490
10,060,731	9,570,287	8,936,635	8,386,289	8,020,289	7,645,986
4,660,032	4,147,499	4,134,114	4,026,619	3,951,811	3,734,409
20,242,738	17,240,137	16,696,371	15,378,445	14,459,399	14,265,928
5,139,744	5,421,467	4,968,145	4,248,876	3,900,984	3,746,698
-	110,252	61,473	60,386	60,786	64,697
13,464,062	12,514,591	12,655,235	10,470,589	9,883,076	9,088,718
513,449	489,901	414,688	493,430	510,772	471,650
5,746,253	4,946,826	7,595,731	6,564,799	4,558,460	4,957,405
235,555,344	227,217,025	206,546,792	191,875,032	188,461,675	181,022,106
3,743,039	6,673,555	4,405,759	4,101,710	2,529,295	2,542,871
491,177	566,065	581,091	617,967	442,718	403,968
1,054,712	1,102,037	587,163	730,785	768,987	687,892
1,644,704	1,150,852	1,592,285	1,529,549	1,407,576	1,480,345
67,347,167	60,378,521	51,643,095	50,305,857	50,215,690	47,997,245
74,280,799	69,871,030	58,809,393	57,285,868	55,364,266	53,112,321
(161,274,545)	(157,345,995)	(147,737,399)	(134,589,164)	(133,097,409)	(127,909,785)
98,026,965	97,748,775	98,994,142	84,772,942	82,696,878	79,257,468
72,648,266	66,263,474	59,246,466	55,300,216	52,585,629	50,948,224
3,772,269	4,552,856	5,365,984	3,481,248	1,946,572	1,356,863
7,934,561	4,134,406	2,291,372	1,100,770	2,171,861	1,960,745
-	1,154,765	1,127,244	-	-	-
182,382,061	173,854,276	167,025,208	144,655,176	139,400,940	133,523,300
\$ 21,107,516	\$ 16,508,281	\$ 19,287,809	\$ 10,066,012	\$ 6,303,531	\$ 5,613,515

SALT LAKE SCHOOL DISTRICT

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2013	2012	2011	2010
Revenues				
Property taxes	\$ 108,165,953	\$ 104,391,365	\$ 101,544,260	\$ 96,367,544
Other local sources	19,197,207	17,381,548	17,810,066	16,723,463
State of Utah	85,619,270	85,203,428	91,265,093	89,412,671
Federal government	36,412,218	37,966,902	44,904,752	45,553,559
Total revenues	<u>249,394,648</u>	<u>244,943,243</u>	<u>255,524,171</u>	<u>248,057,237</u>
Expenditures				
Instruction	136,600,090	133,718,233	136,628,817	133,719,808
Supporting services:				
Students	5,850,872	5,847,163	5,942,934	6,138,199
Instructional staff	14,582,807	14,759,440	14,312,976	14,872,111
General district administration	1,189,225	1,054,156	1,292,099	1,225,378
General school administration	11,675,857	11,457,168	11,179,035	10,972,640
Central	4,626,812	4,555,684	4,850,665	4,622,323
Operation and maintenance of buildings	19,319,852	17,381,827	17,390,412	17,478,438
Student transportation	5,580,941	5,463,831	5,253,829	4,508,769
Other	-	-	-	-
Child nutrition services	13,130,040	13,544,074	13,267,624	12,174,820
Community services	1,248,839	919,813	717,929	562,525
Capital outlay	15,933,609	27,390,187	22,491,052	18,073,415
Debt service:				
Principal retirement	12,810,000	12,433,000	12,111,000	11,483,000
Bond issuance costs	240,476	130,143	208,491	78,023
Interest, fiscal charges and other	3,987,980	4,140,961	4,797,153	5,443,821
Total expenditures	<u>246,777,400</u>	<u>252,795,680</u>	<u>250,444,016</u>	<u>241,353,270</u>
Excess (deficiency) of revenues over (under) expenditures	2,617,248	(7,852,437)	5,080,155	6,703,967
Other financing sources (uses)				
Refunding bonds issued	22,140,000	16,360,000	18,255,000	-
Bonds issued	-	-	6,000,000	5,000,000
Bond premium	3,260,900	2,062,922	2,984,071	-
Payment to refunded bonds escrow agent	(25,148,502)	(18,664,358)	(21,076,861)	-
Proceeds from the sale of capital assets	78,112	78,163	102,612	254,258
Total other financing sources (uses)	<u>330,510</u>	<u>(163,273)</u>	<u>6,264,822</u>	<u>5,254,258</u>
Net change in fund balances	<u>\$ 2,947,758</u>	<u>\$ (8,015,710)</u>	<u>\$ 11,344,977</u>	<u>\$ 11,958,225</u>
Debt service as a percentage of noncapital expenditures	7.07%	7.04%	7.18%	7.23%

2009	2008	2007	2006	2005	2004
\$ 97,410,606	\$ 99,487,300	\$ 98,980,594	\$ 83,415,882	\$ 82,977,301	\$ 80,563,113
18,448,615	17,837,559	14,466,456	11,437,326	9,071,776	8,310,425
97,096,751	96,616,784	81,208,998	76,234,377	73,997,888	72,257,791
42,898,682	30,025,211	29,680,563	29,371,696	28,803,431	26,687,678
255,854,654	243,966,854	224,336,611	200,459,281	194,850,396	187,819,007
136,305,305	130,643,850	114,778,371	109,320,100	110,311,569	102,615,405
6,421,380	6,055,848	5,509,445	5,247,602	4,764,071	4,579,058
15,762,789	16,303,681	15,848,461	14,606,574	14,259,777	13,630,381
1,039,932	1,132,620	1,043,435	844,915	788,293	715,702
9,740,183	9,255,337	8,659,956	8,116,323	7,780,109	7,412,381
4,660,032	4,147,499	4,134,114	4,026,619	3,951,811	3,734,409
19,492,892	17,029,973	16,485,564	14,692,413	13,891,111	13,726,876
4,587,473	4,414,868	4,057,943	3,780,775	3,463,364	3,366,309
-	110,252	61,473	60,386	60,786	64,697
12,523,847	11,553,314	11,807,975	9,638,347	9,315,593	8,351,657
513,449	489,901	414,688	493,430	510,772	471,650
31,409,429	30,743,475	24,290,623	40,160,641	41,639,546	41,368,637
11,056,000	10,859,000	10,215,000	7,910,000	6,265,000	5,905,000
-	164,012	-	131,248	297,569	-
5,876,578	6,071,060	6,732,366	5,685,916	4,687,813	5,083,712
259,389,289	248,974,690	224,039,414	224,715,289	221,987,184	211,025,874
(3,534,635)	(5,007,836)	297,197	(24,256,008)	(27,136,788)	(23,206,867)
-	16,801,000	-	-	19,665,000	-
-	-	-	31,255,000	35,000,000	-
-	101,405	-	401,267	1,449,569	-
-	(16,738,393)	-	-	(20,899,708)	-
53,584	109,248	2,135,070	110	1,088	6,944
53,584	273,260	2,135,070	31,656,377	35,215,949	6,944
\$ (3,481,051)	\$ (4,734,576)	\$ 2,432,267	\$ 7,400,369	\$ 8,079,161	\$ (23,199,923)
7.23%	7.45%	8.27%	7.26%	5.89%	6.19%

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
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
2009	416,115	-	7,000,000	16,149,475	12,691,431	36,257,021
2008	705,358	-	7,000,000	7,544,326	13,420,241	28,669,925
2007	534,196	-	7,000,000	4,954,152	13,111,225	25,599,573
2006	627,172	-	7,000,000	3,577,247	11,204,359	22,408,778
2005	649,158	-	7,000,000	3,349,445	12,484,268	23,482,871
2004	598,498	-	6,500,000	2,724,035	15,755,569	25,578,102

Fiscal Year Ended June 30,	All Other Governmental Funds								
	Restricted					Assigned			Total
	Nonspendable	Community Recreation	Child Nutrition	Capital Projects	Debt Service	Programs	Schools	Students	
2013	\$ 609,278	\$ 1,659,136	\$ 1,826,009	\$25,280,741	\$ 1,730,665	\$ 5,016,901	\$ 57,500	\$ 2,436,612	\$38,616,842
2012	634,151	2,880,113	2,070,987	22,548,297	997,217	4,145,865	83,173	2,124,821	35,484,624
2011	529,853	746,549	2,397,752	34,259,502	473,173	2,847,426	86,497	2,193,704	43,534,456
2010	873,766	2,175,407	2,138,429	28,986,407	144,027	1,411,518	58,829	1,731,903	37,520,286
2009	822,656	1,748,464	1,071,746	19,652,789	552,888	2,104,519	70,992	1,754,270	27,778,324
2008	1,218,949	1,757,603 *	1,150,091 *	30,354,885 *	1,096,558 *	1,501,459 *	- *	1,766,926 *	38,846,471
2007	1,184,082	1,068,253	1,206,868	38,831,304	814,747	1,209,703	213,749	-	44,528,706
2006	882,728	511,885	2,162,265	40,547,056	-	1,012,710	170,590	-	45,287,234
2005	597,929	444,026	1,592,761	33,114,042	109,812	794,019	160,183	-	36,812,772
2004	482,457	232,210	1,194,932	23,664,908	424,288	510,068	129,517	-	26,638,380

Notes:

* The student activities fund was reclassified from a fiduciary fund to a special revenue fund as of July 1, 2007. Prior years have not been restated.

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

SALT LAKE CITY SCHOOL DISTRICT

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

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
2003	\$ 1,934,054,794	\$ 5,163,031,502	\$ 5,397,884,680	\$ 4,870,910	\$ 1,572,679,382	\$ 14,072,521,268	0.006018	\$ 19,078,075,246	73.76%
2004	2,060,112,828	5,374,297,337	5,487,885,450	454,800	1,447,533,811	14,370,284,226	0.006039	20,354,534,876	70.60%
2005	1,888,464,689	5,814,115,449	5,543,060,010	485,460	1,576,469,186	14,822,594,794	0.006080	20,301,794,775	73.01%
2006	2,050,073,870	6,796,767,472	6,487,575,310	57,330	1,423,694,438	16,758,168,420	0.006002	23,061,841,525	72.67%
2007	2,063,831,387	8,151,752,558	7,784,440,890	94,860	1,620,193,896	19,620,313,591	0.005084	27,216,392,096	72.09%
2008	2,076,836,331	8,510,236,464	8,496,549,150	83,650	1,736,495,020	20,820,200,615	0.004937	28,669,298,571	72.62%
2009	1,603,357,209	7,704,027,024	7,364,094,350	72,180	1,887,845,463	18,559,396,226	0.005976	25,580,544,749	72.55%
2010	1,609,972,716	7,379,392,292	7,342,856,970	62,270	1,726,707,709	18,058,991,957	0.006371	24,826,812,300	72.74%
2011	1,576,916,496	7,441,337,891	7,473,015,890	56,380	1,730,988,924	18,222,315,581	0.006408	24,496,904,249	74.39%
2012	1,617,923,834	7,322,058,294	7,608,557,580	58,730	1,680,509,519	18,229,107,957	0.006626	24,605,172,506	74.09%

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, 2003 through 2012

(rate per \$1 of assessed value)

	Tax Rates for the Tax Year Ended December 31,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Salt Lake City School District direct rates:										
Basic program (1)	0.001651	0.001591	0.001527	0.001433	0.001277	0.001319	0.001556	0.001743	0.001828	0.001856
Voted local (2)	0.001000	0.000880	0.001800	0.001768	0.001385	0.001466	0.001800	0.001800	0.001800	0.001800
Board local (3)	0.001835	0.000400	0.000200	0.000200	0.000200	0.000154	0.000200	0.000200	0.000200	0.000200
K-3 reading program	(c)	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	(a)
Transportation (4)	(c)	0.000151	0.000095	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Tort liability (5)	(c)	0.000100	0.000022	0.000022	0.000019	0.000020	0.000024	0.000026	0.000026	0.000027
Recreation (6)	(c)	0.000485	0.000120	0.000116	0.000111	0.000118	0.000134	0.000151	0.000158	0.000121
Capital outlay (7)	0.001130	0.001119	0.001229	0.001123	0.000801	0.000803	0.000847	0.000793	0.000854	0.000914
10% of Basic - Other (8)	(c)	0.000545	0.000225	0.000223	0.000196	0.000209	0.000247	0.000278	0.000280	0.000286
Debt service (9)	0.001010	0.001016	0.001032	0.000970	0.000827	0.000874	0.001073	0.000968	0.000772	0.000814
Total direct rate	0.006626	0.006408	0.006371	0.005976	0.004937	0.005084	0.006002	0.006080	0.006039	0.006018
Overlapping Rates:										
Salt Lake City Corporation	0.004743	0.004622	0.004637	0.003896	0.003299	0.003383	0.003958	0.004499	0.004653	0.004681
Salt Lake City Library	0.000846	0.000817	0.000791	0.000760	0.000618	0.000657	0.000762	0.000869	0.000887	0.000777
Salt Lake County	0.002793	0.002696	0.002593	0.002278	0.001934	0.001994	0.002371	0.002682	0.002816	0.002868
Central Utah Water District	0.000455	0.000436	0.000421	0.000400	0.000286	0.000302	0.000357	0.000400	0.000353	0.000358
S.L.C. Metro. Water District	0.000423	0.000409	0.000414	0.000398	0.000352	0.000351	0.000350	0.000259	0.000264	0.002690
Mosquito Abatement District	0.000136	0.000131	0.000132	0.000126	0.000097	0.000102	0.000118	0.000135	0.000138	0.000072

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

(a) The K-3 Reading Program tax became available by law in 2004

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

(c) 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 Tax Payers Current Year and Nine Years Ago

Taxpayer	December 31, 2012		December 31, 2003	
	Taxable Value	Percent of District's Total Taxable Value (1)	Taxable Value	Percent of District's Total Taxable Value (1)
City Creek Reserve	\$ 622,190,422	3.41%	\$ -	-
PacifiCorp	419,937,864	2.30%	271,080,985	1.93%
Sky West Airlines	177,600,484	0.97%	188,560,170	1.34%
Delta Airlines	173,381,070	0.95%	215,020,770	1.53%
Qwest Corporation	161,451,071	0.89%	339,128,077	2.41%
Wasatch Plaza Holdings	134,893,400	0.74%	79,760,200	0.57%
Inland Western Salt City Gateway	121,057,400	0.66%	92,218,200	0.66%
Questar Gas	108,951,072	0.60%	-	-
Boyer Properties	92,936,200	0.51%	100,441,800	0.71%
Property Reserve	88,267,620	0.48%	-	-
Grand America Hotel Company	85,609,500	0.47%	86,317,700	0.61%
Gateway Office LC	83,771,000	0.46%	99,084,000	0.70%
Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints	58,705,870	0.32%	333,036,250	2.37%
Totals	<u>\$ 2,328,752,973</u>	<u>9.36%</u>	<u>\$ 1,804,648,152</u>	<u>12.82%</u>
Assessed Taxable Value	\$ 18,229,107,957		\$ 14,072,521,268	

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
2003	\$ 79,597,337	\$ 76,667,109	96.32%	\$ 2,833,630	\$ 79,500,739	99.88%
2004	83,130,132	80,210,105	96.49%	2,435,310	82,645,415	99.42%
2005	83,726,442	79,860,573	95.38%	3,569,138	83,429,711	99.65%
2006	98,008,618	95,449,850	97.39%	2,558,768	98,008,618	100.00%
2007	98,281,497	95,619,445	97.29%	2,664,127	98,283,572	100.00%
2008	98,892,331	95,841,478	96.91%	2,767,262	98,608,740	99.71%
2009	97,662,099	93,364,752	95.60%	3,269,747	96,634,499	98.95%
2010	102,507,323	98,984,079	96.56%	2,494,559	101,478,638	99.00%
2011	104,561,807	101,267,001	96.85%	1,677,090	102,944,091	98.45%
2012	105,362,837	102,220,670	97.02%	-	102,220,670	97.02%

* 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 Last Ten Fiscal Years

Fiscal Year Ended June 30,	Outstanding General Obligation Bonds (1)	General Bonded Debt As Percentage of Taxable Value	Bonded Debt Per Capita	Bonded Debt Per Student	Plus: Lease Revenue Bonds	Less: Amounts Available in Debt Fund	Total Debt	Debt As Percentage of Taxable Value	Debt Per Capita	Debt Per Student
2004	\$ 112,672,543	0.80%	\$ 626	\$ 4,770	\$ -	\$ -	\$ 112,672,543	0.80%	\$ 626	\$4,770
2005	142,544,754	0.99%	798	6,115	-	109,812	142,434,942	0.99%	797	6,110
2006	166,109,174	1.12%	933	7,134	-	-	166,109,174	1.12%	933	7,134
2007	155,696,809	0.93%	871	6,612	-	814,747	154,882,062	0.92%	866	6,577
2008	145,322,667	0.74%	804	6,250	-	1,096,558	144,226,109	0.74%	798	6,203
2009	134,045,093	0.64%	738	5,613	-	552,888	133,492,205	0.64%	735	5,590
2010	122,340,519	0.66%	668	5,060	5,000,000	144,027	127,196,492	0.69%	695	5,261
2011	111,002,533	0.61%	595	4,561	11,000,000	473,173	121,529,360	0.67%	652	4,994
2012	98,686,745	0.54%	520	4,050	11,000,000	997,217	108,689,528	0.60%	572	4,461
2013	87,456,675	0.48%	462	3,632	11,000,000	1,730,665	96,726,010	0.53%	511	4,017

Source: Salt Lake City School District records

(1) Presented net of original issue discounts and premiums

SALT LAKE CITY SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt As of June 30, 2013

Taxing Entity (1)	2012 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 *	\$ 18,407,170,781	\$ 18,407,170,781	100.0%	\$ 160,361,993	\$ 160,361,993
Salt Lake County **	71,302,357,239	23,173,266,103	32.5%	224,720,000	73,034,000
Total Overlapping General Obligation Debt					<u>233,395,993</u>
Direct:					
General Obligation Debt					79,682,722
Deferred Amounts					<u>7,773,953</u>
Total Direct General Obligation Debt					87,456,675
Total Direct and Overlapping General Obligation Debt					<u>\$ 320,852,668</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, 2004 through 2013

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
2004	\$ 19,078,075,246	\$ 763,123,010	\$ 112,672,543	\$ 650,450,467	14.76%
2005	20,354,534,876	814,181,395	142,544,754	671,636,641	17.51%
2006	20,301,794,775	812,071,791	166,109,174	645,962,617	20.45%
2007	23,061,841,525	922,473,661	155,696,809	766,776,852	16.88%
2008	27,216,392,096	1,088,655,684	145,322,667	943,333,017	13.35%
2009	28,669,298,571	1,146,771,943	134,045,093	1,012,726,850	11.69%
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	24,605,172,506	984,206,900	87,456,675	896,750,225	8.89%

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, 2013

		Year Ending June 30,											
		2014		2015		2016		2017		2018		2019	
Series 1998	Principal	\$ -	(1)	\$ -	(1)	\$ -	(1)	\$ -	(1)	\$ -	(1)	\$ -	
\$ 10,000,000	Interest	-	(1)	-	(1)	-	(1)	-	(1)	-	(1)	-	
Series 1999	Principal	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)
\$ 10,000,000	Interest	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)
Series 2000	Principal	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)
\$ 10,000,000	Interest	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)
Series 2001B	Principal	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)
\$ 10,000,000	Interest	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)
QZAB 2001	Principal	-		-		4,742,722		-		-		-	
\$ 4,742,722	Interest	39,554		39,554		39,554		-		-		-	
Series 2002A	Principal	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)
\$ 10,000,000	Interest	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)
Series 2002B	Principal	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)
\$ 12,315,000	Interest	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)
Series 2002C	Principal	-		-		-		-		-		-	
\$ 6,105,000	Interest	-		-		-		-		-		-	
Series 2003	Principal	-	(10)	-	(10)	-	(10)	-	(7)	-	(7)	-	(7)
\$ 45,000,000	Interest	-	(10)	-	(10)	-	(10)	-	(7)	-	(7)	-	(7)
Series 2005A	Principal	1,720,000		1,780,000		-		-	(12)	-	(12)	-	(12)
\$ 35,000,000	Interest	131,400		71,200		-		-	(12)	-	(12)	-	(12)
Series 2005B	Principal	5,755,000		960,000		-		-		-		-	
\$ 19,665,000	Interest	330,950		43,200		-		-		-		-	
Series 2006	Principal	2,655,000		1,820,000		-		1,540,000		1,610,000		1,670,000	
\$ 31,255,000	Interest	371,800		265,600		192,800		192,800		131,200		66,800	
Series 2007A	Principal	-	(8)	-	(8)	-	(8)	-	(8)	-	(8)	-	(8)
\$ 9,876,000	Interest	-	(8)	-	(8)	-	(8)	-	(8)	-	(8)	-	(8)
Series 2010	Principal	550,000		-		-		2,360,000		2,480,000		2,605,000	
\$ 18,255,000	Interest	831,500		820,500		820,500		820,500		702,500		578,500	
Series 2012	Principal	3,310,000		3,180,000		3,345,000		1,035,000		1,070,000		1,100,000	
\$ 16,360,000	Interest	663,300		497,800		338,800		171,550		130,150		108,750	
Series 2013	Principal	350,000		75,000		75,000		1,920,000		1,950,000		1,975,000	
\$ 22,140,000	Interest	620,074		896,925		895,800		894,675		861,075		826,950	
Total		<u>\$ 17,328,578</u>		<u>\$ 10,449,779</u>		<u>\$ 10,450,176</u>		<u>\$ 8,934,525</u>		<u>\$ 8,934,925</u>		<u>\$ 8,931,000</u>	
Total Principal		<u>\$ 14,340,000</u>		<u>\$ 7,815,000</u>		<u>\$ 8,162,722</u>		<u>\$ 6,855,000</u>		<u>\$ 7,110,000</u>		<u>\$ 7,350,000</u>	
Total Interest		<u>2,988,578</u>		<u>2,634,779</u>		<u>2,287,454</u>		<u>2,079,525</u>		<u>1,824,925</u>		<u>1,581,000</u>	
Total		<u>\$ 17,328,578</u>		<u>\$ 10,449,779</u>		<u>\$ 10,450,176</u>		<u>\$ 8,934,525</u>		<u>\$ 8,934,925</u>		<u>\$ 8,931,000</u>	

- (1) The principal and interest due in fiscal 2009 through 2018 on the Series 1998 bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2005B.
- (2) The principal and interest due in fiscal 2010 through 2019 on the Series 1999 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 2011 through 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.
- (4) The principal and interest due in fiscal 2012 through 2021 on the Series 2001B bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2005B.
- (5) The principal and interest due in fiscal 2013 through 2022 on the Series 2002A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2005B.
- (6) 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.
- (7) The principal and interest due in fiscal 2017 through 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.

Source: Salt Lake City School District records

2020	2021	2022	2023	2024	2025	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(3)	-	-	-	-	-
-	(3)	-	-	-	-	-
-	(4)	-	-	-	-	-
-	(4)	-	-	-	-	-
-	-	-	-	-	-	4,742,722
-	-	-	-	-	-	118,662
-	(5)	-	-	-	-	-
-	(5)	-	-	-	-	-
-	(9)	-	-	-	-	-
-	(9)	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(7)	-	(6)	-	-	-
-	(7)	-	(6)	-	-	-
-	(12)	-	(12)	-	(12)	3,500,000
-	(12)	-	(12)	-	(12)	202,600
-	-	-	-	-	-	6,715,000
-	-	-	-	-	-	374,150
-	(13)	-	-	-	-	9,295,000
-	(13)	-	-	-	-	1,221,000
-	(8)	-	(8)	-	-	-
-	(8)	-	(8)	-	-	-
2,735,000	2,850,000	2,135,000	2,240,000	-	-	17,955,000
448,250	338,850	196,350	89,600	-	-	5,647,050
410,000	1,885,000	-	-	-	-	15,335,000
64,750	56,550	-	-	-	-	2,031,650
4,530,000	3,280,000	1,855,000	1,950,000	2,050,000	2,130,000	22,140,000
747,950	521,450	357,450	264,701	167,200	85,200	7,139,450
<u>\$ 8,935,950</u>	<u>\$ 8,931,850</u>	<u>\$ 4,543,800</u>	<u>\$ 4,544,301</u>	<u>\$ 2,217,200</u>	<u>\$ 2,215,200</u>	<u>\$ 96,417,284</u>
\$ 7,675,000	\$ 8,015,000	\$ 3,990,000	\$ 4,190,000	\$ 2,050,000	\$ 2,130,000	\$ 79,682,722
1,260,950	916,850	553,800	354,301	167,200	85,200	16,734,562
<u>\$ 8,935,950</u>	<u>\$ 8,931,850</u>	<u>\$ 4,543,800</u>	<u>\$ 4,544,301</u>	<u>\$ 2,217,200</u>	<u>\$ 2,215,200</u>	<u>\$ 96,417,284</u>

(8) The principal and interest due in fiscal 2013 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.

(9) The principal and interest due in fiscal 2013 through 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.

(10) The principal and interest due in fiscal 2014 through 2016 on the Series 2003 bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2012.

(11) 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.

(12) The principal and interest due in fiscal 2017 through 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.

(13) 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

(14) In addition to the above, there is an annual Paying Agent fee of \$500 that must be added to the debt service listed for the Series 1997 and for the subsequent bond issues.

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)
2004	179,894	\$ 6,775,885,091	\$ 37,666	5.4%	284,233	\$ 242,529,617	49%
2005	178,605	7,075,096,097	39,613	4.9%	282,196	255,967,379	51%
2006	178,097	7,805,389,046	43,827	4.4%	281,393	399,493,398	52%
2007	178,858	8,603,388,140	48,102	2.8%	282,596	386,526,998	53%
2008	180,651	9,390,333,317	51,981	3.4%	285,429	581,410,300	54%
2009	181,698	8,882,512,905	48,886	5.9%	287,083	555,102,000	55%
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	421,603,300	50%
2012	189,899	8,576,139,629	45,162	6.0%	300,040	222,253,100	50%
2013	189,314	n/a	n/a	5.0%	299,116	323,058,700	50%

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, 2013.

(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) Construction Monitor Wasatch Front Report and 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, 2004 through 2013

Employer	June 30, 2013		June 30, 2004	
	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)	18,000 - 25,999	6.02%	15,000 - 19,999	5.28%
State of Utah	7,000 - 9,000	2.34%	20,000 +	7.04%
Salt Lake County	5,000 - 6,999	1.67%	5,000 - 6,999	1.76%
Salt Lake City School District	3,000 - 3,999	1.00%	3,000 - 3,999	1.06%
Intermountain Health Care	3,000 - 3,999	1.00%	6,000 +	2.11%
L3 Communications	3,000 - 3,999	1.00%	-	0.00%
LDS Church	2,000 - 3,999	0.67%	2,000 +	0.70%
ARUP Laboratories	2,000 - 2,999	0.67%	-	0.00%
Delta Airlines	2,000 - 2,999	0.67%	4,000 - 4,999	1.41%
Skywest Airlines	2,000 - 2,999	0.67%	1,000 - 1,999	0.35%
Salt Lake City Corporation	2,000 - 2,999	0.67%	3,000 - 3,999	1.06%
Primary Children's Hospital	2,000 - 2,999	0.67%	2,000 - 2,999	0.73%
Totals	51,000	17.05%	61,081	21.49%

* 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.

Source - State of Utah

SALT LAKE CITY SCHOOL DISTRICT

Expenses by Function - Statement of Activities Last Ten Fiscal Years

Function	Year Ended June 30,			
	2013	2012	2011	2010
Instruction	\$ 156,240,735 65.50%	\$ 153,694,103 65.10%	\$ 154,113,899 65.29%	\$ 153,348,876 65.41%
Supporting services:				
Students	5,850,872 2.45%	5,965,406 2.53%	6,059,853 2.57%	6,245,107 2.66%
Instructional staff	14,605,154 6.12%	15,361,417 6.51%	14,897,568 6.31%	15,406,650 6.57%
General district administration	1,541,222 0.65%	1,051,678 0.45%	1,205,297 0.51%	1,279,297 0.55%
General school administration	11,675,857 4.89%	11,811,898 5.00%	11,321,300 4.80%	11,293,363 4.82%
Central	4,626,812 1.94%	4,555,684 1.93%	4,850,665 2.05%	4,622,323 1.97%
Operation and maintenance of school buildings	19,648,790 8.24%	18,295,132 7.75%	18,208,395 7.71%	18,234,484 7.78%
Student transportation	6,179,347 2.59%	6,058,589 2.57%	5,851,624 2.48%	5,059,709 2.16%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Child nutrition services	13,587,803 5.70%	14,547,742 6.16%	14,257,099 6.04%	13,079,043 5.58%
Community services	1,248,839 0.52%	919,813 0.39%	717,929 0.30%	562,525 0.24%
Interest on long-term liabilities	3,324,175 1.39%	3,823,970 1.62%	4,571,285 1.94%	5,322,106 2.27%
Total	<u>\$ 238,529,606</u>	<u>\$ 236,085,432</u>	<u>\$ 236,054,914</u>	<u>\$ 234,453,483</u>
Average Daily Membership	24,077	24,365	24,336	24,177
Average Expenses Per Pupil	\$ 9,907	\$ 9,690	\$ 9,700	\$ 9,697

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

2009	2008	2007	2006	2005	2004
\$ 151,755,972 64.42%	\$ 148,719,117 65.45%	\$ 128,022,243 61.98%	\$ 121,024,092 63.07%	\$ 122,973,768 65.25%	\$ 117,521,481 64.92%
6,528,229 2.77%	6,160,831 2.71%	5,601,671 2.71%	5,337,591 2.78%	4,844,132 2.57%	4,656,927 2.57%
16,297,035 6.92%	16,828,598 7.41%	16,309,593 7.90%	15,056,516 7.85%	14,660,073 7.78%	14,019,717 7.74%
1,147,099 0.49%	1,067,519 0.47%	1,150,893 0.56%	827,400 0.43%	638,125 0.34%	848,490 0.47%
10,060,731 4.27%	9,570,287 4.21%	8,936,635 4.33%	8,386,289 4.37%	8,020,289 4.26%	7,645,986 4.22%
4,660,032 1.98%	4,147,499 1.83%	4,134,114 2.00%	4,026,619 2.10%	3,951,811 2.10%	3,734,409 2.06%
20,242,738 8.59%	17,240,137 7.59%	16,696,371 8.08%	15,378,445 8.01%	14,459,399 7.67%	14,265,928 7.88%
5,139,744 2.18%	5,421,467 2.39%	4,968,145 2.41%	4,248,876 2.21%	3,900,984 2.07%	3,746,698 2.07%
- 0.00%	110,252 0.05%	61,473 0.03%	60,386 0.03%	60,786 0.03%	64,697 0.04%
13,464,062 5.72%	12,514,591 5.51%	12,655,235 6.13%	10,470,589 5.46%	9,883,076 5.24%	9,088,718 5.02%
513,449 0.22%	489,901 0.22%	414,688 0.20%	493,430 0.26%	510,772 0.27%	471,650 0.26%
5,746,253 2.44%	4,946,826 2.18%	7,595,731 3.68%	6,564,799 3.42%	4,558,460 2.42%	4,957,405 2.74%
<u>\$ 235,555,344</u>	<u>\$ 227,217,025</u>	<u>\$ 206,546,792</u>	<u>\$ 191,875,032</u>	<u>\$ 188,461,675</u>	<u>\$ 181,022,106</u>
23,880	23,250	23,548	23,283	23,310	23,623
\$ 9,864	\$ 9,773	\$ 8,771	\$ 8,241	\$ 8,085	\$ 7,663

SALT LAKE CITY SCHOOL DISTRICT

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

Function	Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	\$ 6,489 65.50%	\$ 6,308 65.10%	\$ 6,333 65.29%	\$ 6,343 65.41%	\$ 6,355 64.42%	\$ 6,397 65.45%	\$ 5,436 61.98%	\$ 5,199 63.07%	\$ 5,276 65.25%	\$ 4,974 64.92%
Supporting services:										
Students	243 2.45%	245 2.53%	249 2.57%	259 2.66%	273 2.77%	265 2.71%	238 2.71%	229 2.78%	208 2.57%	197 2.57%
Instructional staff	607 6.12%	630 6.51%	612 6.31%	637 6.57%	682 6.92%	724 7.41%	693 7.90%	647 7.85%	629 7.78%	593 7.74%
General district administration	64 0.65%	42 0.45%	50 0.51%	53 0.55%	48 0.49%	46 0.47%	49 0.56%	36 0.43%	27 0.34%	36 0.47%
General school administration	485 4.89%	485 5.00%	465 4.80%	467 4.82%	421 4.27%	412 4.21%	379 4.33%	360 4.37%	344 4.26%	324 4.22%
Central	192 1.94%	187 1.93%	199 2.05%	191 1.97%	195 1.98%	178 1.83%	176 2.00%	173 2.10%	169 2.10%	158 2.06%
Operation and maintenance of school buildings	816 8.24%	751 7.75%	748 7.71%	754 7.78%	848 8.59%	741 7.59%	708 8.08%	660 8.01%	620 7.67%	604 7.88%
Student transportation	257 2.59%	249 2.57%	240 2.48%	210 2.16%	215 2.18%	233 2.39%	211 2.41%	182 2.21%	167 2.07%	159 2.07%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	5 0.05%	3 0.03%	3 0.03%	3 0.03%	3 0.04%
Child nutrition services	564 5.70%	597 6.16%	586 6.04%	541 5.58%	564 5.72%	538 5.51%	537 6.13%	450 5.46%	424 5.24%	385 5.02%
Community services	52 0.52%	38 0.39%	30 0.30%	23 0.24%	22 0.22%	21 0.22%	18 0.20%	21 0.26%	22 0.27%	20 0.26%
Interest on long-term liabilities	138 1.39%	157 1.62%	188 1.94%	220 2.27%	241 2.44%	213 2.18%	323 3.68%	282 3.42%	196 2.42%	210 2.74%
Total	<u>\$ 9,907</u>	<u>\$ 9,689</u>	<u>\$ 9,700</u>	<u>\$ 9,698</u>	<u>\$ 9,864</u>	<u>\$ 9,773</u>	<u>\$ 8,771</u>	<u>\$ 8,242</u>	<u>\$ 8,085</u>	<u>\$ 7,663</u>
Average Daily Membership	24,077	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623

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	Full-time Equivalent Employees as of June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	1,721.00	1,736.47	1,745.78	1,769.96	1,756.22	1,699.24	1,681.57	1,847.31	1,634.92	1,677.89
Supporting services:										
Students	70.02	70.02	69.48	70.47	71.72	68.92	66.58	68.60	65.82	63.21
Instructional staff	129.67	129.67	131.67	137.56	143.44	141.25	144.41	144.84	141.10	134.90
General district administration	3.50	3.50	3.50	3.50	3.50	3.55	3.50	3.50	2.00	4.50
General school administration	133.52	132.05	131.53	130.57	122.76	117.32	113.06	110.98	113.05	111.99
Central	53.89	52.87	55.75	55.96	54.35	54.56	57.08	54.39	56.45	49.40
Operation and maintenance of school buildings	210.16	214.87	217.48	213.19	225.23	231.45	244.10	206.68	214.04	205.95
Student transportation	53.00	53.51	55.55	59.28	60.59	59.82	59.12	61.13	61.60	69.61
Other support services	45.59	45.60	37.47	35.80	31.54	35.88	29.96	29.01	28.78	29.80
Child nutrition services	175.15	175.97	179.73	168.39	167.23	164.65	162.06	132.48	146.19	140.42
Community services	531.11	531.11	530.86	540.83	547.93	536.22	545.39	555.45	578.75	384.30
Capital outlay	41.46	41.46	44.44	43.97	43.00	43.00	48.50	46.01	44.00	41.00
Total	<u>3,168.07</u>	<u>3,187.10</u>	<u>3,203.24</u>	<u>3,229.48</u>	<u>3,227.51</u>	<u>3,155.86</u>	<u>3,155.33</u>	<u>3,260.38</u>	<u>3,086.70</u>	<u>2,912.97</u>
Licensed (teachers)	1,351.00	1,332.02	1,347.05	1,346.44	1,320.87	1,292.23	1,275.83	1,285.29	1,284.03	1,281.43
Classified (support)	<u>1,817.07</u>	<u>1,855.08</u>	<u>1,856.19</u>	<u>1,883.04</u>	<u>1,906.64</u>	<u>1,863.63</u>	<u>1,879.50</u>	<u>1,975.09</u>	<u>1,802.48</u>	<u>1,632.02</u>
Total	<u>3,168.07</u>	<u>3,187.10</u>	<u>3,203.24</u>	<u>3,229.48</u>	<u>3,227.51</u>	<u>3,155.86</u>	<u>3,155.33</u>	<u>3,260.38</u>	<u>3,086.51</u>	<u>2,913.45</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,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	\$ 122,634,083 68.79%	\$ 120,032,041 68.66%	\$ 122,465,000 68.48%	\$ 120,175,647 68.33%	\$ 121,894,855 67.85%	\$ 117,089,818 68.34%	\$ 105,426,290 67.16%	\$ 99,571,980 67.94%	\$ 100,174,972 68.93%	\$ 92,038,844 68.12%
Supporting Services:										
Students	5,821,332 3.27%	5,819,902 3.33%	5,892,066 3.29%	6,086,687 3.46%	6,320,902 3.52%	5,957,556 3.48%	5,418,920 3.45%	5,165,921 3.52%	4,687,110 3.23%	4,539,965 3.36%
Instructional staff	11,484,003 6.44%	11,832,489 6.77%	11,657,062 6.52%	12,359,162 7.03%	13,113,177 7.30%	13,413,127 7.83%	13,020,723 8.29%	11,683,625 7.97%	11,655,995 8.02%	10,660,170 7.89%
General district administration	719,420 0.40%	613,129 0.35%	903,263 0.51%	885,924 0.50%	664,535 0.37%	729,621 0.43%	612,564 0.39%	358,179 0.24%	360,833 0.25%	339,133 0.25%
General school administration	10,170,799 5.70%	11,457,168 6.55%	11,179,035 6.25%	10,972,640 6.24%	9,740,183 5.42%	9,255,337 5.40%	8,659,956 5.52%	8,116,323 5.54%	7,780,109 5.35%	7,408,795 5.48%
Central	4,586,731 2.57%	4,516,641 2.58%	4,811,435 2.69%	4,596,755 2.61%	4,634,273 2.58%	4,122,425 2.41%	4,111,611 2.62%	4,003,994 2.73%	3,928,749 2.70%	3,711,379 2.75%
Operation and maintenance of school buildings	17,183,397 9.64%	15,000,732 8.58%	16,511,711 9.23%	16,129,239 9.17%	18,571,321 10.34%	16,193,768 9.45%	15,608,036 9.94%	13,816,735 9.43%	13,209,340 9.09%	12,992,156 9.62%
Student transportation	5,580,941 3.13%	5,463,831 3.13%	5,253,829 2.94%	4,508,769 2.56%	4,587,473 2.55%	4,414,868 2.58%	4,057,943 2.59%	3,780,775 2.58%	3,463,364 2.38%	3,366,309 2.49%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	110,252 0.06%	60,472 0.04%	60,386 0.04%	60,786 0.04%	64,697 0.05%
Child nutrition services	98,303 0.06%	96,268 0.06%	165,900 0.09%	160,086 0.09%	139,573 0.08%	59,680 0.03%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	<u>\$ 178,279,009</u>	<u>\$ 174,832,201</u>	<u>\$ 178,839,301</u>	<u>\$ 175,874,909</u>	<u>\$ 179,666,292</u>	<u>\$ 171,346,452</u>	<u>\$ 156,976,515</u>	<u>\$ 146,557,918</u>	<u>\$ 145,321,258</u>	<u>\$ 135,121,448</u>
Average Daily Membership	24,077	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623
Average Expenditures Per Pupil	\$ 7,405	\$ 7,176	\$ 7,349	\$ 7,274	\$ 7,524	\$ 7,370	\$ 6,666	\$ 6,295	\$ 6,234	\$ 5,720

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,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Instruction	\$ 5,093 68.79%	\$ 4,927 68.66%	\$ 5,032 68.48%	\$ 4,971 68.33%	\$ 5,104 67.85%	\$ 5,036 68.34%	\$ 4,477 67.16%	\$ 4,277 67.94%	\$ 4,298 68.93%	\$ 3,896 68.12%
Supporting Services:										
Students	242 3.27%	239 3.33%	242 3.29%	252 3.46%	265 3.52%	256 3.48%	230 3.45%	222 3.52%	201 3.23%	192 3.36%
Instructional staff	477 6.44%	486 6.77%	479 6.52%	511 7.03%	549 7.30%	577 7.83%	552 8.29%	502 7.97%	500 8.02%	451 7.89%
General district administration	30 0.40%	25 0.35%	37 0.51%	37 0.50%	28 0.37%	31 0.43%	26 0.39%	15 0.24%	15 0.25%	14 0.25%
General school administration	422 5.70%	470 6.55%	459 6.25%	454 6.24%	408 5.42%	398 5.40%	368 5.52%	349 5.54%	333 5.35%	314 5.48%
Central	191 2.57%	185 2.58%	198 2.69%	190 2.61%	194 2.58%	177 2.41%	175 2.62%	172 2.73%	169 2.70%	157 2.75%
Operation and maintenance of school buildings	714 9.64%	616 8.58%	679 9.23%	667 9.17%	778 10.34%	697 9.45%	663 9.94%	593 9.43%	566 9.09%	550 9.62%
Student transportation	232 3.13%	224 3.13%	216 2.94%	186 2.56%	192 2.55%	190 2.58%	172 2.59%	162 2.58%	149 2.38%	143 2.49%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	5 0.06%	3 0.04%	3 0.04%	3 0.04%	3 0.05%
Child nutrition services	4 0.06%	4 0.06%	7 0.09%	6 0.09%	6 0.08%	3 0.03%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	<u>\$ 7,405</u>	<u>\$ 7,176</u>	<u>\$ 7,349</u>	<u>\$ 7,274</u>	<u>\$ 7,524</u>	<u>\$ 7,370</u>	<u>\$ 6,666</u>	<u>\$ 6,295</u>	<u>\$ 6,234</u>	<u>\$ 5,720</u>
Average Daily Membership	24,077	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623

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,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Number of schools participating in lunch program	46	47	48	47	48	44	46	45	45	45
Student lunches served:										
Free	1,957,723	1,957,471	1,970,525	1,865,781	1,742,258	1,665,699	1,633,491	1,666,818	1,683,795	1,603,149
Reduced price	279,805	298,036	264,327	357,018	376,429	378,120	366,829	294,537	300,695	304,772
Fully paid	550,313	607,648	604,580	601,930	640,127	631,076	616,240	578,592	549,758	566,669
Total	<u>2,787,841</u>	<u>2,863,155</u>	<u>2,839,432</u>	<u>2,824,729</u>	<u>2,758,814</u>	<u>2,674,895</u>	<u>2,616,560</u>	<u>2,539,947</u>	<u>2,534,248</u>	<u>2,474,590</u>
Adult lunches served:	61,755	64,817	58,232	55,359	58,362	33,131	53,859	56,286	53,800	58,430
Number of schools participating in breakfast program	41	42	40	43	43	40	42	39	39	38
Student breakfasts served:										
Free	772,709	812,068	830,348	791,251	756,864	711,935	719,887	753,079	763,293	746,675
Reduced price	100,697	105,388	93,510	121,545	134,643	134,801	140,935	112,900	114,772	115,779
Fully paid	65,478	75,776	75,497	72,603	77,461	77,893	77,366	75,251	69,495	68,972
Total	<u>938,884</u>	<u>993,232</u>	<u>999,355</u>	<u>985,399</u>	<u>968,968</u>	<u>924,629</u>	<u>938,188</u>	<u>941,230</u>	<u>947,560</u>	<u>931,426</u>
Number of serving days	177	177	177	177	177	178	177	177	178	177
Average daily participation:										
Student lunch	15,751	16,176	15,872	15,959	15,587	15,028	14,783	14,350	14,237	13,981
Adult lunch	349	366	329	313	330	186	304	318	302	330
Student breakfast	5,304	5,611	5,646	5,567	5,474	5,195	5,300	5,318	5,323	5,262
Average daily membership	24,077	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623
Student lunches served as a percentage of ADM	65.42%	66.39%	65.22%	66.01%	65.27%	64.64%	62.78%	61.63%	61.08%	59.18%
Number of students on:										
Free	13,919	13,759	13,964	13,526	12,481	12,266	12,122	12,717	12,908	13,021
Reduced price	2,374	2,056	1,763	2,516	2,668	2,773	2,865	2,185	2,274	2,376
Percentage of students on:										
Free	57.81%	56.47%	57.38%	55.95%	52.27%	52.76%	51.48%	54.62%	55.38%	55.12%
Reduced price	9.86%	8.44%	7.24%	10.41%	11.17%	11.93%	12.17%	9.38%	9.76%	10.06%

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

School Year Ended June 30,	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
2004	23,623	22,345	94.59%	23,966
2005	23,310	22,273	95.55%	23,579
2006	23,283	21,730	93.33%	23,700
2007	23,548	22,392	95.09%	23,933
2008	23,250	22,400	96.34%	23,603
2009	23,880	22,770	95.35%	24,256
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%	23,839

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

History of High School Graduates Last Ten School Years

School Year Ended June 30,	East	Highland	West	Horizonte	Innovations*	Salt Lake Center for Science Education*	Total
2004	331	346	380	119			1,176
2005	403	392	378	115			1,288
2006	291	298	381	45			1,015
2007	320	293	337	86			1,036
2008	326	275	362	112			1,075
2009	334	255	414	115			1,118
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

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

School Year Ended June 30,	Average Daily Membership	Teachers and Instructional Staff	Average Ratio of Students to Teachers and Instructional Staff
2004	23,623	1,354	17.45
2005	23,310	1,344	17.34
2006	23,283	1,364	17.07
2007	23,548	1,385	17.00
2008	23,250	1,418	16.40
2009	23,880	1,414	16.89
2010	24,177	1,387	17.43
2011	24,336	1,412	17.24
2012	24,365	1,407	17.32
2013	24,077	1,402	17.17

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Teacher Compensation Data Last Ten Fiscal Years

Fiscal 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
2004	\$ 29,950	\$ 58,473	\$ 47,592	\$ 16,293	\$ 63,885	\$ 53,396
2005	30,396	59,343	48,416	20,574	68,990	54,774
2006	31,308	61,123	48,246	19,554	67,800	55,941
2007	32,873	64,179	48,516	19,950	68,466	62,223
2008	34,975	66,438	48,835	20,653	69,488	66,397
2009	37,280	68,780	49,896	20,921	70,817	69,757
2010	37,280	68,780	51,050	21,157	72,207	69,531
2011	37,280	68,780	51,234	21,228	72,462	69,785
2012	37,280	68,780	54,943	22,803	77,746	70,883
2013	37,280	68,780	na	na	na	na

* As calculated and reported by the Utah State Office 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

	Fiscal Year Ended June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Buildings:										
Elementary Schools										
Number	28	28	28	28	28	28	28	27	27	27
Square feet	2,021,647	2,015,695	2,015,695	2,003,837	2,003,837	2,009,743	1,982,210	2,043,618	1,997,571	1,970,439
Capacity	15,700	15,700	15,700	15,650	15,650	15,700	15,700	15,200	15,200	15,200
Enrollment	13,727	13,985	14,073	13,747	13,545	13,311	13,517	13,450	13,259	13,518
Percent of Capacity	87.43%	89.08%	89.64%	87.84%	86.55%	84.78%	86.10%	88.49%	87.23%	88.93%
Average Age	20.39	19.39	18.79	17.79	16.79	15.29	14.29	14.93	17.89	20.78
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	616,168	616,168	579,988	542,430	542,430
Capacity	3,750	3,750	3,750	3,750	3,750	3,850	3,850	3,850	3,850	3,850
Enrollment	3,169	3,213	3,204	3,234	3,202	3,292	3,075	2,893	2,904	3,004
Percent of Capacity	84.51%	85.68%	85.44%	86.24%	85.39%	85.51%	79.87%	75.14%	75.43%	78.03%
Average Age	11.20	10.20	9.20	8.20	7.20	27.60	26.60	36.20	44.80	43.80
High Schools										
Number	4	4	4	4	4	4	4	4	4	4
Square feet	1,438,553	1,421,087	1,421,087	1,403,621	1,403,621	1,403,621	1,403,621	1,276,650	1,276,650	1,276,650
Capacity	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Enrollment	6,807	6,685	6,683	6,779	6,821	6,543	5,921	6,409	6,315	6,393
Percent of Capacity	90.76%	89.13%	89.11%	90.39%	90.95%	87.24%	78.95%	85.45%	84.20%	85.24%
Average Age	45.50	44.50	43.50	42.50	41.50	40.50	39.50	38.50	37.50	36.50
Other Buildings										
Number	7	7	7	7	7	8	9	10	9	8
Square feet	338,157	338,157	338,157	338,157	338,157	338,157	372,191	412,591	389,581	340,221
Average Age	32.14	31.14	37.57	36.57	35.57	43.00	36.11	40.00	39.00	38.10
Total Buildings										
Number *	44	44	44	44	44	45	46	46	45	44
Square feet	4,444,170	4,420,752	4,420,752	4,391,428	4,391,428	4,367,689	4,374,190	4,312,847	4,206,232	4,129,740
Capacity	26,950	26,950	26,950	26,900	26,900	27,050	27,050	26,550	26,550	26,550
Enrollment	23,703	23,883	23,960	23,760	23,568	23,146	22,513	22,752	22,478	22,915
Percent of Capacity	87.95%	88.62%	88.91%	88.33%	87.61%	85.57%	83.23%	85.69%	84.66%	86.31%
Average Age	23.50	22.50	22.93	21.93	20.93	23.82	22.09	24.74	27.71	29.70
Number of Portables **	23	23	23	25	25	22	20	17	17	17
Acres of Land	402.51	402.51	402.51	401.33	401.47	401.47	406.23	406.23	403.19	400.16
Number of Vehicles	284	279	270	262	267	253	267	303	291	248

* 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, 2003 through 2012

	2012		2011	2010	2009
	Taxable Value	% of T.V.	Taxable Value	Taxable Value	Taxable Value
<i>Set by State Tax Commission- Centrally Assessed</i>	<u>\$ 1,618,052,878</u>	<u>8.7</u>	<u>\$ 1,576,916,496</u>	<u>\$ 1,609,972,716</u>	<u>\$ 1,603,357,209</u>
<i>Set by County Assessor- Locally Assessed:</i>					
Real Property:					
Residential real estate-primary use	7,142,953,245	38.6	7,261,895,281	7,203,158,472	7,521,205,474
Residential real estate-not primary use	180,928,160	1.0	179,442,610	176,233,820	182,821,550
Commercial and industrial real estate	7,607,614,630	41.1	7,472,027,650	7,341,913,730	7,362,953,510
Agricultural - FAA	58,730	0.0	56,380	62,270	72,180
Unimproved non FAA	944,740	0.0	988,240	943,240	1,140,840
Total Real Property	<u>14,932,499,505</u>	<u>80.7</u>	<u>14,914,410,161</u>	<u>14,722,311,532</u>	<u>15,068,193,554</u>
Personal Property:					
Fee in lieu property	279,927,817	1.5	330,048,407	871,292,046	864,197,808
Mobile homes-primary residential use	3,745,243	0.0	3,653,927	3,709,447	3,956,511
Mobile homes-other use	5,256,207	0.0	4,722,895	6,782,678	4,260,559
Commercial and industrial property	1,671,518,451	9.0	1,722,612,102	1,716,215,584	1,879,628,393
Total Personal Property	<u>1,960,447,718</u>	<u>10.6</u>	<u>2,061,037,331</u>	<u>2,597,999,755</u>	<u>2,752,043,271</u>
Total Locally Assessed	<u>16,892,947,223</u>	<u>91.3</u>	<u>16,975,447,492</u>	<u>17,320,311,287</u>	<u>17,820,236,825</u>
Total Taxable Property	<u>\$ 18,511,000,101</u>	<u>100.0</u>	<u>\$ 18,552,363,988</u>	<u>\$ 18,930,284,003</u>	<u>\$ 19,423,594,034</u>
Total Taxable Property (less fee in lieu/age-based property)	<u>\$ 18,231,072,284</u>		<u>\$ 18,222,315,581</u>	<u>\$ 18,058,991,957</u>	<u>\$ 18,559,396,226</u>

Source: Property Tax Division, Utah State Tax Commission.

2008	2007	2006	2005	2004	2003
Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value
<u>\$ 2,076,836,331</u>	<u>\$ 2,063,831,387</u>	<u>\$ 2,050,073,870</u>	<u>\$ 1,888,464,689</u>	<u>\$ 2,060,112,828</u>	<u>\$ 1,934,054,794</u>
8,313,316,414	7,982,874,698	6,640,872,862	5,694,210,289	5,275,500,947	5,055,390,082
196,920,050	168,877,860	155,894,610	119,905,160	98,796,390	107,641,420
8,489,152,490	7,787,815,930	6,488,770,260	5,543,060,010	5,487,885,450	5,397,884,680
83,650	94,860	57,330	485,460	454,800	4,824,170
7,396,660	-	-	-	-	46,740
<u>17,006,869,264</u>	<u>15,939,663,348</u>	<u>13,285,595,062</u>	<u>11,357,660,919</u>	<u>10,862,637,587</u>	<u>10,565,787,092</u>
1,043,969,067	1,057,956,499	865,964,085	816,908,485	1,664,119,899	864,761,464
4,063,339	4,038,261	3,755,446	4,145,984	4,658,860	5,578,546
3,268,840	1,968,478	1,874,153	2,204,036	2,749,493	3,032,274
1,729,162,841	1,614,187,157	1,418,064,839	1,570,119,166	1,440,125,458	1,564,068,562
<u>2,780,464,087</u>	<u>2,678,150,395</u>	<u>2,289,658,523</u>	<u>2,393,377,671</u>	<u>3,111,653,710</u>	<u>2,437,440,846</u>
<u>19,787,333,351</u>	<u>18,617,813,743</u>	<u>15,575,253,585</u>	<u>13,751,038,590</u>	<u>13,974,291,297</u>	<u>13,003,227,938</u>
<u>\$ 21,864,169,682</u>	<u>\$ 20,681,645,130</u>	<u>\$ 17,625,327,455</u>	<u>\$ 15,639,503,279</u>	<u>\$ 16,034,404,125</u>	<u>\$ 14,937,282,732</u>
<u>\$ 20,820,200,615</u>	<u>\$ 19,623,688,631</u>	<u>\$ 16,759,363,370</u>	<u>\$ 14,822,594,794</u>	<u>\$ 14,370,284,226</u>	<u>\$ 14,072,521,268</u>

SALT LAKE CITY SCHOOL DISTRICT

Statements of Net Position Governmental Activities June 30, 2009 through 2013

	2013	2012	2011	2010	2009
Assets:					
Cash and investments	\$ 102,580,013	\$ 102,377,616	\$ 110,018,366	\$ 94,603,264	\$ 87,274,069
Accounts receivable:					
Property taxes	110,423,076	107,847,323	108,468,137	102,549,322	100,847,813
Other local	726,685	706,159	950,631	1,492,709	797,729
State of Utah	1,125,230	1,312,389	898,156	575,732	761,111
Federal government	14,405,149	14,450,054	13,420,836	18,871,643	16,040,141
Due from component unit	55,651	140,192	32,284	33,744	90,894
Inventories	854,810	833,521	833,091	1,087,131	1,062,631
Prepaid expenses	216,762	302,042	211,347	260,260	280,110
Restricted cash	2,081,545	1,342,658	600,802	-	-
Note receivable	1,045,228	1,118,054	1,191,318	1,292,052	1,368,109
Capital assets:					
Sites and construction in progress	37,530,624	48,124,574	43,988,441	76,252,132	70,344,253
Other capital assets, net of accumulated depreciation	300,820,956	295,382,784	295,688,461	261,942,224	273,107,772
Total assets	<u>571,865,729</u>	<u>573,937,366</u>	<u>576,301,870</u>	<u>558,960,213</u>	<u>551,974,632</u>
Deferred Outflows of Resources:					
Deferred charge on refunding	4,611,575	3,045,123	2,454,870	1,628,336	1,862,489
Liabilities:					
Accounts payable	4,476,131	3,720,570	5,237,546	3,984,419	5,737,219
Accrued interest	913,952	1,338,837	1,499,923	1,663,513	1,797,807
Accrued salary and related benefits	21,990,885	23,155,357	21,161,747	20,735,624	20,809,540
Unearned revenue:					
Local	1,454,056	229,281	192,656	1,324,070	1,089,098
State of Utah	1,527,941	5,411,083	3,251,084	5,104,591	4,835,200
Federal government	874,815	807,152	938,540	662,686	822,002
Noncurrent liabilities:					
Due or payable within one year	16,957,175	14,766,933	14,959,110	13,767,017	13,376,550
Due or payable after one year	90,252,160	103,240,727	115,539,417	122,050,112	129,465,568
Total liabilities	<u>138,447,115</u>	<u>152,669,940</u>	<u>162,780,023</u>	<u>169,292,032</u>	<u>177,932,984</u>
Deferred Inflows of Resources:					
Property taxes levied for future year	107,055,112	103,582,261	103,582,262	98,463,480	97,586,112
Net Position:					
Net investment in capital assets	244,506,480	236,865,736	228,314,411	217,482,173	210,563,915
Restricted for:					
Special programs	5,159,577	4,310,662	3,289,391	3,710,271	3,953,567
Child nutrition	2,322,234	2,517,560	2,873,396	2,884,901	1,798,139
Student activities	2,436,612	2,124,821	2,194,639	1,731,903	1,773,317
Debt service	1,344,287	308,030	-	268,588	-
Capital projects	26,963,231	24,594,980	28,492,313	25,963,061	21,690,347
Scholarships and programs	1,659,136	2,880,113	746,549	-	-
Unrestricted	46,583,520	47,128,386	46,483,756	40,792,140	38,538,740
Total net position	<u>\$ 330,975,077</u>	<u>\$ 320,730,288</u>	<u>\$ 312,394,455</u>	<u>\$ 292,833,037</u>	<u>\$ 278,318,025</u>

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

SALT LAKE CITY SCHOOL DISTRICT

General Fund Comparative Balance Sheets June 30, 2009 through 2013

	2013	2012	2011	2010	2009
Assets:					
Cash and investments	\$ 56,989,681	\$ 58,485,506	\$ 57,382,593	\$ 49,944,014	\$ 48,969,644
Accounts receivable:					
Property taxes	72,040,006	70,359,586	70,764,605	66,704,411	61,321,679
Other local	295,292	367,906	405,164	352,854	459,624
State of Utah	222,699	615,917	288,377	278,266	314,678
Federal government	12,284,360	12,628,674	10,089,833	15,153,359	13,833,854
Inventories	-	-	-	-	234,379
Prepaid expenditures	94,310	114,464	144,865	123,845	181,736
Total assets	<u>\$ 141,926,348</u>	<u>\$ 142,572,053</u>	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>	<u>\$ 125,315,594</u>
Liabilities:					
Liabilities:					
Accounts payable	\$ 1,831,510	\$ 1,306,635	\$ 1,128,698	\$ 1,060,967	\$ 1,606,814
Accrued salaries and related benefits	21,990,885	23,155,357	21,161,747	20,735,624	20,809,540
Unearned revenue:					
Other local	18,930	35,400	31,298	51,181	38,633
State of Utah	1,438,157	3,134,679	1,459,822	4,900,372	4,539,430
Federal government	874,815	807,152	938,540	662,686	822,002
Total liabilities	<u>26,154,297</u>	<u>28,439,223</u>	<u>24,720,105</u>	<u>27,410,830</u>	<u>27,816,419</u>
Deferred Inflows of Resources:					
Unavailable property tax revenue	2,275,550	2,717,556	2,974,180	2,625,908	1,903,789
Property taxes levied for future year	69,842,748	67,577,061	67,577,061	64,046,727	59,338,365
Total deferred inflows of resources	<u>72,118,298</u>	<u>70,294,617</u>	<u>70,551,241</u>	<u>66,672,635</u>	<u>61,242,154</u>
Fund balances:					
Nonspendable:					
Inventories	-	-	-	-	234,379
Prepaid expenditures	94,310	114,464	144,865	123,845	181,736
Committed:					
Economic stabilization	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Assigned:					
Charter schools	915,589	1,074,149	756,073	400,625	213,347
Programs	15,841,276	16,223,740	16,017,386	12,061,073	9,971,270
Schools	2,030,585	2,294,233	2,104,894	1,740,004	2,123,709
Employee benefit obligations	8,475,961	7,525,961	7,525,961	5,310,475	3,841,149
Unassigned	9,296,032	9,605,666	10,254,912	11,837,262	12,691,431
Total fund balances	<u>43,653,753</u>	<u>43,838,213</u>	<u>43,804,091</u>	<u>38,473,284</u>	<u>36,257,021</u>
Total liabilities and fund balances	<u>\$ 141,926,348</u>	<u>\$ 142,572,053</u>	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>	<u>\$ 125,315,594</u>

The District implemented GASB Statement No. 54 in 2011. Fund balance categories for all years have been restated to reflect the new statement as if commitments and assignments had been approved in those years.

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

SALT LAKE CITY SCHOOL DISTRICT

General Fund Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances

	Proposed Budget 2014	Fiscal Year Ended June 30,				
		2013	2012	2011	2010	2009
Revenues:						
Property taxes	\$ 71,895,411	\$ 71,560,420	\$ 64,858,727	\$ 62,793,446	\$ 60,252,172	\$ 59,231,647
Interest	918,644	1,050,876	1,165,916	1,055,216	884,610	2,758,022
Other local revenue	3,900,715	4,667,032	6,860,079	6,987,243	5,879,817	6,198,551
State of Utah	81,374,762	80,211,270	79,714,817	85,940,854	84,284,144	91,593,245
Federal government	16,774,007	20,604,951	22,266,784	27,393,349	26,790,429	27,471,923
Total revenues	<u>174,863,539</u>	<u>178,094,549</u>	<u>174,866,323</u>	<u>184,170,108</u>	<u>178,091,172</u>	<u>187,253,388</u>
Expenditures:						
Instruction	125,379,339	122,634,083	120,032,041	122,465,000	120,175,647	121,894,855
Supporting services:						
Students	5,947,907	5,821,332	5,819,902	5,892,066	6,086,687	6,320,902
Instructional staff	10,870,364	11,484,003	11,832,489	11,657,062	12,359,162	13,113,177
General district administration	807,862	719,420	613,129	903,263	885,924	664,535
General school administration	10,224,946	10,170,799	11,457,168	11,179,035	10,972,640	9,740,183
Central	4,881,741	4,586,731	4,516,641	4,811,435	4,596,755	4,634,273
Operation and maintenance of school buildings	17,022,730	17,183,397	15,000,732	16,511,711	16,129,239	18,571,321
Student transportation	5,863,425	5,580,941	5,463,831	5,253,829	4,508,769	4,587,473
Child nutrition services	102,860	98,303	96,268	165,900	160,086	139,573
Total expenditures	<u>181,101,174</u>	<u>178,279,009</u>	<u>174,832,201</u>	<u>178,839,301</u>	<u>175,874,909</u>	<u>179,666,292</u>
Excess (deficiency) of revenues over (under) expenditures - Net change in fund balances	(6,237,635)	(184,460)	34,122	5,330,807	2,216,263	7,587,096
Fund balances - beginning	<u>43,838,213</u>	<u>43,838,213</u>	<u>43,804,091</u>	<u>38,473,284</u>	<u>36,257,021</u>	<u>28,669,925</u>
Fund balances - ending	<u>\$ 37,600,578</u>	<u>\$ 43,653,753</u>	<u>\$ 43,838,213</u>	<u>\$ 43,804,091</u>	<u>\$ 38,473,284</u>	<u>\$ 36,257,021</u>

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