

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, 2011

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, 2011

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, 2011 is submitted herewith.

State law requires that school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States. This report is published to fulfill that requirement for the fiscal year ended June 30, 2011 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, 2011 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 unqualified opinion that the District's financial statements for the year ended June 30, 2011 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.

ACCOUNTING

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Salt Lake City School District
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Salt Lake City, Utah 84111

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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 24,336 students in kindergarten through twelfth grade living within the boundaries of Salt Lake City, which are part of a total population of approximately 186,000 citizens. In accomplishing this goal, the District operates 38 schools comprised of 4 high schools, 5 intermediate schools, 27 elementary schools and 2 charter schools. Additionally, the District operates several other educational programs. These include community schools, adult education opportunities, 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 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 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. From March 2010 to 2011, Utah job growth was 1.6% compared to 1% nationally. Utah personal income also showed signs of improvement in 2010, up 1.3% over 2009. The Governor's Office of Planning and Budget is projecting that unemployment will fall to 7.1% in 2011 from 7.6% in March 2011. Economic improvement is expected to be gradual; but, after three years of declines, the current forecast is that education fund revenue for the state will remain relatively flat.

District federal funding is expected to decrease by \$7.7 million or 28% in 2012 largely due to the expiration of ARRA stabilization and Education Jobs Fund program.

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 to the state budget cuts, the amount the District is required to contribute to the Utah Retirement System for employees will increase by 0.5% for the upcoming fiscal year. In total, the District is faced with a 5.0% 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, compensation changes, class size increases, and tax increases.

According to the Federal Housing Finance Agency, Salt Lake Metro area house prices are down 5.3% over the last year and 6.7% over the last five years. The Salt Lake Chamber predicts modest decreases in home prices as the market is slow to absorb excess inventory. Commercial real estate valuation, however, is expected to slowly increase. Consequently, the estimated market value of property within the District is expected to remain relatively constant along with future property tax rates.

The approved tax rate for the 2011 calendar year is .006408, up from .006371 for the 2010 year. This tax rate reflects an increase in the calculated basic state levy, as well as other small increases due to the decrease in assessed valuation.

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 2011, the District's unused legal debt capacity is approximately \$903.2 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, 2010. The District has received certificates continuously for thirty-four 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.

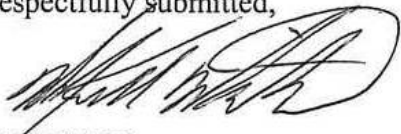
The Association of School Business Officials (ASBO) has awarded its Certificate of Excellence to the Salt Lake City School District. This award certifies that the annual financial report for the year ended June 30, 2010, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials of the United States and Canada. The District believes that the 2011 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; Janny Hortin, CPA, Senior Accountant; and Cynthia Done, CPA, Senior Accountant for the major effort in closing the year and making sure that this report was prepared in a timely manner.

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

Respectfully submitted,



McKell Withers,
Superintendent of Schools



Janet M. Roberts,
Business Administrator

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, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

SALT LAKE CITY SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2010

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

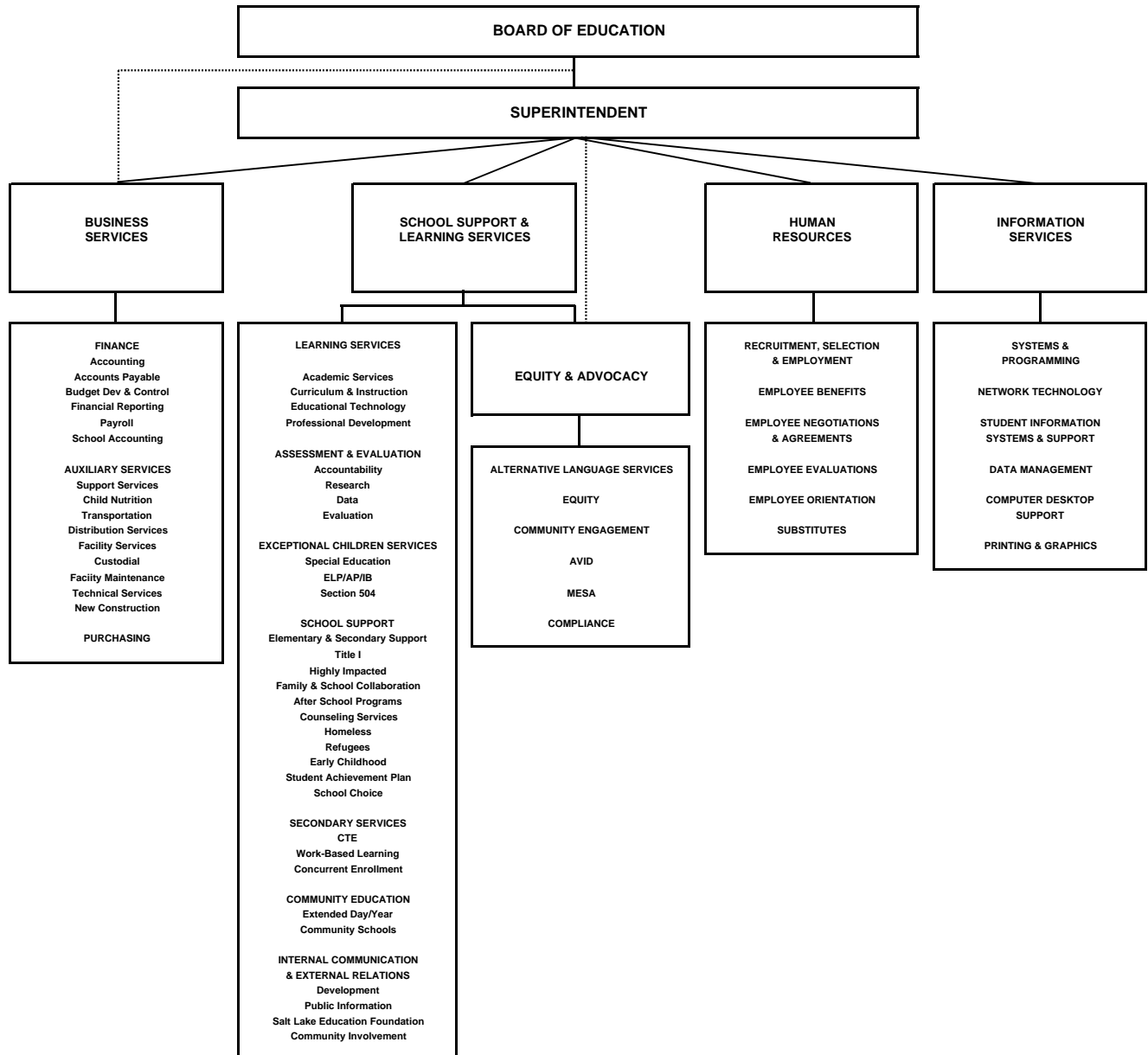
President

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
Amanda Thorderson	Precinct Number One
Alama Uluave	Precinct Number Two
Douglas Nelson	Precinct Number Three
Rosemary Emery	Precinct Number Four
Laurel Young	Precinct Number Six
Maria Chevesich.....	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

We have audited the accompanying financial statements of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Salt Lake City School District (the District), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of District management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, the discretely presented component unit, and the aggregate remaining fund information of Salt Lake City School District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2011 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis which follows this report is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of

additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

Squire & Company, PC

November 29, 2011

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, 2011. 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 exceeded liabilities by \$313.0 million at the close of the most recent fiscal year.
- During the year, expenses were \$19.5 million less than the \$256.1 million generated in taxes and other revenues for governmental activities. This was an increase over last year, when expenses were less than revenues by \$14.5 million.
- Student enrollment increased by 159 students to a total of 24,336 students for fiscal 2011. The value of the State's Weighted Pupil Unit (WPU) remained unchanged from the prior two years. Total state aid increased by \$1.9 million. This increase was due to recognition of deferred revenue in the Career and Technical Education (CTE) program associated with construction costs.
- Federal aid decreased by \$0.6 million mainly due to expiring availability of funds through the American Recovery and Reinvestment Act (ARRA).
- During fiscal 2011, the District completed the replacement of Clayton and Hillside middle schools, and continued to retrofit Emerson elementary school as well as the Lowell and Goodwin Avenue sites. The District also commenced a fieldhouse and classroom renovation project at West High School, and leasehold improvements for a building owned by Salt Lake Community College and used by the Career and Technical Education (CTE) program. All of these projects have an estimated total cost of \$28.3 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 assets* presents information on all of the assets and liabilities of the District, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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 49 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 52 to 65 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$313.0 million at the close of the most recent fiscal year.

SALT LAKE SCHOOL DISTRICT'S Net Assets

(in millions of dollars)

June 30, 2011 and 2010

	Governmental activities		Total change
	2011	2010	2011-2010
Current and other assets	\$ 237.2	\$ 221.4	\$ 15.8
Capital assets	339.7	338.2	1.5
Total assets	576.9	559.6	17.3
Current and other liabilities	135.9	131.9	4.0
Long-term liabilities outstanding	128.0	134.2	(6.2)
Total liabilities	263.9	266.1	(2.2)
Net assets:			
Invested in capital assets, net of related debt	228.9	218.2	10.7
Restricted	37.6	34.5	3.1
Unrestricted	46.5	40.8	5.7
Total net assets	\$ 313.0	\$ 293.5	\$ 19.5

- The largest portion of the District's net assets (73.1%) 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 assets (12.0%) 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 assets* (14.9%) 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 assets. The same situation held true for the prior fiscal year.

Restricted net assets increased by \$3.1 million during the year ended June 30, 2011. This increase is due primarily to an increase in unspent resources restricted for capital projects.

The District's net assets increased by \$19.5 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 Assets

(in millions of dollars)

Years Ended June 30, 2011 and 2010

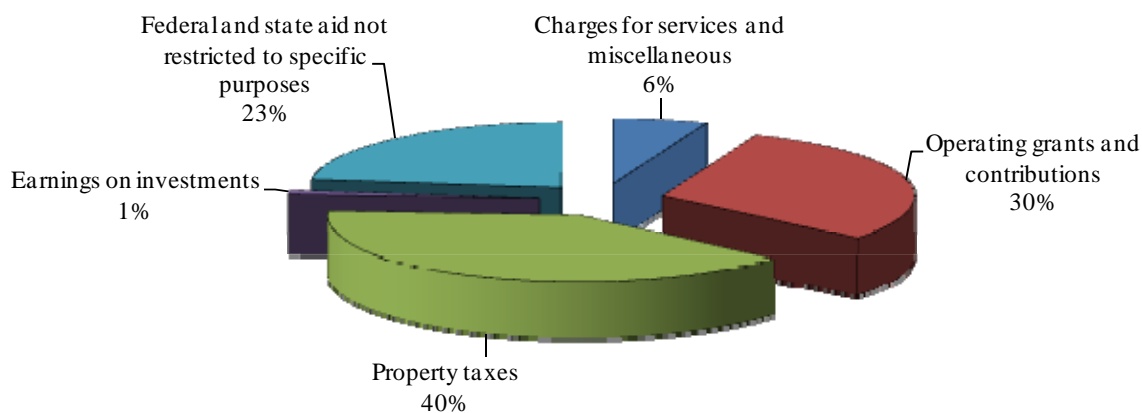
	Governmental activities		Total change 2011-2010
	2011	2010	
Revenues:			
Program revenues:			
Charges for services	\$ 7.6	\$ 6.4	\$ 1.2
Operating grants and contributions	71.7	70.3	1.4
General revenues:			
Property taxes	102.1	97.2	4.9
Federal and state aid not restricted to specific purposes	64.4	64.7	(0.3)
Earnings on investments	1.3	1.7	(0.4)
Miscellaneous	9.0	8.8	0.2
Total revenues	256.1	249.1	7.0
Expenses:			
Instruction	154.2	153.4	0.8
Supporting services:			
Students	6.1	6.2	(0.1)
Instructional staff	14.9	15.4	(0.5)
General district administration	1.4	1.4	-
General school administration	11.5	11.3	0.2
Central services	4.8	4.6	0.2
Operation and maintenance of school buildings	18.2	18.2	-
Student transportation	5.9	5.1	0.8
Child nutrition services	14.3	13.1	1.2
Community services	0.7	0.6	0.1
Interest on long-term liabilities	4.6	5.3	(0.7)
Total expenses	236.6	234.6	2.0
Change in net assets	19.5	14.5	5.0
Net assets - beginning	293.5	279.0	14.5
Net assets - ending	\$ 313.0	\$ 293.5	\$ 19.5

Governmental activities. The key elements of the increase in the District's net assets for the year ended June 30, 2011 are as follows:

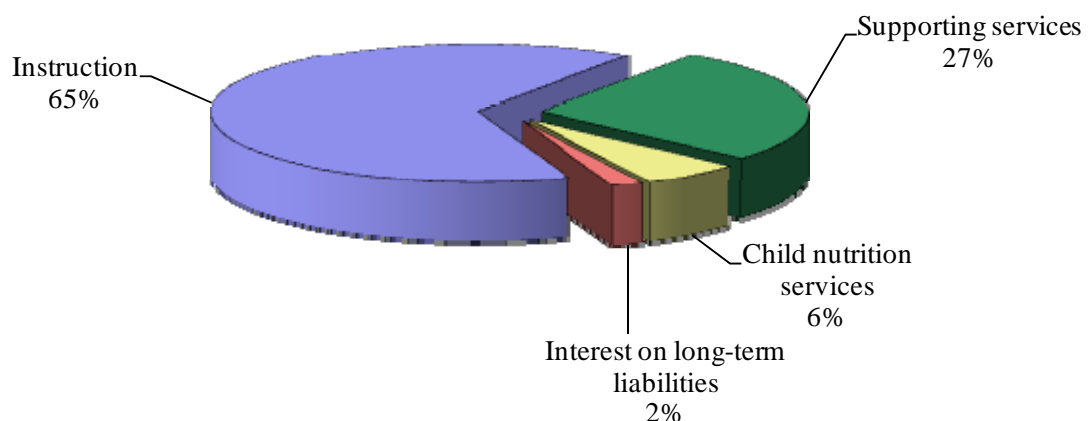
- Operating grants and contributions increased by \$1.4 million primarily due to increases in federal funding. The District was awarded a competitive School Improvement Grant for Northwest and Glendale Middle Schools for an extended school day and other programs designed to improve proficiency scores. Federal Education Jobs funding was partially used by the State to offset state budget cuts.
- State aid increased by \$1.9 million due to \$2.4 million of deferred career and technology resources being used in the current year for improvements to a building that will be used by the CTE program. 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 special students receive a weighting greater than one. The value of the WPU (\$2,577) has remained unchanged since the year ended June 30, 2009.
- Property taxes increased by \$4.9 million due to increased rates.

- Expenses remained relatively flat. Child nutrition expenses represented the largest dollar increase of \$1.2 million due to additional hiring; increases in benefits, resulting from increased health insurance rates and retirement contribution rates; and increased food costs associated with the new CTE building. Instruction expenses had an increase of \$0.8 million due to increases in benefits, resulting from increased health insurance rates and retirement contribution rates, and construction costs associated with the new CTE building. Student transportation showed a \$0.8 million increase due largely to the purchase of four school buses and increased fuel costs. Supporting services for instructional staff decreased by \$0.5 million due to reductions in personnel.

**SALT LAKE CITY SCHOOL DISTRICT
Revenues by Source - Governmental Activities
Year Ended June 30, 2011**



**SALT LAKE CITY SCHOOL DISTRICT
Expenses by Function - Governmental Activities
Year Ended June 30, 2011**



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 \$87.3 million, \$11.3 million higher than the previous year. Included in this year's change in the total fund balance is an increase in the fund balance of the *general fund* of \$5.3 million or 13.9%. The primary reasons for the general fund's increase mirror those highlighted in the analysis of governmental activities. The fund balance of the *capital projects fund* increased by \$5.2 million or 17.9%, due to the holding of unspent bond proceeds and an increased carryover of monies to pay for current construction commitments. The fund balance of the *debt service fund* increased by \$0.3 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 \$178.8 million, an increase of 1.7% during the current fiscal year. This compares to a 2.1% decrease in fiscal 2010. Instruction represents 68.5% of *general fund* expenditures.
- *General fund* salaries totaled \$116.2 million while the associated employee benefits of retirement, social security, insurance (health and accident, industrial, and unemployment) added \$38.8 million to arrive at 86.7% of total *general fund* expenditures.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted and unrestricted portions. Nonspendable includes inventories and prepaid expenditures that are not expected to be converted to cash. Restricted includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes. The unrestricted fund balance is, in turn, subdivided between committed, assigned and unassigned portions. Committed balances reflect the District's self-imposed limitation on the use of otherwise-available, expendable financial resources in governmental funds. Assigned balances in the general fund and other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes. Unassigned balances in the general fund are all other available net fund resources. At June 30, 2011, the District's combined governmental fund balance is \$87.3 million (\$0.7 million in nonspendable, \$37.9 million in restricted, \$7.0 million in committed, \$31.5 million in assigned, and \$10.2 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 \$6.0 million or 3.3% in total general fund expenditures. The most significant budgetary adjustments may be summarized as follows:

- \$5.4 million or 4.3% increase in instruction, to reflect a reallocation of resources from instructional staff, the use of unanticipated prior year carry overs and increases in supplies and equipment.
- \$0.4 million or 3.2% increase in general school administration due to the hiring of additional elementary school assistant principals.
- \$0.3 million or 6.2% increase in central services due to additional contracted services related to a grant.

Even with these budget adjustments, actual expenditures were \$10.0 million less than final budgeted amounts. The most significant variances may be summarized as follows:

- \$8.7 million or 6.6% positive variance in instruction, due to unspent supply allocations and equipment budgets which are carried over to the next year.
- \$0.8 million or 6.6% positive variance in instructional staff due to further budget cuts as well as unspent supply allocations and federal grants which are carried over to the next year.
- \$0.5 million or 10.7% negative variance in student transportation due to unbudgeted bus purchases.
- \$0.4 million or 4.1% positive variance in general school administration due to hiring lags associated with administration transition.

Revenues were \$2.0 million greater than the final budgeted amount. State revenue reported a \$2.0 million or 2.3% negative variance due to legislative cuts to school funding. Revenue from other local sources surpassed projections in part due to Redevelopment Agency money and other receipts which exceeded expectations. 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 deferred \$2.4 million in unearned federal and state revenue at June 30, 2011.

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 2011 the construction of two replacement middle schools was completed, the retrofit of one elementary school and two mixed use buildings continued and projects to update a high school fieldhouse and classrooms as well as the CTE building were started. The projects in progress have a projected cost of \$28.3 million. The total expended on these projects at June 30, 2011 is \$11.0 million, leaving a projected cost to complete all projects begun to date at \$17.3 million.

Capital assets at June 30, 2011 and 2010 are outlined below:

SALT LAKE CITY SCHOOL DISTRICT'S Capital Assets
(net of accumulated depreciation, in millions of dollars)
June 30, 2011 and 2010

	Governmental activities		Total change
	2011	2010	2011-2010
Sites	\$ 33.0	\$ 31.0	\$ 2.0
Construction in progress	11.0	45.2	(34.2)
Buildings	289.3	256.2	33.1
Equipment	3.0	2.6	0.4
Vehicles	3.4	3.2	0.2
Total capital assets, net	<u>\$ 339.7</u>	<u>\$ 338.2</u>	<u>\$ 1.5</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, 2011 is \$1.0 billion. Net general obligation debt at June 30, 2011 is \$108.5 million, resulting in a legal debt margin of \$903.2 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 and deferred amounts, in millions of dollars)
June 30, 2011 and 2010

	Governmental activities 2011	2010	Total change 2011-2010
General obligation bonds	\$ 108.5	\$ 120.7	\$ (12.2)
QSCB Bonds	11.0	5.0	6.0
Outstanding bonds, net	<u>\$ 119.5</u>	<u>\$ 125.7</u>	<u>\$ (6.2)</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	2010	2011	2012 *	2013 *	2014 *	2015 *
Average Daily Membership	24,177	24,336	24,266	24,364	24,403	24,423

* Projected ADM

The District's enrollment for the year ended June 30, 2011 increased by 159 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.

BASIC FINANCIAL STATEMENTS

SALT LAKE CITY SCHOOL DISTRICT

Statement of Net Assets

June 30, 2011

	Primary Government Governmental Activities	Component Unit District Foundation
Assets:		
Cash and investments	\$ 110,018,366	\$ 2,145,494
Receivables:		
Property taxes	108,468,137	-
Other local	950,631	19,582
State of Utah	898,156	-
Federal government	13,420,836	-
Due from component unit	32,284	-
Inventories	833,091	-
Prepaid expenses	211,347	-
Restricted cash	600,802	-
Bond issuance costs, net of accumulated amortization	626,980	-
Note receivable	1,191,318	-
Capital assets:		
Sites and construction in progress	43,988,441	-
Buildings, equipment, and vehicles, net of accumulated depreciation	295,688,461	-
Total assets	576,928,850	2,165,076
Liabilities:		
Accounts payable	5,237,546	7,940
Accrued interest	1,499,923	-
Accrued salaries and related benefits	21,161,747	-
Due to primary government	-	32,284
Unearned revenue:		
Property taxes	103,582,262	-
Other local sources	192,656	-
State of Utah	3,251,084	-
Federal government	938,540	-
Long-term liabilities:		
Portion due or payable within one year	14,959,110	-
Portion due or payable after one year	113,084,547	-
Total liabilities	263,907,415	40,224
Net Assets:		
Invested in capital assets, net of related debt	228,941,391	-
Restricted:		
Special programs	3,289,391	-
Child nutrition	2,873,396	-
Student activities	2,194,639	-
Capital projects	28,492,313	-
Scholarships and programs	746,549	2,016,561
Unrestricted	46,483,756	108,291
Total net assets	\$ 313,021,435	\$ 2,124,852

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, 2011

Activities or Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Primary Government	Component Unit
				Total Governmental Activities	District Foundation
Primary government					
Governmental activities:					
Instruction	\$ 154,224,029	\$ 4,131,741	\$ 44,624,440	\$ (105,467,848)	
Supporting services:					
Students	6,059,853	-	1,407,787	(4,652,066)	
Instructional staff	14,897,568	-	4,342,165	(10,555,403)	
General district administration	1,413,788	-	797,701	(616,087)	
General school administration	11,529,791	-	2,061,309	(9,468,482)	
Central	4,850,665	-	357,091	(4,493,574)	
Operation and maintenance of school buildings	18,208,395	445,325	3,217,803	(14,545,267)	
Student transportation	5,851,624	-	2,870,189	(2,981,435)	
Child nutrition services	14,257,099	1,208,121	11,872,530	(1,176,448)	
Community services	717,929	1,790,335	171,344	1,243,750	
Interest on long-term liabilities	4,571,285	-	-	(4,571,285)	
Total primary government	<u>\$ 236,582,026</u>	<u>\$ 7,575,522</u>	<u>\$ 71,722,359</u>	(157,284,145)	
Component unit:					
Salt Lake Education Foundation	<u>\$ 2,339,342</u>	<u>\$ -</u>	<u>\$ 2,009,560</u>		\$ (329,782)
General revenues:					
Property taxes:					
Basic state supported program for regular K-12 instruction (set by state legislature)				24,463,182	-
Voted leeway for regular K-12 instruction				28,836,757	-
School Board leeway for class size reduction				3,204,084	-
School Board K-3 reading program				1,938,471	-
Special transportation				1,521,940	-
Tort liability				352,449	-
Community recreation				1,922,450	-
Debt service				16,533,074	-
Capital outlay for buildings and other capital needs				19,689,097	-
Ten percent of basic for construction, textbooks, and supplies				3,604,595	-
Total property taxes				102,066,099	-
Federal and state revenue not restricted to specific purposes				64,447,486	-
Earnings on investments				1,316,194	199,265
Miscellaneous				8,960,693	-
Total general revenues				176,790,472	199,265
Change in net assets				19,506,327	(130,517)
Net assets - beginning				293,515,108	2,255,369
Net assets - ending				<u>\$ 313,021,435</u>	<u>\$ 2,124,852</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, 2011

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 57,382,593	\$ 414,689	\$ 36,287,160	\$ 6,912,732	\$ 100,997,174
Receivables:					
Property taxes	70,764,605	19,396,832	16,051,254	2,255,446	108,468,137
Other local	405,164	-	1,191,318	555,832	2,152,314
State of Utah	288,377	-	-	609,779	898,156
Federal government	10,089,833	-	-	3,331,003	13,420,836
Inventories	-	-	-	475,580	475,580
Prepaid expenditures	144,865	-	42,849	11,424	199,138
Restricted cash	-	-	600,802	-	600,802
Total assets	<u>\$ 139,075,437</u>	<u>\$ 19,811,521</u>	<u>\$ 54,173,383</u>	<u>\$ 14,151,796</u>	<u>\$ 227,212,137</u>
Liabilities and fund balances:					
Liabilities:					
Accounts payable	\$ 1,128,698	\$ -	\$ 2,676,856	\$ 955,634	\$ 4,761,188
Due to student organizations	-	-	-	235,965	235,965
Accrued salaries and related benefits	21,161,747	-	-	-	21,161,747
Deferred revenue:					
Property taxes	70,551,241	19,338,348	16,002,858	2,248,645	108,141,092
Other local	31,298	-	1,191,318	161,358	1,383,974
State of Utah	1,459,822	-	-	1,791,262	3,251,084
Federal government	938,540	-	-	-	938,540
Total liabilities	95,271,346	19,338,348	19,871,032	5,392,864	139,873,590
Fund Balances:					
Nonspendable:					
Inventories	-	-	-	475,580	475,580
Prepaid expenditures	144,865	-	42,849	11,424	199,138
Restricted:					
Debt service	-	473,173	-	-	473,173
Capital projects	-	-	34,259,502	-	34,259,502
Community recreation	-	-	-	746,549	746,549
Child nutrition services	-	-	-	2,397,752	2,397,752
Committed:					
Economic stabilization	7,000,000	-	-	-	7,000,000
Assigned:					
Charter schools	756,073	-	-	-	756,073
Programs	16,017,386	-	-	2,847,426	18,864,812
Programs reported in the					
Schools	2,104,894	-	-	86,497	2,191,391
Students	-	-	-	2,193,704	2,193,704
Employee benefit obligations	7,525,961	-	-	-	7,525,961
Unassigned	10,254,912	-	-	-	10,254,912
Total fund balances	<u>43,804,091</u>	<u>473,173</u>	<u>34,302,351</u>	<u>8,758,932</u>	<u>87,338,547</u>
Total liabilities and fund balances	<u>\$ 139,075,437</u>	<u>\$ 19,811,521</u>	<u>\$ 54,173,383</u>	<u>\$ 14,151,796</u>	<u>\$ 227,212,137</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 Assets

June 30, 2011

Total fund balances for governmental funds	\$ 87,338,547
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Total net assets reported for governmental activities in the statement of net assets 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	11,034,088	
Buildings, net of \$155,649,754 accumulated depreciation	289,316,501	
Equipment, net of \$5,283,259 accumulated depreciation	2,878,920	
Vehicles, net of \$6,837,574 accumulated depreciation	<u>3,404,264</u>	339,588,126

Some of the District's property taxes will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds.	4,558,830
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The District's note receivable payments will be collected after year-end, and are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred revenue in the funds.	1,191,318
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(1,499,923)
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Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$1,289,764 and accumulated amortization is \$552,654.	626,980
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Internal service funds are used by management to charge the costs of distribution, printing and graphics, technical, and employee benefit services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets at year-end are:	765,220
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Long-term liabilities that pertain to governmental funds are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net assets. Balances at year-end are:

General obligation bonds payable	(107,280,722)	
Qualified school construction bonds payable	(11,000,000)	
Unamortized deferred amounts on refunding	2,454,870	
Unamortized premiums and discounts	<u>(3,721,811)</u>	(119,547,663)

Total net assets of governmental activities	<u>\$ 313,021,435</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 Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended June 30, 2011

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 62,793,446	\$ 17,211,909	\$ 19,537,520	\$ 2,001,385	\$ 101,544,260
Earnings on investments	1,055,216	9,742	167,754	41,139	1,273,851
School lunch sales	-	-	-	1,208,121	1,208,121
Other local sources	6,987,243	15,648	214,240	8,110,963	15,328,094
State of Utah	85,940,854	-	-	5,324,239	91,265,093
Federal government	27,393,349	-	1,711,562	15,799,841	44,904,752
Total revenues	184,170,108	17,237,299	21,631,076	32,485,688	255,524,171
Expenditures:					
Current:					
Instruction	122,465,000	-	-	14,163,817	136,628,817
Supporting services:					
Students	5,892,066	-	-	50,868	5,942,934
Instructional staff	11,657,062	-	-	2,655,914	14,312,976
General district administration	903,263	-	-	388,836	1,292,099
General school administration	11,179,035	-	-	-	11,179,035
Central	4,811,435	-	-	39,230	4,850,665
Operation and maintenance of school buildings	16,511,711	-	-	878,701	17,390,412
Student transportation	5,253,829	-	-	-	5,253,829
Child nutrition services	165,900	-	-	13,101,724	13,267,624
Community services	-	-	-	717,929	717,929
Capital outlay	-	-	22,481,001	10,051	22,491,052
Debt service:					
Principal retirement	-	12,111,000	-	-	12,111,000
Bond issuance costs	-	162,210	46,281	-	208,491
Interest, fiscal charges, and other	-	4,797,153	-	-	4,797,153
Total expenditures	178,839,301	17,070,363	22,527,282	32,007,070	250,444,016
Excess (deficiency) of revenues over (under) expenditures	5,330,807	166,936	(896,206)	478,618	5,080,155
Other financing sources (uses):					
Refunding bonds issued	-	18,255,000	-	-	18,255,000
Qualified school construction bonds issued	-	-	6,000,000	-	6,000,000
Bond premium	-	2,984,071	-	-	2,984,071
Payment to refunded bond escrow agent	-	(21,076,861)	-	-	(21,076,861)
Proceeds from the sale of capital assets	-	-	100,734	1,878	102,612
Total other financing sources (uses)	-	162,210	6,100,734	1,878	6,264,822
Net change in fund balances	5,330,807	329,146	5,204,528	480,496	11,344,977
Fund balances - beginning	38,473,284	144,027	29,097,823	8,278,436	75,993,570
Fund balances - ending	\$ 43,804,091	\$ 473,173	\$ 34,302,351	\$ 8,758,932	\$ 87,338,547

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, 2011

Net change in fund balances-total governmental funds	\$ 11,344,977
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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 capital outlays exceeded depreciation in the current period.

Capital asset purchases	\$ 15,070,136	
Loss on disposal of capital assets	(167,927)	
Proceeds from sale of capital assets	(102,612)	
Depreciation expense	<u>(13,422,071)</u>	1,377,526

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. Also, governmental funds report the effect of issuance costs and premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of 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	12,111,000	
General obligation refunding bonds issued	(18,255,000)	
Qualified school construction bonds issued	(6,000,000)	
Premium on refunding bonds	(2,984,071)	
Bond issuance costs	208,491	
Payment to refunded bond escrow agent	21,076,861	
Interest expense	163,590	
Amortization of bond issuance costs	(110,130)	
Amortization of bond premiums and discounts	378,956	
Amortization of deferred amounts on refunding	<u>(316,678)</u>	6,273,019

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 revenues. Deferred property tax revenues increased this year.

521,839

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 assets of the internal service funds is reported with governmental activities.

(11,034)

Change in net assets of governmental activities

\$ 19,506,327

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

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2011

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property taxes	\$ 60,868,409	\$ 62,392,846	\$ 62,793,446	\$ 400,600
Earnings on investments	911,044	920,044	1,055,216	135,172
Other local sources	4,481,827	3,901,283	6,987,243	3,085,960
State of Utah	86,254,309	87,923,179	85,940,854	(1,982,325)
Federal government	23,149,745	27,052,973	27,393,349	340,376
Total revenues	175,665,334	182,190,325	184,170,108	1,979,783
Expenditures:				
Current:				
Instruction	125,715,939	131,149,665	122,465,000	8,684,665
Supporting services:				
Students	6,096,471	6,009,179	5,892,066	117,113
Instructional staff	12,707,579	12,479,338	11,657,062	822,276
General district administration	830,331	973,478	903,263	70,215
General school administration	11,295,401	11,656,745	11,179,035	477,710
Central	4,619,450	4,906,166	4,811,435	94,731
Operation and maintenance of school buildings	16,823,389	16,758,973	16,511,711	247,262
Student transportation	4,634,636	4,746,176	5,253,829	(507,653)
Child nutrition services	154,291	181,803	165,900	15,903
Total expenditures	182,877,487	188,861,523	178,839,301	10,022,222
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(7,212,153)	(6,671,198)	5,330,807	12,002,005
Fund balances - beginning	38,473,284	38,473,284	38,473,284	-
Fund balances - ending	<u>\$ 31,261,131</u>	<u>\$ 31,802,086</u>	<u>\$ 43,804,091</u>	<u>\$ 12,002,005</u>

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

SALT LAKE CITY SCHOOL DISTRICT

Statement of Fund Net Assets

Proprietary Funds

Governmental Activities - Internal Service Funds

June 30, 2011

Assets:**Current assets:**

Cash and investments	\$ 9,021,192
Inventories	357,511
Receivables	21,919
Prepaid expenses	12,209
Total current assets	9,412,831

Noncurrent assets:**Capital assets:**

Equipment	531,765
Accumulated depreciation	(442,989)
Net capital assets	88,776
Total assets	9,501,607

Liabilities:**Current liabilities:**

Accounts payable	240,393
Accrued vacation	61,055
Accrued sick leave	294,149
Early retirement insurance payable	833,756
Dental insurance payable	343,066
Workers compensation payable	256,143
Total current liabilities	2,028,562

Noncurrent liabilities:

Accrued vacation	1,179,365
Accrued sick leave	3,359,737
Early retirement insurance payable	2,168,723
Total noncurrent liabilities	6,707,825
Total liabilities	8,736,387

Net assets:

Invested in capital assets	88,776
Unrestricted	676,444
Total net assets	\$ 765,220

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 Assets

Proprietary Funds

Governmental Activities - Internal Service Funds

Year Ended June 30, 2011

Operating revenues:

Charges for services	\$ 4,981,508
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Operating expenses:

Salaries	947,301
Employee benefits	3,429,886
Materials	413,913
Contracted services	33,896
Utilities	94,566
Equipment maintenance	77,121
Depreciation	27,104
Other expenses	11,098

Total operating expenses	<u>5,034,885</u>
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Operating income (loss)	(53,377)
-------------------------	----------

Nonoperating income (expense):

Earnings on investments	<u>42,343</u>
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Change in net assets	(11,034)
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Total net assets - beginning	<u>776,254</u>
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Total net assets - ending	<u><u>\$ 765,220</u></u>
----------------------------------	--------------------------

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

SALT LAKE CITY SCHOOL DISTRICT

Statement of Fund Cash Flows

Proprietary Funds

Governmental Activities - Internal Service Funds

Year Ended June 30, 2011

Cash flows from operating activities:

Receipts from interfund services provided	\$ 5,037,451
Payments to suppliers	(633,620)
Payments to employees	(4,357,803)
Net cash provided by operating activities	<u>46,028</u>

Cash flows from investing activities:

Interest earned	42,343
-----------------	--------

Cash flows from capital activities:

Acquisition of capital assets	<u>(31,389)</u>
Net change in cash and cash equivalents	56,982

Cash and cash equivalents - beginning

8,964,210

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

\$ 9,021,192

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

Operating loss	\$ (53,377)
----------------	-------------

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

Depreciation expense	27,104
Changes in operating assets and liabilities:	
Accounts receivable	55,943
Inventories	(7,759)
Prepaid expenses	(12,182)
Accounts payable	16,915
Accrued vacation	69,152
Accrued sick leave	(106,531)
Early retirement insurance payable	49,567
Dental insurance payable	(92,160)
Workers compensation payable	99,356
Total adjustments	<u>99,405</u>
Net cash provided by operating activities	<u><u>\$ 46,028</u></u>

Noncash investing, capital, and financing activities:

none

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

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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 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 as a governmental fund. 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 assets and the statement of changes in net assets) 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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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

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

The District reports the following major governmental funds:

- The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, including the Open Classroom and Salt Lake Center for Science Education charter schools, except those required to be accounted for in another fund.
- The *debt service fund* accounts for the resources accumulated and payments made for principal and interest on general obligation bonds payable.
- The *capital projects fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, procurement of equipment, textbooks, and supplies necessary for providing educational programs for all students within the District.

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

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

are recorded as deferred revenue until earned. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and long-term employee benefit obligations, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets 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 1st. 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 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, 2011, 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

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

three months or less from the date of acquisition, including investments in the Public Treasurers' Investment Fund (PTIF).

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

Inventories – Inventories are valued at cost or, if donated, at fair value when received, using the weighted average method. Inventories of all funds are recorded as expenditures/expenses when consumed rather than when purchased. Inventories reported in the governmental funds are equally offset by an unspendable portion of fund balance, indicating that they are not expected to be converted to cash.

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

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

Capital Assets – Capital assets, which include sites, buildings, equipment, and vehicles are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for sites, equipment, and vehicles and \$100,000 for buildings and leasehold improvements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets 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:

<u>Assets</u>	<u>Years</u>
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 assets. Bond premiums and discounts, as well as issuance and refunding costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

Fund Balance Classifications – Beginning with fiscal year 2011, the District implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. Implementation of the new statement had no effect on the total fund balance amounts.

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

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories and prepaid expenditures are classified as nonspendable.
- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the following:
 - Unspent tax revenues levied for specific purposes, such as capital projects, 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. This intent is expressed by approval of the District's business administrator as authorized by the Board of Education. 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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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

2. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2011, as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 5,580,196
Carrying amount of investments	107,184,466
Total cash and investments	<u>\$ 112,764,662</u>
Governmental funds cash and investments	\$ 100,997,174
Restricted cash	600,802
Internal service funds cash and investments	9,021,192
Statement of net assets cash and investments	110,619,168
Component unit cash and investments	2,145,494
Total cash and investments	<u>\$ 112,764,662</u>

The District complies with the State Money Management Act (Utah Code Section 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 Treasurer's 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 and actions of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

Rules of the Council allow the Salt Lake Education 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, 2011, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Salt Lake City School District	\$ 5,436,163	\$ 7,331,477	\$ 617,036
Salt Lake Education Foundation	144,033	173,722	173,722
Total deposits	<u>\$ 5,580,196</u>	<u>\$ 7,505,199</u>	<u>\$ 790,758</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

- 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, 2011, the uninsured amount of the District's and Foundation's bank deposits was uncollateralized. At June 30, 2011, \$6,714,441 of the District's bank deposits 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 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 fair value of the District's position in the pool is the same as the value of the pool shares. The degree of risk of the PTIF depends upon the underlying portfolio.

At June 30, 2011, 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)	\$ 27,991,334	\$ 27,991,334	\$ -	\$ -	\$ -
Corporate bonds	77,191,671	38,080,531	34,123,290	-	4,987,850
	105,183,005	66,071,865	34,123,290	-	4,987,850
Salt Lake Education Foundation, a component unit:					
Fixed income securities	660,426	659,408	-	566	452
Mutual funds	1,341,035	1,341,035	-	-	-
	2,001,461	2,000,443	-	566	452
Total investments	\$ 107,184,466	\$ 68,072,308	\$ 34,123,290	\$ 566	\$ 4,988,302

- 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. The District has no investment policy that would further limit its interest rate risk.
- 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

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by Standard and Poor's Corporation at the time of purchase. The District has no investment policy that would further limit its investment choices. As of June 30, 2011, 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	\$ 27,991,334
Corporate bonds:	
Aaa/Aaa*	5,743,409
Aa1/Aa2/Aa3	18,310,743
A1/A2/A3	36,142,868
Baa1	3,946,785
Unrated	<u>13,047,866</u>
	105,183,005
Salt Lake Education Foundation, a component unit:	
Fixed income securities:	
Aaa	389
Unrated	660,037
Mutual funds:	
Unrated	<u>1,341,035</u>
	<u>2,001,461</u>
Total investments	<u><u>\$107,184,466</u></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.

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

As of June 30, 2011, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2011 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 revenue accounts at June 30, 2011 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)	\$ 2,694,082	\$ 738,457	\$ 1,040,424	\$ 85,867	\$ 4,558,830
Levied for future year	68,070,523	18,658,375	15,010,830	2,169,579	103,909,307
	<u>\$ 70,764,605</u>	<u>\$ 19,396,832</u>	<u>\$ 16,051,254</u>	<u>\$ 2,255,446</u>	<u>\$ 108,468,137</u>
Property taxes - deferred revenue:					
Levied for future year and collected	\$ (213,364)	\$ (58,484)	\$ (48,396)	\$ (6,801)	\$ (327,045)
Levied for future year and uncollected	68,070,523	18,658,375	15,010,830	2,169,579	103,909,307
Deferred property tax revenue - governmental activities, statement of net assets	67,857,159	18,599,891	14,962,434	2,162,778	103,582,262
Levied for current and prior years (delinquent)	<u>2,694,082</u>	<u>738,457</u>	<u>1,040,424</u>	<u>85,867</u>	<u>4,558,830</u>
Deferred property tax revenue - governmental funds, balance sheet	<u>\$ 70,551,241</u>	<u>\$ 19,338,348</u>	<u>\$ 16,002,858</u>	<u>\$ 2,248,645</u>	<u>\$ 108,141,092</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Sites	\$ 31,004,975	\$ 1,949,378	\$ -	\$ 32,954,353
Construction in progress	45,247,157	10,900,743	(45,113,812)	11,034,088
Total capital assets, not being depreciated	76,252,132	12,850,121	(45,113,812)	43,988,441
Capital assets, being depreciated:				
Buildings	411,123,313	45,113,812	(11,270,870)	444,966,255
Equipment	8,840,016	1,295,905	(1,441,977)	8,693,944
Vehicles	9,627,919	955,500	(341,581)	10,241,838
Total capital assets, being depreciated	429,591,248	47,365,217	(13,054,428)	463,902,037
Accumulated depreciation for:				
Buildings	(154,950,732)	(11,969,892)	11,270,870	(155,649,754)
Equipment	(6,276,367)	(776,008)	1,326,127	(5,726,248)
Vehicles	(6,421,925)	(703,275)	287,626	(6,837,574)
Total accumulated depreciation	(167,649,024)	(13,449,175)	12,884,623	(168,213,576)
Total capital assets, being depreciated, net	261,942,224	33,916,042	(169,805)	295,688,461
Governmental activity capital assets, net	<u>\$ 338,194,356</u>	<u>\$ 46,766,163</u>	<u>\$ (45,283,617)</u>	<u>\$ 339,676,902</u>

For the year ended June 30, 2011, depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 9,842,862
Supporting services:	
Students	116,919
Instructional staff	584,592
General district administration	121,689
General school administration	350,756
Operation and maintenance of school buildings	817,983
Student transportation	597,795
Child nutrition services	989,475
Capital assets held by the District's internal service funds are charged to the various functions based on their usage of the assets	<u>27,104</u>
Total depreciation expense, governmental activities	<u>\$ 13,449,175</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

The District is obligated at June 30, 2011, under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Emerson - Retrofit	\$ 3,900,000	\$ 3,379,555	\$ 520,445
Lowell Building - Retrofit	3,900,000	1,009,740	2,890,260
Old Northwest Building - Retrofit	6,500,000	1,438,160	5,061,840
West - Fieldhouse & Classroom	6,800,000	1,863,619	4,936,381
Career and Technology Education	7,200,000	3,343,014	3,856,986
	<u>\$ 28,300,000</u>	<u>\$ 11,034,088</u>	<u>\$ 17,265,912</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, 2011.

5. RETIREMENT PLANS

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

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

Plan members in the State and School Contributory Retirement System are required to contribute 1.00% of annual covered salary, 0.50% of this is covered by the District. In addition, the District contributes 17.33% of annual covered salary. For employees participating in the State and School Noncontributory System, the District contributes 16.32% of annual covered salary. The contribution rates are the actuarially determined rates. The contribution requirements of the Systems are authorized by statute and specified by the Utah State Retirement Board.

The District's contributions to the State and School Contributory Retirement System for the years ended June 30, 2011, 2010, and 2009 are \$508,022, \$537,438, and \$567,870, respectively, and employee contributions were \$14,992, \$17,643, and \$18,643, respectively. The District's contributions to the State and School Noncontributory Retirement System for the years ended June 30, 2011, 2010, and 2009 are \$18,049,325, \$16,989,465, and \$17,040,465, respectively. The contributions were equal to the required contributions for each year.

Defined Contribution Plans – The District also participates in a defined contribution plan under Internal Revenue Code Section 401(k) to supplement retirement benefits accrued by participants in the Systems. Employees covered by the State and School Noncontributory Retirement System have a contribution of

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

2.0% of covered salaries automatically made by the District. Employees participating in the Systems can make additional contributions to the 401(k) plan up to specified limits. Contributions and earnings may be withdrawn by the employee upon termination or may be used as supplemental income upon retirement. The employer 401(k) contributions for the years ended June 30, 2011, 2010, and 2009 are \$2,203,687, \$2,828,075, and \$2,896,581, respectively; the employee contributions for the years ending June 30, 2011, 2010, and 2009 are \$3,226,856, \$3,604,203, and \$3,744,360, respectively. The 401(k) plan funds are fully vested to the participants at the time of deposit. Plan assets are administered and held by URS and the 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 Service 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 employment and are vested immediately upon participating. Employee contributions to the Section 457 plan totaled \$306,527 for the year ended June 20, 2011. The URS established the 457 plan offered to employees and 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, 2011 is \$887,169 and the total liability at June 30, 2011 is \$3,002,479. 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, 2011, an estimate of all future costs based on open claims was recorded as a liability of \$256,143; 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, 2011 and 2010 is as follows:

	Workers Compensation	
	2011	2010
Accrued liability - beginning	\$ 156,787	\$ 413,629
Charges for services	939,211	441,884
Claims paid	(839,855)	(698,726)
Accrued liability - ending	<u>\$ 256,143</u>	<u>\$ 156,787</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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.

The District self insures dental benefits for employees and retains a third-party administrator to process claims. At June 30, 2011, the current unpaid and the incurred but not reported liabilities were recorded for \$343,066. 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, 2011 and 2010 is as follows:

	Accrued Dental Insurance	
	2011	2010
Accrued liability - beginning	\$ 435,226	\$ 339,688
Charges for services	1,123,225	1,112,920
Claims paid	(1,215,385)	(1,017,382)
Accrued liability - ending	<u>\$ 343,066</u>	<u>\$ 435,226</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.

7. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2011 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 121,055,722	\$ 18,255,000	\$ (32,030,000)	\$ 107,280,722	\$ 12,433,000
Qualified school construction bonds	5,000,000	6,000,000	-	11,000,000	737,941
Deferred amounts on refunding	(1,628,336)	(1,532,707)	706,173	(2,454,870)	-
Unamortized premiums and discounts	1,284,797	2,984,071	(547,057)	3,721,811	-
Total bonds payable, net	125,712,183	25,706,364	(31,870,884)	119,547,663	13,170,941
Accrued vacation	1,171,269	130,206	(61,055)	1,240,420	61,055
Accrued sick leave	3,760,416	187,619	(294,149)	3,653,886	294,149
Early retirement insurance	2,952,912	887,169	(837,602)	3,002,479	833,756
Accrued dental insurance	435,226	1,123,225	(1,215,385)	343,066	343,066
Workers compensation	156,787	939,211	(839,855)	256,143	256,143
Total governmental activity long-term liabilities	<u>\$ 134,188,793</u>	<u>\$ 28,973,794</u>	<u>\$ (35,118,930)</u>	<u>\$ 128,043,657</u>	<u>\$ 14,959,110</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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 *internal service fund*.

General Obligation Bonds – The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2011, including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 12,433,000	\$ 4,461,310	\$ 16,894,310
2013	12,800,000	3,940,502	16,740,502
2014	13,935,000	3,398,612	17,333,612
2015	7,945,000	2,800,600	10,745,600
2016	8,272,722	2,471,826	10,744,548
2017-2021	37,970,000	8,192,293	46,162,293
2022-2025	13,925,000	1,319,088	15,244,088
Totals	<u>\$ 107,280,722</u>	<u>\$ 26,584,231</u>	<u>\$ 133,864,953</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

General obligation school building bonds payable at June 30, 2011, 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
\$10,000,000 2002A school building serial bonds, due in annual installments of \$345,000 to \$740,000, beginning March 1, 2003, through March 1, 2021, interest from 3.00% to 5.05%. During the year ended June 30, 2005, \$6,030,000 of these bonds were defeased.	465,000
\$12,315,000 2002B refunding bonds, due in annual installments of \$60,000 to \$1,320,000, beginning March 1, 2003, through March 1, 2020, interest from 3.00% to 4.80%.	9,760,000
\$6,105,000 2002C refunding bonds, due in annual installments of \$50,000 to \$770,000, beginning March 1, 2003, through March 1, 2013, interest from 3.00% to 4.25%.	1,510,000
\$45,000,000 2003A school building serial bonds, due in annual installments of \$1,545,000 to \$3,210,000, beginning March 1, 2004, through March 1, 2023, interest from 3.00% to 5.00%. During the year ended June 30, 2008, \$9,205,000 of these bonds were defeased. During the year ended June 30, 2011, \$10,525,000 of these bonds were defeased.	10,980,000
\$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%.	26,285,000
\$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%.	12,915,000
\$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%.	20,065,000
\$9,876,000 2007A refunding bonds, due in annual installments of \$56,000 to \$3,137,000, beginning March 1, 2008, through March 1, 2023, interest of 4.19%. During the year ended June 30, 2011, \$9,394,000 of these bonds were defeased.	63,000
\$6,925,000 2007B refunding bonds, due in annual installments of \$1,100,000 to \$1,255,000, beginning March 1, 2008, through March 1, 2013, interest from 4.25% to 4.50%.	2,425,000
\$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%.	18,070,000
	<u>\$ 107,280,722</u>

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2011, is \$1,011,705,069. General obligation debt net of deferred amounts on refunding and unamortized premiums and discounts at June 30, 2011 is \$108,547,663, resulting in a legal debt margin of \$903,157,406.

Advance Refunding – In October of 2010, the District issued \$18,255,000 of general obligation refunding bonds (Series 2010) 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 \$10,525,000 of previously issued general obligation bonds and to immediately discharge \$9,394,000 of principal. As a result, the refunded bonds are considered to be defeased and the

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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 \$2,254,379 and resulted in an economic gain of \$1,704,081.

Qualified School Construction Bonds – Qualified school construction bonds, issued by the Building Authority, payable at June 30, 2011, 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 annual requirements to amortize all lease revenue bonds outstanding as of June 30, 2011, including interest payments are listed as follows:

Year Ending June 30,	Principal	Net Interest	Total
2012	\$ 737,941	\$ 51,400	\$ 789,341
2013	737,941	51,400	789,341
2014	737,941	51,400	789,341
2015	737,941	51,400	789,341
2016	737,941	51,400	789,341
2017-2021	3,689,706	257,000	3,946,706
2022-2026	2,914,706	173,750	3,088,456
2027-2028	705,883	28,800	734,683
Totals	<u>\$ 11,000,000</u>	<u>\$ 716,550</u>	<u>\$ 11,716,550</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 expects to meet 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.

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 effect the financial statements of the District.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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 0.52%. The annual anticipated payments as of June 30, 2011, including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 72,957	\$ 6,228	\$ 79,185
2013	73,338	5,847	79,185
2014	73,722	5,463	79,185
2015	74,107	5,078	79,185
2016	74,495	4,690	79,185
2017-2021	378,355	17,570	395,925
2022-2026	388,349	7,576	395,925
2027	55,995	293	56,288
Totals	<u>\$ 1,191,318</u>	<u>\$ 52,745</u>	<u>\$ 1,244,063</u>

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***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. Financing is provided by an annual property tax levy authorized by Utah Code 53A-16-104 and 53A-17a-145.

Capital Projects Fund

To account for resources collected by property taxes authorized by Utah Code Annotated (1953, as amended), Sections 53A -21-102 and 53A -17a-145. Taxes collected pursuant to this authority can be 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, 2011

With Comparative Totals for 2010

	2011			2010
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property tax	\$ 62,392,846	\$ 62,793,446	\$ 400,600	\$ 60,252,172
Interest on investments	920,044	1,055,216	135,172	884,610
Other local sources	3,901,283	6,987,243	3,085,960	5,879,817
State of Utah	87,923,179	85,940,854	(1,982,325)	84,284,144
Federal government	27,052,973	27,393,349	340,376	26,790,429
Total revenues	182,190,325	184,170,108	1,979,783	178,091,172
Expenditures:				
Current:				
Instruction	131,149,665	122,465,000	8,684,665	120,175,647
Supporting services:				
Students	6,009,179	5,892,066	117,113	6,086,687
Instructional staff	12,479,338	11,657,062	822,276	12,359,162
General district administration	973,478	903,263	70,215	885,924
General school administration	11,656,745	11,179,035	477,710	10,972,640
Central services	4,906,166	4,811,435	94,731	4,596,755
Operation and maintenance of school buildings	16,758,973	16,511,711	247,262	16,129,239
Student transportation	4,746,176	5,253,829	(507,653)	4,508,769
Child nutrition services	181,803	165,900	15,903	160,086
Total expenditures	188,861,523	178,839,301	10,022,222	175,874,909
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(6,671,198)	5,330,807	12,002,005	2,216,263
Fund balances - beginning	38,473,284	38,473,284	-	36,257,021
Fund balances - ending	<u>\$ 31,802,086</u>	<u>\$ 43,804,091</u>	<u>\$ 12,002,005</u>	<u>\$ 38,473,284</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, 2011

With Comparative Totals for 2010

	2011			2010
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property tax	\$ 17,102,103	\$ 17,211,909	\$ 109,806	\$ 16,491,142
Interest on investments	20,184	9,742	(10,442)	26,818
Other local sources	-	15,648	15,648	-
Total revenues	17,122,287	17,237,299	115,012	16,517,960
Expenditures:				
Bond issuance costs	162,211	162,210	1	-
Principal retirement	12,111,000	12,111,000	-	11,483,000
Interest on bonds	4,792,037	4,791,903	134	5,438,321
Other fees	5,250	5,250	-	5,500
Total expenditures	17,070,498	17,070,363	135	16,926,821
Excess (deficiency) of revenues over (under) expenditures	51,789	166,936	114,877	(408,861)
Other Financing Sources (Uses):				
Refunding bond proceeds	18,255,000	18,255,000	-	-
Bond premium	2,984,071	2,984,071	-	-
Payment to refunded bond escrow agent	(21,172,425)	(21,076,861)	95,564	-
Total other financing sources (uses)	66,646	162,210	95,564	-
Net change in fund balances	118,435	329,146	210,441	(408,861)
Fund balances - beginning	144,027	144,027	-	552,888
Fund balances - ending	<u>\$ 262,462</u>	<u>\$ 473,173</u>	<u>\$ 210,441</u>	<u>\$ 144,027</u>

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2011

With Comparative Totals for 2010

	2011			2010
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 19,279,084	\$ 19,537,520	\$ 258,436	\$ 17,652,093
Interest on investments	96,739	167,754	71,015	504,009
Other local sources	535,330	214,240	(321,090)	1,279,207
State of Utah	-	-	-	100,000
Federal government	74,491	1,711,562	1,637,071	2,701,813
Total revenues	19,985,644	21,631,076	1,645,432	22,237,122
Expenditures:				
Site acquisition	1,844,084	1,893,292	(49,208)	-
Equipment	2,070,715	2,230,086	(159,371)	2,967,142
Bond issuance costs	-	46,281	46,281	78,023
Facilities acquisition and construction services	36,933,776	18,357,623	18,576,153	15,097,124
Total expenditures	40,848,575	22,527,282	18,413,855	18,142,289
Excess (deficiency) of revenues over (under) expenditures	(20,862,931)	(896,206)	20,059,287	4,094,833
Other Financing Sources (Uses):				
Qualified school construction bond proceeds	6,000,000	6,000,000	-	5,000,000
Sale of capital assets	49,170	100,734	51,564	253,938
Total other financing sources (uses)	6,049,170	6,100,734	51,564	5,253,938
Net change in fund balances	(14,813,761)	5,204,528	20,110,851	9,348,771
Fund balances - beginning	29,097,823	29,097,823	-	19,749,052
Fund balances - ending	<u>\$ 14,284,062</u>	<u>\$ 34,302,351</u>	<u>\$ 20,110,851</u>	<u>\$ 29,097,823</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, 2011

	Special Revenue Funds			
	Special Programs	Child Nutrition	Student Activities	Total
Assets:				
Cash and investments	\$ 2,539,702	\$ 1,777,906	\$ 2,595,124	\$ 6,912,732
Receivables:				
Property taxes	2,255,446	-	-	2,255,446
Other local	548,319	6,268	1,245	555,832
State of Utah	106,867	502,912	-	609,779
Federal government	2,502,062	828,941	-	3,331,003
Inventories	-	475,580	-	475,580
Prepaid expenditures	10,425	64	935	11,424
Total assets	<u>\$ 7,962,821</u>	<u>\$ 3,591,671</u>	<u>\$ 2,597,304</u>	<u>\$ 14,151,796</u>
Liabilities:				
Accounts payable	\$ 202,424	\$ 586,510	\$ 166,700	\$ 955,634
Due to student organizations	-	-	235,965	235,965
Deferred revenue:				
Property taxes	2,248,645	-	-	2,248,645
Other local	29,593	131,765	-	161,358
State of Utah	1,791,262	-	-	1,791,262
Total liabilities	<u>4,271,924</u>	<u>718,275</u>	<u>402,665</u>	<u>5,392,864</u>
Fund balances:				
Nonspendable:				
Inventories	-	475,580	-	475,580
Prepaid expenditures	10,425	64	935	11,424
Restricted:				
Community recreation	746,549	-	-	746,549
School lunch	-	2,397,752	-	2,397,752
Assigned:				
Programs	2,847,426	-	-	2,847,426
Schools	86,497	-	-	86,497
Students	-	-	2,193,704	2,193,704
Total fund balances	<u>3,690,897</u>	<u>2,873,396</u>	<u>2,194,639</u>	<u>8,758,932</u>
Total liabilities and fund balances	<u>\$ 7,962,821</u>	<u>\$ 3,591,671</u>	<u>\$ 2,597,304</u>	<u>\$ 14,151,796</u>

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2011

	Special Revenue Funds			
	Special Programs	Child Nutrition	Student Activities	Total
Revenues:				
Property taxes	\$ 2,001,385	\$ -	\$ -	\$ 2,001,385
Tuition	1,920,833	-	-	1,920,833
Student fees	-	-	139,595	139,595
Food sales	-	1,208,121	-	1,208,121
Earnings on investments	20,127	7,690	13,322	41,139
Other local revenues	2,512,595	-	3,537,940	6,050,535
State of Utah	3,914,870	1,409,369	-	5,324,239
Federal government	5,336,680	10,463,161	-	15,799,841
Total revenues	15,706,490	13,088,341	3,690,857	32,485,688
Expenditures:				
Current:				
Instruction	10,935,696	-	3,228,121	14,163,817
Supporting services:				
Students	50,868	-	-	50,868
Instructional staff	2,655,914	-	-	2,655,914
General district administration	388,836	-	-	388,836
Central	39,230	-	-	39,230
Operation and maintenance of school buildings	878,701	-	-	878,701
Child nutrition services	-	13,101,724	-	13,101,724
Community services	717,929	-	-	717,929
Capital outlay	10,051	-	-	10,051
Total expenditures	15,677,225	13,101,724	3,228,121	32,007,070
Excess (deficiency) of revenues over (under) expenditures	29,265	(13,383)	462,736	478,618
Other financing sources (uses):				
Proceeds from sale of capital assets	-	1,878	-	1,878
Net change in fund balances	29,265	(11,505)	462,736	480,496
Fund balances - beginning	3,661,632	2,884,901	1,731,903	8,278,436
Fund balances - ending	\$ 3,690,897	\$ 2,873,396	\$ 2,194,639	\$ 8,758,932

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, 2011

With Comparative Totals for 2010

	2011			2010
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 1,968,879	\$ 2,001,385	\$ 32,506	\$ 1,972,137
Tuition	1,525,055	1,920,833	395,778	1,720,446
Earnings on investments	200	20,127	19,927	59,216
Other local sources	2,444,350	2,512,595	68,245	1,913,280
State of Utah	4,019,432	3,914,870	(104,562)	3,702,617
Federal government:	6,290,697	5,336,680	(954,017)	5,646,585
Total revenues	16,248,613	15,706,490	(542,123)	15,014,281
Expenditures:				
Current:				
Instruction	11,890,071	10,935,696	954,375	10,407,221
Supporting services:				
Counseling and child accounting	51,782	50,868	914	51,512
Library media and educational supervision	2,953,614	2,655,914	297,700	2,512,949
General district administration	422,813	388,836	33,977	339,454
Central	26,517	39,230	(12,713)	25,568
Operation and maintenance of school buildings	1,026,420	878,701	147,719	1,349,199
Community services	687,475	717,929	(30,454)	562,525
Capital outlay	12,350	10,051	2,299	9,149
Total expenditures	17,071,042	15,677,225	1,393,817	15,257,577
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(822,429)	29,265	851,694	(243,296)
Fund balances - beginning	3,661,632	3,661,632	-	3,904,928
Fund balances - ending	\$ 2,839,203	\$ 3,690,897	\$ 851,694	\$ 3,661,632

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, 2011

With Comparative Totals for 2010

	2011			2010
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Food sales	\$ 1,242,983	\$ 1,208,121	\$ (34,862)	\$ 1,339,422
Earnings on investments	24,000	7,690	(16,310)	21,112
State of Utah	1,426,531	1,409,369	(17,162)	1,325,910
Federal government:	10,856,998	10,463,161	(393,837)	10,414,732
Total revenues	13,550,512	13,088,341	(462,171)	13,101,176
Expenditures:				
Current:				
Salaries	3,838,490	3,563,360	275,130	3,291,035
Employee benefits	1,497,129	1,311,153	185,976	1,211,887
Food	6,333,815	5,725,268	608,547	5,546,609
Supplies	1,760,848	1,332,050	428,798	881,137
Contracted services	391,750	336,760	54,990	323,935
Indirect costs	762,010	731,319	30,691	616,122
Equipment and maintenance	134,500	101,814	32,686	144,009
Total expenditures	14,718,542	13,101,724	1,616,818	12,014,734
Excess (deficiency) of revenues over (under) expenditures	(1,168,030)	(13,383)	1,154,647	1,086,442
Other financing sources:				
Proceeds from sale of capital assets	8,000	1,878	(6,122)	320
Net change in fund balances	(1,160,030)	(11,505)	1,148,525	1,086,762
Fund balances - beginning	2,884,901	2,884,901	-	1,798,139
Fund balances - ending	<u>\$ 1,724,871</u>	<u>\$ 2,873,396</u>	<u>\$ 1,148,525</u>	<u>\$ 2,884,901</u>

SALT LAKE CITY SCHOOL DISTRICT

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

A Nonmajor Special Revenue Fund

Year Ended June 30, 2011

With Comparative Totals for 2010

	2011			2010
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Interest from investments	\$ 100,000	\$ 13,322	\$ (86,678)	\$ 26,401
Fees and fines	30,000	139,595	109,595	346,901
Vending	-	53,052	53,052	63,098
Other	3,390,000	3,484,888	94,888	2,659,126
Total revenues	3,520,000	3,690,857	170,857	3,095,526
Expenditures:				
Current:				
Salaries	5,000	37,782	(32,782)	2,678
Employee benefits	1,317	5,337	(4,020)	626
Contract services	5,000	44,198	(39,198)	29,723
Student trips and transportation	14,654	34,446	(19,792)	12,834
Supplies	4,632,646	3,101,297	1,531,349	3,091,079
Dues and fees	-	680	(680)	-
Equipment	-	4,381	(4,381)	-
Total expenditures	4,658,617	3,228,121	1,430,496	3,136,940
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(1,138,617)	462,736	1,601,353	(41,414)
Fund balances - beginning	1,731,903	1,731,903	-	1,773,317
Fund balances - ending	\$ 593,286	\$ 2,194,639	\$ 1,601,353	\$ 1,731,903

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 Assets

Internal Service Funds

June 30, 2011

With Comparative Totals for 2010

	2011					2010
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
Assets:						
Current assets:						
Cash and investments	\$ -	\$ 150,298	\$ 126,506	\$ 8,744,388	\$ 9,021,192	\$ 8,964,210
Receivables	12	-	-	21,907	21,919	77,862
Inventories	272,195	16,412	68,904	-	357,511	349,752
Prepaid expenses	11,337	872	-	-	12,209	28
Total current assets	283,544	167,582	195,410	8,766,295	9,412,831	9,391,852
Capital assets:						
Equipment	241,312	207,546	82,907	-	531,765	500,375
Accumulated depreciation	(161,917)	(198,165)	(82,907)	-	(442,989)	(415,885)
Net capital assets	79,395	9,381	-	-	88,776	84,490
Total assets	362,939	176,963	195,410	8,766,295	9,501,607	9,476,342
Liabilities:						
Current liabilities:						
Accounts payable	226,608	4,536	9,249	-	240,393	223,478
Accrued vacation	-	-	-	61,055	61,055	90,408
Accrued sick leave	-	-	-	294,149	294,149	320,994
Early retirement insurance	-	-	-	833,756	833,756	837,602
Dental insurance	-	-	-	343,066	343,066	435,226
Workers compensation	-	-	-	256,143	256,143	156,787
Total current liabilities	226,608	4,536	9,249	1,788,169	2,028,562	2,064,495
Noncurrent liabilities:						
Accrued vacation	-	-	-	1,179,365	1,179,365	1,080,861
Accrued sick leave	-	-	-	3,359,737	3,359,737	3,439,422
Early retirement insurance	-	-	-	2,168,723	2,168,723	2,115,310
Total noncurrent liabilities	-	-	-	6,707,825	6,707,825	6,635,593
Total liabilities	226,608	4,536	9,249	8,495,994	8,736,387	8,700,088
Net assets:						
Invested in capital assets	79,395	9,381	-	-	88,776	84,490
Unrestricted	56,936	163,046	186,161	270,301	676,444	691,764
Total net assets	\$ 136,331	\$ 172,427	\$ 186,161	\$ 270,301	\$ 765,220	\$ 776,254

SALT LAKE CITY SCHOOL DISTRICT

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

Internal Service Funds

Year Ended June 30, 2011

With Comparative Totals for 2010

	2011					2010
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
Operating revenues:						
Charges for services	\$ 788,449	\$ 218,517	\$ 966,100	\$ 3,008,442	\$ 4,981,508	\$ 4,415,665
Operating expenses:						
Salaries	344,885	88,612	513,804	-	947,301	916,899
Employee benefits	148,488	40,157	232,447	3,008,794	3,429,886	2,762,598
Materials	134,460	43,211	236,242	-	413,913	307,877
Contracted services	21,230	-	12,666	-	33,896	39,095
Utilities	84,249	5,016	5,301	-	94,566	82,429
Equipment maintenance	18,157	48,985	9,979	-	77,121	71,824
Depreciation	21,923	5,181	-	-	27,104	26,683
Other expenses	7,163	3,305	630	-	11,098	17,026
Total operating expenses	780,555	234,467	1,011,069	3,008,794	5,034,885	4,224,431
Operating income (loss)	7,894	(15,950)	(44,969)	(352)	(53,377)	191,234
Non-operating revenues (expenses):						
Loss on sale of capital assets	-	-	-	-	-	(578)
Interest on investments	-	725	166	41,452	42,343	161,804
Total non-operating revenues (expenses)	-	725	166	41,452	42,343	161,226
Change in net assets	7,894	(15,225)	(44,803)	41,100	(11,034)	352,460
Net assets - beginning	128,437	187,652	230,964	229,201	776,254	423,794
Net assets - ending	\$ 136,331	\$ 172,427	\$ 186,161	\$ 270,301	\$ 765,220	\$ 776,254

SALT LAKE CITY SCHOOL DISTRICT

Combining Statement of Fund Cash Flows

Internal Service Funds

Year Ended June 30, 2011

With Comparative Totals for 2010

	2011				2010
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Totals
					Totals
Cash flows from operating activities:					
Receipts from interfund services provided	\$ 788,700	\$ 218,517	\$ 966,100	\$ 3,064,134	\$ 5,037,451
Payments to suppliers	(270,724)	(110,083)	(252,813)	-	(633,620)
Payments to employees	(493,373)	(128,769)	(746,251)	(2,989,410)	(4,357,803)
Net cash provided (used) by operating activities	24,603	(20,335)	(32,964)	74,724	46,028
Cash flows from investing activities:					
Interest earned	-	725	166	41,452	42,343
Cash flows from capital activities:					
Acquisition of capital assets	(24,603)	(6,786)	-	-	(31,389)
Change in cash and cash equivalents	-	(26,396)	(32,798)	116,176	56,982
Cash and Cash Equivalents - Beginning	-	176,694	159,304	8,628,212	8,964,210
Cash and Cash Equivalents - Ending (displayed as cash and investments in the combining statement of fund net assets)	\$ -	\$ 150,298	\$ 126,506	\$ 8,744,388	\$ 9,021,192
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 7,894	\$ (15,950)	\$ (44,969)	\$ (352)	\$ (53,377)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	21,923	5,181	-	-	27,104
Changes in operating assets and liabilities:					
Accounts receivable	251	-	-	55,692	55,943
Inventories	(12,320)	(176)	4,737	-	(7,759)
Prepaid expenses	(11,337)	(873)	28	-	(12,182)
Accounts payable	18,192	(8,517)	7,240	-	16,915
Accrued vacation payable	-	-	-	69,152	69,152
Accrued sick leave payable	-	-	-	(106,531)	(106,531)
Early retirement insurance payable	-	-	-	49,567	49,567
Dental insurance payable	-	-	-	(92,160)	(92,160)
Workers compensation payable	-	-	-	99,356	99,356
Total adjustments	16,709	(4,385)	12,005	75,076	99,405
Net cash provided (used) by operating activities	\$ 24,603	\$ (20,335)	\$ (32,964)	\$ 74,724	\$ 46,028
Noncash investing, capital, and financing activities	none	none	none	none	none

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SALT LAKE CITY SCHOOL DISTRICT

STATISTICAL SECTION

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

<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.	69 - 74
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	75 - 78
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.	79 - 83
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.	84 - 85
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.	86 - 97
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.	98 - 102

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

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SALT LAKE CITY SCHOOL DISTRICT

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

Fiscal Year Ended June 30,	Invested in capital assets, net of related debt	Restricted	Unrestricted	Total Net Assets
2011	\$ 228,941,391	\$ 37,596,288	\$ 46,483,756	\$ 313,021,435
2010	218,164,244	34,558,724	40,792,140	293,515,108
2009	211,269,421	29,215,370	38,538,740	279,023,531
2008	187,291,547	40,756,654	29,964,471	258,012,672
2007	167,156,231	44,636,265	27,850,534	239,643,030
2006	163,658,436	32,031,730	24,733,099	220,423,265
2005	160,495,660	24,429,446	25,631,439	210,556,545
2004	149,879,564	26,961,246	27,756,938	204,597,748
2003	159,535,207	11,183,736	28,307,547	199,026,490
2002	149,029,009	16,551,423	30,653,220	196,233,652

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 Assets Last Ten Fiscal Years (accrual basis of accounting)

	2011	2010	2009	2008
Expenses				
Instruction	\$ 154,224,029	\$ 153,450,334	\$ 151,852,629	\$ 148,816,437
Supporting services:				
Students	6,059,853	6,245,107	6,528,229	6,160,831
Instructional staff	14,897,568	15,406,650	16,297,035	16,828,598
General district administration	1,413,788	1,357,320	1,147,099	1,231,531
General school administration	11,529,791	11,293,363	10,060,731	9,570,287
Central	4,850,665	4,622,323	4,660,032	4,147,499
Operation and maintenance of school buildings	18,208,395	18,234,484	20,242,738	17,240,137
Student transportation	5,851,624	5,059,709	5,139,744	5,421,467
Other	-	-	-	110,252
Child nutrition services	14,257,099	13,079,043	13,464,062	12,514,591
Community services	717,929	562,525	513,449	489,901
Interest on long-term liabilities	4,571,285	5,322,106	5,746,253	4,946,826
Total expenses	<u>236,582,026</u>	<u>234,632,964</u>	<u>235,652,001</u>	<u>227,478,357</u>
Program Revenues				
Charges for services:				
Instruction	4,131,741	3,388,844	3,743,039	6,673,555
Supporting services	445,325	475,060	491,177	566,065
Community services	1,208,121	1,183,018	1,054,712	1,102,037
Child nutrition services	1,790,335	1,339,422	1,644,704	1,150,852
Operating grants and contributions	71,722,359	70,280,605	67,347,167	60,378,521
Total program revenues	<u>79,297,881</u>	<u>76,666,949</u>	<u>74,280,799</u>	<u>69,871,030</u>
Net (expense)/revenue	(157,284,145)	(157,966,015)	(161,371,202)	(157,607,327)
General Revenues and Other Changes in Net Assets:				
Property taxes	102,066,099	97,273,621	98,026,965	97,748,775
Federal and state aid not restricted to specific purposes	64,447,486	64,685,625	72,648,266	66,263,474
Earnings on investments	1,316,194	1,683,970	3,772,269	4,552,856
Miscellaneous	8,960,693	8,814,375	7,934,561	4,134,406
Special item - gain (loss) on sale of capital assets	-	-	-	1,154,765
Total general and Other	<u>176,790,472</u>	<u>172,457,591</u>	<u>182,382,061</u>	<u>173,854,276</u>
Change in net assets:	<u>\$ 19,506,327</u>	<u>\$ 14,491,576</u>	<u>\$ 21,010,859</u>	<u>\$ 16,246,949</u>

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

Fiscal Year Ended June 30,					
2007	2006	2005	2004	2003	2002
\$ 128,090,287	\$ 121,092,136	\$ 123,020,933	\$ 117,563,738	\$ 114,395,404	\$ 109,249,998
5,601,671	5,337,591	4,844,132	4,656,927	4,366,774	4,419,999
16,309,593	15,056,516	14,660,073	14,019,717	13,628,478	13,778,360
1,150,893	958,648	935,694	848,490	957,423	891,033
8,936,635	8,386,289	8,020,289	7,645,986	7,404,602	7,361,356
4,134,114	4,026,619	3,951,811	3,734,409	3,509,838	3,185,058
16,696,371	15,378,445	14,459,399	14,265,928	14,468,785	14,378,299
4,968,145	4,248,876	3,900,984	3,746,698	3,380,522	3,114,530
61,473	60,386	60,786	64,697	-	-
12,655,235	10,470,589	9,883,076	9,088,718	8,786,219	9,153,738
414,688	493,430	510,772	471,650	-	-
7,595,731	6,564,799	4,558,460	4,957,405	3,604,164	3,136,378
206,614,836	192,074,324	188,806,409	181,064,363	174,502,209	168,668,749
4,405,759	4,101,710	2,529,295	2,542,871	3,129,230	2,271,584
581,091	617,967	442,718	403,968	288,844	67,783
587,163	730,785	768,987	687,892	-	-
1,592,285	1,529,549	1,407,576	1,480,345	1,497,262	1,752,141
51,643,095	50,305,857	50,215,690	47,997,245	46,330,566	51,359,186
58,809,393	57,285,868	55,364,266	53,112,321	51,245,902	55,450,694
(147,805,443)	(134,788,456)	(133,442,143)	(127,952,042)	(123,256,307)	(113,218,055)
98,994,142	84,772,942	82,696,878	79,257,468	72,824,950	76,347,735
59,246,466	55,300,216	52,585,629	50,948,224	48,519,102	45,878,357
5,365,984	3,481,248	1,946,572	1,356,863	2,101,797	2,180,694
2,291,372	1,100,770	2,171,861	1,960,745	2,110,468	2,817,624
1,127,244	-	-	-	492,828	-
167,025,208	144,655,176	139,400,940	133,523,300	126,049,145	127,224,410
\$ 19,219,765	\$ 9,866,720	\$ 5,958,797	\$ 5,571,258	\$ 2,792,838	\$ 14,006,355

SALT LAKE SCHOOL DISTRICT

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

	2011	2010	2009	2008
Revenues				
Property taxes	\$ 101,544,260	\$ 96,367,544	\$ 97,410,606	\$ 99,487,300
Other local sources	17,810,066	16,723,463	18,448,615	17,837,559
State of Utah	91,265,093	89,412,671	97,096,751	96,616,784
Federal government	44,904,752	45,553,559	42,898,682	30,025,211
Total revenues	<u>255,524,171</u>	<u>248,057,237</u>	<u>255,854,654</u>	<u>243,966,854</u>
Expenditures				
Instruction	136,628,817	133,719,808	136,305,305	130,643,850
Supporting services:				
Students	5,942,934	6,138,199	6,421,380	6,055,848
Instructional staff	14,312,976	14,872,111	15,762,789	16,303,681
General district administration	1,292,099	1,225,378	1,039,932	1,132,620
General school administration	11,179,035	10,972,640	9,740,183	9,255,337
Central	4,850,665	4,622,323	4,660,032	4,147,499
Operation and maintenance of buildings	17,390,412	17,478,438	19,492,892	17,029,973
Student transportation	5,253,829	4,508,769	4,587,473	4,414,868
Other	-	-	-	110,252
Child nutrition services	13,267,624	12,174,820	12,523,847	11,553,314
Community services	717,929	562,525	513,449	489,901
Capital outlay	22,491,052	18,073,415	31,409,429	30,743,475
Debt service:				
Principal retirement	12,111,000	11,483,000	11,056,000	10,859,000
Bond issuance costs	208,491	78,023	-	164,012
Interest, fiscal charges and other	4,797,153	5,443,821	5,876,578	6,071,060
Total expenditures	<u>250,444,016</u>	<u>241,353,270</u>	<u>259,389,289</u>	<u>248,974,690</u>
Excess (deficiency) of revenues over (under) expenditures	5,080,155	6,703,967	(3,534,635)	(5,007,836)
Other financing sources (uses)				
Refunding bonds issued	18,255,000	-	-	16,801,000
Bonds issued	6,000,000	5,000,000	-	-
Bond premium	2,984,071	-	-	101,405
Bond discount	-	-	-	-
Payment to refunded bonds escrow agent	(21,076,861)	-	-	(16,738,393)
Proceeds from the sale of capital assets	102,612	254,258	53,584	109,248
Total other financing sources (uses)	<u>6,264,822</u>	<u>5,254,258</u>	<u>53,584</u>	<u>273,260</u>
Net change in fund balances	<u>\$ 11,344,977</u>	<u>\$ 11,958,225</u>	<u>\$ (3,481,051)</u>	<u>\$ (4,734,576)</u>
Debt service as a percentage of noncapital expenditures	7.18%	7.23%	7.23%	7.45%

Fiscal Year Ended June 30,

2007	2006	2005	2004	2003	2002
\$ 98,980,594	\$ 83,415,882	\$ 82,977,301	\$ 80,563,113	\$ 72,087,271	\$ 74,583,361
14,466,456	11,437,326	9,071,776	8,310,425	9,015,660	8,957,393
81,208,998	76,234,377	73,997,888	72,257,791	72,499,191	75,423,874
29,680,563	29,371,696	28,803,431	26,687,678	22,350,477	21,813,669
224,336,611	200,459,281	194,850,396	187,819,007	175,952,599	180,778,297
114,778,371	109,320,100	110,311,569	102,615,405	101,943,792	102,884,561
5,509,445	5,247,602	4,764,071	4,579,058	4,296,342	4,354,558
15,848,461	14,606,574	14,259,777	13,630,381	13,276,306	13,451,186
1,043,435	844,915	788,293	715,702	819,258	754,306
8,659,956	8,116,323	7,780,109	7,412,381	7,193,298	7,165,052
4,134,114	4,026,619	3,951,811	3,734,409	3,509,838	3,185,058
16,485,564	14,692,413	13,891,111	13,726,876	13,998,454	13,936,712
4,057,943	3,780,775	3,463,364	3,366,309	2,929,302	2,745,967
61,473	60,386	60,786	64,697	-	-
11,807,975	9,638,347	9,315,593	8,351,657	8,098,003	8,497,830
414,688	493,430	510,772	471,650	-	-
24,290,623	40,160,641	41,639,546	41,368,637	26,484,123	40,141,665
10,215,000	7,910,000	6,265,000	5,905,000	4,180,000	3,540,000
-	131,248	297,569	-	-	-
6,732,366	5,685,916	4,687,813	5,083,712	3,341,503	2,877,110
224,039,414	224,715,289	221,987,184	211,025,874	190,070,219	203,534,005
297,197	(24,256,008)	(27,136,788)	(23,206,867)	(14,117,620)	(22,755,708)
-	-	19,665,000	-	18,420,000	-
-	31,255,000	35,000,000	-	45,000,000	24,710,037
-	401,267	1,449,569	-	580,162	-
-	-	-	-	(63,750)	-
-	-	(20,899,708)	-	(18,261,509)	-
2,135,070	110	1,088	6,944	978,462	35,321
2,135,070	31,656,377	35,215,949	6,944	46,653,365	24,745,358
\$ 2,432,267	\$ 7,400,369	\$ 8,079,161	\$ (23,199,923)	\$ 32,535,745	\$ 1,989,650
8.27%	7.26%	5.89%	6.19%	4.42%	3.91%

SALT LAKE CITY SCHOOL DISTRICT

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

Fiscal Year Ending June 30,	General Fund						
	Nonspendable	Restricted	Restricted	Committed	Assigned	Unassigned	Total
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
2003	601,152	-	-	5,000,000	2,233,775	17,422,340	25,257,267
2002	1,148,742	292,880	292,880	5,000,000	1,771,031	18,532,987	26,745,640

Fiscal Year Ending June 30,	All Other Governmental Funds								
	Nonspendable	Restricted				Assigned			
		Community Recreation	Child Nutrition	Capital Projects	Debt Service	Programs	Schools	Students	Total
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
2003	385,435	323,454	430,016	48,169,078	341,010	377,867	132,278	-	50,159,138
2002	393,564	1,205,038	(123,124)	12,429,708	1,319,549	810,149	100,136	-	16,135,020

Notes:

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.

Committed balances reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in government 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.

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.

* 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
2001	\$ 2,335,868,812	\$ 4,897,583,608	\$ 5,247,292,940	\$ 3,661,980	\$ 1,652,255,799	\$ 14,136,663,139	0.005585	\$ 18,322,794,312	77.15%
2002	2,118,713,906	5,129,566,899	5,409,017,340	3,891,310	1,623,800,068	14,284,989,523	0.005573	19,577,523,566	72.97%
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	25,292,626,713	71.40%

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, 2001 through 2010

(rate per \$1 of assessed value)

	Tax Rates for the Tax Year Ended December 31,									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Salt Lake City School District direct rates:										
Basic program (1)	0.001527	0.001433	0.001277	0.001319	0.001556	0.001743	0.001828	0.001856	0.001834	0.001798
Voted leeway (2)	0.001800	0.001768	0.001385	0.001466	0.001800	0.001800	0.001800	0.001800	0.001800	0.001800
Board leeway (3)	0.000200	0.000200	0.000200	0.000154	0.000200	0.000200	0.000200	0.000200	0.000200	0.000200
K-3 reading program	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	(a)	(a)	(a)
Transportation (4)	0.000095	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Tort liability (5)	0.000022	0.000022	0.000019	0.000020	0.000024	0.000026	0.000026	0.000027	0.000026	0.000027
Recreation (6)	0.000120	0.000116	0.000111	0.000118	0.000134	0.000151	0.000158	0.000121	0.000118	0.000121
Capital outlay (7)	0.001229	0.001123	0.000801	0.000803	0.000847	0.000793	0.000854	0.000914	0.000831	0.000892
10% of Basic - Other (8)	0.000225	0.000223	0.000196	0.000209	0.000247	0.000278	0.000280	0.000286	0.000278	0.000283
Debt service (9)	0.001032	0.000970	0.000827	0.000874	0.001073	0.000968	0.000772	0.000814	0.000486	0.000464
Total direct rate	0.006371	0.005976	0.004937	0.005084	0.006002	0.006080	0.006039	0.006018	0.005573	0.005585
Overlapping Rates:										
Salt Lake City Corporation	0.004637	0.003896	0.003299	0.003383	0.003958	0.004499	0.004653	0.004681	0.004457	0.004296
Salt Lake City Library	0.000791	0.000760	0.000618	0.000657	0.000762	0.000869	0.000887	0.000777	0.000755	0.000773
Salt Lake County	0.002593	0.002278	0.001934	0.001994	0.002371	0.002682	0.002816	0.002868	0.002939	0.003025
Central Utah Water District	0.000421	0.000400	0.000286	0.000302	0.000357	0.000400	0.000353	0.000358	0.000358	0.000369
S.L.C. Metro. Water District	0.000414	0.000398	0.000352	0.000351	0.000350	0.000259	0.000264	0.002690	0.000261	0.000267
Mosquito Abatement District	0.000132	0.000126	0.000097	0.000102	0.000118	0.000135	0.000138	0.000072	0.000070	0.000072

Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature
- (2) Maximum rate is 0.001800
- (3) Maximum rate is 0.000200
- (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

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, 2010		December 31, 2001	
	Taxable Value	Percent of District's Total Taxable Value (1)	Taxable Value	Percent of District's Total Taxable Value (1)
PacifiCorp	\$ 338,000,799	1.87%	\$ 241,279,461	1.71%
Sky West Airlines	204,668,637	1.13%	174,950,150	1.24%
Delta Airlines	168,705,720	0.93%	264,743,610	1.87%
Qwest Corporation	153,360,606	0.85%	406,181,119	2.87%
Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints	126,402,826	0.70%	318,155,420	2.25%
Wasatch Plaza Holding	124,098,500	0.69%	78,500,000	0.56%
Inland Western Salt City Gateway	110,058,000	0.61%	-	-
Boyer Properties	92,240,000	0.51%	-	-
Questar Gas	80,733,299	0.45%	-	0.00%
Grand America Hotel Company	77,004,900	0.43%	-	-
MCI Worldcom	-	-	169,470,681	1.20%
Little America Hotel Corporation	-	-	135,053,400	0.96%
AT&T Wireless	-	-	130,330,157	0.92%
Totals	<u>\$ 1,475,273,287</u>	<u>8.17%</u>	<u>\$ 1,918,663,998</u>	<u>13.57%</u>
Assessed Taxable Value	\$ 18,058,991,957		\$ 14,136,663,139	

Source: Salt Lake City Corporation

(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
2001	\$76,257,609	\$ 73,099,767	95.86%	\$ 2,519,266	\$75,619,033	99.16%
2002	74,837,283	70,740,584	94.53%	3,196,875	73,937,459	98.80%
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%	2,449,629	97,899,479	99.89%
2007	98,281,497	95,619,445	97.29%	2,413,692	98,033,137	99.75%
2008	98,892,331	95,841,478	96.91%	2,240,004	98,081,482	99.18%
2009	97,662,099	93,364,752	95.60%	2,201,717	95,566,469	97.85%
2010	102,507,323	98,984,079	96.56%	-	98,984,079	96.56%

* 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	Outstanding General Obligation Bonds	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
2001-02	\$ 75,982,722	0.54%	\$ 415	\$ 3,109	\$ -	\$ -	\$ 75,982,722	0.54%	\$ 415	\$ 3,109
2002-03	118,077,722	0.83%	652	4,881	-	-	118,077,722	0.83%	652	4,881
2003-04	112,172,722	0.80%	624	4,748	-	-	112,172,722	0.80%	624	4,748
2004-05	140,667,722	0.98%	788	6,035	-	109,812	140,557,910	0.98%	787	6,030
2005-06	164,012,722	1.11%	921	7,044	-	-	164,012,722	1.11%	921	7,044
2006-07	153,797,722	0.92%	860	6,531	-	814,747	152,982,975	0.91%	855	6,497
2007-08	143,594,722	0.73%	795	6,176	-	1,096,558	142,498,164	0.73%	789	6,129
2008-09	132,538,722	0.64%	729	5,550	-	552,888	131,985,834	0.63%	726	5,527
2009-10	121,055,722	0.65%	661	5,007	5,000,000	144,027	125,911,695	0.68%	688	5,208
2010-11	107,280,722	0.59%	575	4,408	11,000,000	473,173	117,807,549	0.65%	632	4,841

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt As of June 30, 2011

Taxing Entity (1)	2010 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 *	\$ 18,061,014,855	\$ 18,061,014,855	100.0%	\$ 180,965,740	\$ 180,965,740
Salt Lake County **	74,075,699,006	24,074,602,177	32.5%	266,350,000	86,563,750
Total Overlapping General Obligation Debt					<u>267,529,490</u>
Total Direct General Obligation Debt					<u>107,280,722</u>
Total Direct and Overlapping General Obligation Debt					<u>\$ 374,810,212</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, 2002 through 2011

Fiscal Year	Estimated Fair Market Value	Debt Limit 4% of Fair Market Value	Less General Obligation Debt	Plus (less) Deferred Amounts	Legal Debt Margin	Percentage of Debt To Debt Limit
2001-02	\$ 18,322,794,312	\$ 732,911,772	\$ 75,982,722	\$ (33,125)	\$ 656,895,925	10.37%
2002-03	19,577,523,566	783,100,943	118,077,722	711,100	665,734,321	14.99%
2003-04	19,078,075,246	763,123,010	112,172,722	657,127	651,607,415	14.61%
2004-05	20,354,534,876	814,181,395	140,667,722	284,209	673,797,882	17.24%
2005-06	20,301,794,775	812,071,791	164,012,722	(132,192)	647,926,877	20.21%
2006-07	23,061,841,525	922,473,661	153,797,722	(131,808)	768,544,131	16.69%
2007-08	27,216,392,096	1,088,655,684	143,594,722	368,697	945,429,659	13.16%
2008-09	28,669,298,571	1,146,771,943	132,538,722	356,118	1,014,589,339	11.53%
2009-10	25,580,544,749	1,023,221,790	121,055,722	343,539	902,509,607	11.80%
2010-11	25,292,626,713	1,011,705,069	107,280,722	(1,266,941)	903,157,406	10.73%

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 a 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, 2011

		2012		2013		2014		2015		2016		2017		2018	
Series 1997	Principal	\$	-	(1)	\$	-	(1)	\$	-	\$	-	\$	-	\$	-
\$ 9,305,000	Interest		-	(1)		-	(1)		-		-		-		-
Series 1998	Principal		-	(2)		-	(2)		-		-		-		(2)
\$ 10,000,000	Interest		-	(2)		-	(2)		-		-		-		(2)
Series 1999	Principal		-	(3)		-	(3)		-		-		-		(3)
\$ 10,000,000	Interest		-	(3)		-	(3)		-		-		-		(3)
Series 2000	Principal		-	(4)		-	(4)		-		-		-		(4)
\$ 10,000,000	Interest		-	(4)		-	(4)		-		-		-		(4)
Series 2001B	Principal		-	(5)		-	(5)		-		-		-		(5)
\$ 10,000,000	Interest		-	(5)		-	(5)		-		-		-		(5)
QZAB 2001	Principal		-			-			-		4,742,722		-		-
\$ 4,742,722	Interest		39,554			39,555			39,554		39,554		-		-
Series 2002A	Principal		465,000			-	(6)		-		-		-		(6)
\$ 10,000,000	Interest		19,530			-	(6)		-		-		-		(6)
Series 2002B	Principal		980,000			1,015,000			1,065,000		1,110,000		1,160,000		1,205,000
\$ 12,315,000	Interest		430,042			390,842			349,228		303,965		256,235		205,195
Series 2002C	Principal		740,000			770,000			-		-		-		-
\$ 6,105,000	Interest		62,325			32,725			-		-		-		-
Series 2003	Principal		2,035,000			2,110,000			2,190,000		2,275,000		2,370,000		-
\$ 45,000,000	Interest		447,968			366,568			282,168		194,568		100,724		(8)
Series 2005A	Principal		1,610,000			1,665,000			1,720,000		1,780,000		-		1,845,000
\$ 35,000,000	Interest		1,050,188			993,838			935,562		875,363		804,162		804,162
Series 2005B	Principal		2,785,000			3,415,000			5,755,000		960,000		-		-
\$ 19,665,000	Interest		640,950			501,700			330,950		43,200		-		-
Series 2006	Principal		2,475,000			2,565,000			2,655,000		1,820,000		-		1,540,000
\$ 31,255,000	Interest		831,250			732,250			629,650		523,450		450,650		450,650
Series 2007A	Principal		63,000			-	(9)		-		-		-		-
\$ 9,876,000	Interest		2,640			-	(9)		-		-		-		-
Series 2007B	Principal		1,255,000			1,170,000			-		-		-		-
\$ 6,925,000	Interest		103,063			49,725			-		-		-		-
Series 2010	Principal		25,000			90,000			550,000		-		-		2,360,000
\$ 18,255,000	Interest		833,800			833,300			831,500		820,500		820,500		820,500
Total			<u>\$ 16,894,310</u>			<u>\$ 16,740,502</u>			<u>\$ 17,333,613</u>		<u>\$ 10,745,600</u>		<u>\$ 10,744,547</u>		<u>\$ 9,230,507</u>
Total Principal			<u>\$ 12,433,000</u>			<u>\$ 12,800,000</u>			<u>\$ 13,935,000</u>		<u>\$ 7,945,000</u>		<u>\$ 8,272,722</u>		<u>\$ 6,950,000</u>
Total Interest			<u>4,461,310</u>			<u>3,940,502</u>			<u>3,398,613</u>		<u>2,800,600</u>		<u>2,471,825</u>		<u>2,280,507</u>
Total			<u>\$ 16,894,310</u>			<u>\$ 16,740,502</u>			<u>\$ 17,333,613</u>		<u>\$ 10,745,600</u>		<u>\$ 10,744,547</u>		<u>\$ 9,232,883</u>

- (1) The principal and interest due in fiscal 2008 through 2013 on the Series 1997 bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2007B.
- (2) 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.
- (3) 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.
- (4) 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.
- (5) 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.

Source: Salt Lake City School District records

2019	2020	2021	2022	2023	2024	2025	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
- (3)	-	-	-	-	-	-	-
- (3)	-	-	-	-	-	-	-
- (4)	- (4)	-	-	-	-	-	-
- (4)	- (4)	-	-	-	-	-	-
- (5)	- (5)	- (5)	- (5)	-	-	-	-
- (5)	- (5)	- (5)	- (5)	-	-	-	-
-	-	-	-	-	-	-	4,742,722
-	-	-	-	-	-	-	197,771
- (6)	- (6)	- (6)	- (6)	-	-	-	465,000
- (6)	- (6)	- (6)	- (6)	-	-	-	19,530
1,320,000	650,000	-	-	-	-	-	9,760,000
93,240	31,200	-	-	-	-	-	2,210,917
-	-	-	-	-	-	-	1,510,000
-	-	-	-	-	-	-	95,050
- (8)	- (8)	- (7)	- (7)	- (7)	-	-	10,980,000
-	-	- (7)	- (7)	- (7)	-	-	1,391,996
1,985,000	2,065,000	2,150,000	2,240,000	2,335,000	2,435,000	2,540,000	26,285,000
653,763	574,362	491,762	403,075	310,675	211,438	107,950	8,946,663
-	-	-	-	-	-	-	12,915,000
-	-	-	-	-	-	-	1,516,800
1,670,000	2,475,000	3,255,000	-	-	-	-	20,065,000
324,650	257,850	146,476	-	-	-	-	4,735,926
- (9)	- (9)	- (9)	- (9)	- (9)	-	-	63,000
- (9)	- (9)	- (9)	- (9)	- (9)	-	-	2,640
-	-	-	-	-	-	-	2,425,000
-	-	-	-	-	-	-	152,788
2,605,000	2,735,000	2,850,000	2,135,000	2,240,000	-	-	18,070,000
578,500	448,250	338,850	196,350	89,600	-	-	7,314,150
<u>\$ 9,230,153</u>	<u>\$ 9,236,662</u>	<u>\$ 9,232,088</u>	<u>\$ 4,974,425</u>	<u>\$ 4,975,275</u>	<u>\$ 2,646,438</u>	<u>\$ 2,647,950</u>	<u>\$ 133,864,953</u>
\$ 7,580,000	\$ 7,925,000	\$ 8,255,000	\$ 4,375,000	\$ 4,575,000	\$ 2,435,000	\$ 2,540,000	\$ 107,280,722
1,650,153	1,311,662	977,088	599,425	400,275	211,438	107,950	26,584,231
<u>\$ 9,230,153</u>	<u>\$ 9,236,662</u>	<u>\$ 9,232,088</u>	<u>\$ 4,974,425</u>	<u>\$ 4,975,275</u>	<u>\$ 2,646,438</u>	<u>\$ 2,647,950</u>	<u>\$ 133,864,953</u>

(6) 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.

(7) 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.

(8) 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.

(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) 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	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)
2001-02	183,056	7,445,136,333	\$ 40,671	7.3%	289,228	\$ 289,963,516	46%
2002-03	181,027	6,741,061,876	37,238	6.7%	286,023	202,547,885	47%
2003-04	179,894	6,775,885,091	37,666	5.4%	284,233	242,529,617	49%
2004-05	178,605	7,075,096,097	39,613	4.9%	282,196	255,967,379	51%
2005-06	178,097	7,805,389,046	43,827	4.4%	281,393	399,493,398	52%
2006-07	178,858	8,603,388,140	48,102	2.8%	282,596	386,526,998	53%
2007-08	180,651	9,390,333,317	51,981	3.4%	285,429	581,410,300	54%
2008-09	181,698	8,882,512,905	48,886	5.9%	287,083	555,102,000	55%
2009-10	183,102	8,201,517,302	44,792	7.1%	289,301	214,364,500	55%
2010-11	186,440	na	na	7.6%	294,575	421,603,300	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, 2007.

(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

SALT LAKE CITY SCHOOL DISTRICT

Principal Employers Current Year and Nine Years Ago June 30, 2002 through 2011

Employer	June 30, 2011		June 30, 2002	
	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)	17,000 - 23,999	6.02%	15,000 - 19,999	5.22%
State of Utah	7,000 - 9,000	2.48%	20,000 +	6.96%
Salt Lake County	5,000 - 6,999	1.77%	5,000 - 6,999	1.74%
Salt Lake City School District	4,000 - 4,999	1.42%	3,000 - 3,999	1.04%
Intermountain Health Care	3,000 - 4,999	1.06%	6,000 +	2.09%
L3 Communications	3,000 - 3,999	1.06%	-	0.00%
LDS Church	2,000 - 3,999	0.71%	2,000 +	0.70%
Salt Lake City Corporation	2,000 - 2,999	0.71%	3,000 - 3,999	1.04%
ARUP Laboratories	2,000 - 2,999	0.71%	-	0.00%
Delta Airlines	2,000 - 2,999	0.71%	4,000 - 4,999	1.39%
Skywest Airlines	2,000 - 2,999	0.71%	2,000 - 2,999	0.70%
Qwest	1,000 - 1,999	0.35%	2,000 - 2,999	0.74%
Totals	<u>50,000</u>	<u>17.69%</u>	<u>62,000</u>	<u>21.63%</u>

* 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	2011	2010	2009	2008
Instruction	\$ 154,224,029 65.19%	\$ 153,450,334 65.40%	\$ 151,852,629 64.44%	\$ 148,816,437 65.42%
Supporting services:				
Students	6,059,853 2.56%	6,245,107 2.66%	6,528,229 2.77%	6,160,831 2.71%
Instructional staff	14,897,568 6.30%	15,406,650 6.57%	16,297,035 6.92%	16,828,598 7.40%
General district administration	1,413,788 0.60%	1,357,320 0.58%	1,147,099 0.49%	1,231,531 0.54%
General school administration	11,529,791 4.87%	11,293,363 4.81%	10,060,731 4.27%	9,570,287 4.21%
Central	4,850,665 2.05%	4,622,323 1.97%	4,660,032 1.98%	4,147,499 1.82%
Operation and maintenance of school buildings	18,208,395 7.70%	18,234,484 7.77%	20,242,738 8.59%	17,240,137 7.58%
Student transportation	5,851,624 2.47%	5,059,709 2.16%	5,139,744 2.18%	5,421,467 2.38%
Other	- 0.00%	- 0.00%	- 0.00%	110,252 0.05%
Child nutrition services	14,257,099 6.03%	13,079,043 5.57%	13,464,062 5.71%	12,514,591 5.50%
Community services	717,929 0.30%	562,525 0.24%	513,449 0.22%	489,901 0.22%
Interest on long-term liabilities	4,571,285 1.93%	5,322,106 2.27%	5,746,253 2.44%	4,946,826 2.17%
Total	<u>\$ 236,582,026</u>	<u>\$ 234,632,964</u>	<u>\$ 235,652,001</u>	<u>\$ 227,478,357</u>
Average Daily Membership	24,336	24,177	23,880	23,250
Average Expenses Per Pupil	\$ 9,721	\$ 9,705	\$ 9,868	\$ 9,784

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

Year Ended June 30,

2007	2006	2005	2004	2003	2002
\$ 128,090,287 61.99%	\$ 121,148,789 63.06%	\$ 123,020,933 65.16%	\$ 117,563,738 64.93%	\$ 114,395,404 65.56%	\$ 109,249,998 64.77%
5,601,671 2.71%	5,337,593 2.78%	4,844,132 2.57%	4,656,927 2.57%	4,366,774 2.50%	4,419,999 2.62%
16,309,593 7.89%	15,056,515 7.84%	14,660,073 7.76%	14,019,717 7.74%	13,628,478 7.81%	13,778,360 8.17%
1,150,893 0.56%	958,648 0.50%	935,694 0.50%	848,490 0.47%	957,423 0.55%	891,033 0.53%
8,936,635 4.33%	8,386,292 4.36%	8,020,289 4.25%	7,645,986 4.22%	7,404,602 4.24%	7,361,356 4.36%
4,134,114 2.00%	4,026,619 2.10%	3,951,811 2.09%	3,734,409 2.06%	3,509,838 2.01%	3,185,058 1.89%
16,696,371 8.08%	15,378,444 8.00%	14,459,399 7.66%	14,265,928 7.88%	14,468,785 8.29%	14,378,299 8.52%
4,968,145 2.40%	4,248,877 2.21%	3,900,984 2.07%	3,746,698 2.07%	3,380,522 1.94%	3,114,530 1.85%
61,473 0.03%	60,386 0.03%	60,786 0.03%	64,697 0.04%	- 0.00%	- 0.00%
12,655,235 6.13%	10,470,586 5.45%	9,883,076 5.23%	9,088,718 5.02%	8,786,219 5.04%	9,153,738 5.43%
414,688 0.20%	493,430 0.26%	510,772 0.27%	471,650 0.26%	- 0.00%	- 0.00%
7,595,731 3.68%	6,564,799 3.42%	4,558,460 2.41%	4,957,405 2.74%	3,604,164 2.07%	3,136,378 1.86%
<u>\$ 206,614,836</u>	<u>\$ 192,130,978</u>	<u>\$ 188,806,409</u>	<u>\$ 181,064,363</u>	<u>\$ 174,502,209</u>	<u>\$ 168,668,749</u>
23,548	23,283	23,310	23,623	24,190	24,443
\$ 8,774	\$ 8,252	\$ 8,100	\$ 7,665	\$ 7,214	\$ 6,900

SALT LAKE CITY SCHOOL DISTRICT

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

Function	Year Ended June 30,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$ 6,337 65.19%	\$ 6,347 65.40%	\$ 6,359 64.44%	\$ 6,401 65.42%	\$ 5,439 61.99%	\$ 5,204 63.06%	\$ 5,278 65.16%	\$ 4,976 64.93%	\$ 4,729 65.56%	\$ 4,470 64.77%
Supporting services:										
Students	249 2.56%	259 2.66%	273 2.77%	265 2.71%	238 2.71%	229 2.78%	208 2.57%	197 2.57%	181 2.50%	181 2.62%
Instructional staff	612 6.30%	637 6.57%	682 6.92%	724 7.40%	693 7.89%	647 7.84%	629 7.76%	593 7.74%	563 7.81%	564 8.17%
General district administration	58 0.60%	56 0.58%	48 0.49%	53 0.54%	49 0.56%	41 0.50%	40 0.50%	36 0.47%	40 0.55%	36 0.53%
General school administration	474 4.87%	467 4.81%	421 4.27%	412 4.21%	379 4.33%	360 4.36%	344 4.25%	324 4.22%	306 4.24%	301 4.36%
Central	199 2.05%	191 1.97%	195 1.98%	178 1.82%	176 2.00%	173 2.10%	169 2.09%	158 2.06%	145 2.01%	130 1.89%
Operation and maintenance of school buildings	748 7.70%	754 7.77%	848 8.59%	741 7.58%	708 8.08%	660 8.00%	620 7.66%	604 7.88%	598 8.29%	588 8.52%
Student transportation	240 2.47%	210 2.16%	215 2.18%	233 2.38%	211 2.40%	182 2.21%	167 2.07%	159 2.07%	140 1.94%	127 1.85%
Other	- 0.00%	- 0.00%	- 0.00%	5 0.05%	3 0.03%	3 0.03%	3 0.03%	3 0.04%	- 0.00%	- 0.00%
Child nutrition services	586 6.03%	541 5.57%	564 5.71%	538 5.50%	537 6.13%	450 5.45%	424 5.23%	385 5.02%	363 5.04%	375 5.43%
Community services	30 0.30%	23 0.24%	22 0.22%	21 0.22%	18 0.20%	21 0.26%	22 0.27%	20 0.26%	- 0.00%	- 0.00%
Interest on long-term liabilities	188 1.93%	220 2.27%	241 2.44%	213 2.17%	323 3.68%	282 3.42%	196 2.41%	210 2.74%	149 2.07%	128 1.86%
Total	<u>\$ 9,721</u>	<u>\$ 9,705</u>	<u>\$ 9,868</u>	<u>\$ 9,784</u>	<u>\$ 8,774</u>	<u>\$ 8,252</u>	<u>\$ 8,100</u>	<u>\$ 7,665</u>	<u>\$ 7,214</u>	<u>\$ 6,900</u>
Average Daily Membership	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190	24,443

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,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	1,756.74	1,779.69	1,762.51	1,699.24	1,681.57	1,847.31	1,634.92	1,677.89	1,743.49	1,733.99
Supporting services:										
Students	69.48	70.47	71.72	68.92	66.58	68.60	65.82	63.21	63.45	65.90
Instructional staff	131.67	137.56	143.44	141.25	144.41	144.84	141.10	134.90	127.95	126.04
General district administration	3.50	3.50	3.50	3.55	3.50	3.50	2.00	4.50	2.50	4.50
General school administration	131.53	130.57	122.76	117.32	113.06	110.98	113.05	111.99	111.04	114.28
Central	82.26	82.03	79.60	89.69	86.29	82.65	84.26	78.91	78.39	83.77
Operation and maintenance of school buildings	217.48	213.19	225.23	231.45	244.10	206.68	214.04	205.95	221.77	206.87
Student transportation	55.55	59.28	60.59	59.82	59.12	61.13	61.60	69.61	69.50	70.10
Other support services	-	-	-	0.75	0.75	0.75	0.78	0.77	-	-
Child nutrition services	179.73	168.39	167.23	164.65	162.06	132.48	146.19	140.42	152.51	144.73
Community services	530.86	540.83	547.93	536.22	545.39	555.45	578.75	384.30	413.19	387.10
Capital outlay	44.44	43.97	43.00	43.00	48.50	46.01	44.00	41.00	39.00	37.68
Total	<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>	<u>3,022.79</u>	<u>2,974.96</u>
Licensed (teachers)	1,347.05	1,346.44	1,320.87	1,292.23	1,275.83	1,285.29	1,284.03	1,281.43	1,296.35	1,294.78
Classified (support)	<u>1,856.19</u>	<u>1,883.04</u>	<u>1,906.64</u>	<u>1,886.93</u>	<u>1,879.50</u>	<u>1,975.09</u>	<u>1,802.48</u>	<u>1,632.02</u>	<u>1,726.44</u>	<u>1,678.18</u>
Total	<u>3,203.24</u>	<u>3,229.48</u>	<u>3,227.51</u>	<u>3,179.16</u>	<u>3,155.33</u>	<u>3,260.38</u>	<u>3,086.51</u>	<u>2,913.45</u>	<u>3,022.79</u>	<u>2,972.96</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,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$ 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%	\$ 91,918,024 68.90%	\$ 92,892,867 69.34%
Supporting Services:										
Students	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%	4,296,342 3.22%	4,354,558 3.25%
Instructional staff	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%	9,723,036 7.29%	9,681,025 7.23%
General district administration	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%	819,258 0.61%	754,306 0.56%
General school administration	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%	7,193,298 5.39%	7,165,052 5.35%
Central	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%	3,509,838 2.63%	3,185,058 2.38%
Operation and maintenance of school buildings	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%	13,023,744 9.76%	13,184,271 9.84%
Student transportation	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%	2,929,302 2.20%	2,745,967 2.05%
Other	- 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%	- 0.00%	- 0.00%
Child nutrition services	165,900 0.09%	160,086 0.09%	139,573 0.08%	59,680 0.03%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	\$ 178,839,301	\$ 175,874,909	\$ 179,666,292	\$ 171,346,452	\$ 156,976,515	\$ 146,557,918	\$ 145,321,258	\$ 135,121,448	\$ 133,412,842	\$ 133,963,104
Average Daily Membership	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190	24,443
Average Expenditures Per Pupil	\$ 7,349	\$ 7,274	\$ 7,524	\$ 7,370	\$ 6,666	\$ 6,295	\$ 6,234	\$ 5,720	\$ 5,515	\$ 5,481

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,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Instruction	\$ 5,032 68.48%	\$ 4,971 68.33%	\$ 5,104 67.85%	\$ 5,037 68.34%	\$ 4,477 67.16%	\$ 4,278 67.94%	\$ 4,298 68.93%	\$ 3,896 68.12%	\$ 3,800 68.90%	\$ 3,801 69.34%
Supporting Services:										
Students	242 3.29%	252 3.46%	265 3.52%	257 3.48%	231 3.45%	222 3.52%	201 3.23%	193 3.36%	178 3.22%	178 3.25%
Instructional staff	479 6.52%	511 7.03%	549 7.30%	577 7.83%	553 8.29%	502 7.97%	500 8.02%	452 7.89%	402 7.29%	396 7.23%
General district administration	37 0.51%	37 0.50%	28 0.37%	32 0.43%	26 0.39%	15 0.24%	16 0.25%	15 0.25%	34 0.61%	31 0.56%
General school administration	459 6.25%	454 6.24%	408 5.42%	399 5.40%	368 5.52%	349 5.54%	334 5.35%	314 5.48%	297 5.39%	293 5.35%
Central	198 2.69%	190 2.61%	194 2.58%	178 2.41%	175 2.62%	172 2.73%	169 2.70%	157 2.75%	145 2.63%	130 2.38%
Operation and maintenance of school buildings	679 9.23%	667 9.17%	778 10.34%	697 9.45%	663 9.94%	594 9.43%	567 9.09%	550 9.62%	538 9.76%	540 9.84%
Student transportation	216 2.94%	186 2.56%	192 2.55%	190 2.58%	173 2.59%	163 2.58%	149 2.38%	143 2.49%	121 2.20%	112 2.05%
Other	- 0.00%	- 0.00%	- 0.00%	5 0.06%	3 0.04%	3 0.04%	3 0.04%	3 0.05%	- 0.00%	- 0.00%
Child nutrition services	7 0.09%	6 0.09%	6 0.08%	3 0.03%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	<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>	<u>\$ 5,515</u>	<u>\$ 5,481</u>
Average Daily Membership	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190	24,443

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,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Number of schools participating in lunch program	48	47	48	44	46	45	45	45	46	43
Student Lunches Served:										
Free	1,970,525	1,865,781	1,742,258	1,665,699	1,633,491	1,666,818	1,683,795	1,603,149	1,552,912	1,470,253
Reduced price	264,327	357,018	376,429	378,120	366,829	294,537	300,695	304,772	326,966	349,300
Fully paid	574,580	601,930	640,127	631,076	616,240	578,592	549,758	566,669	590,786	632,737
Total	<u>2,809,432</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>	<u>2,470,664</u>	<u>2,452,290</u>
Adult Lunches Served:	58,232	55,359	58,362	33,131	53,859	56,286	53,800	58,430	59,692	60,924
Number of schools participating in breakfast program	40	43	43	40	42	39	39	38	39	38
Student Breakfasts Served:										
Free	830,348	791,251	756,864	711,935	719,887	753,079	763,293	746,675	725,439	643,524
Reduced price	93,510	121,545	134,643	134,801	140,935	112,900	114,772	115,779	126,271	131,587
Fully paid	75,497	72,603	77,461	77,893	77,366	75,251	69,495	68,972	64,598	64,240
Total	<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>	<u>916,308</u>	<u>839,351</u>
Number of serving days	177	177	177	178	177	177	178	177	178	178
Average Daily Participation:										
Student lunch	15,872	15,959	15,587	15,028	14,783	14,350	14,237	13,981	13,880	13,777
Adult lunch	329	313	330	186	304	318	302	330	335	342
Student breakfast	5,646	5,567	5,474	5,195	5,300	5,318	5,323	5,262	5,148	4,715
Average daily membership	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190	24,443
Student lunches served as a percentage of ADM	65.22%	66.01%	65.27%	64.64%	62.78%	61.63%	61.08%	59.18%	57.38%	56.36%
Number of students on:										
Free lunch	13,964	13,526	12,481	12,266	12,122	12,717	12,908	13,021	12,172	11,443
Reduced lunch	1,763	2,516	2,668	2,773	2,865	2,185	2,274	2,376	2,595	2,655
Percentage of students on:										
Free lunch	57.38%	55.95%	52.27%	52.76%	51.48%	54.62%	55.38%	55.12%	50.32%	46.82%
Reduced lunch	7.24%	10.41%	11.17%	11.93%	12.17%	9.38%	9.76%	10.06%	10.73%	10.86%

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	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
2001-02	24,443	23,211	94.96%	24,648
2002-03	24,190	23,849	98.59%	24,382
2003-04	23,623	22,345	94.59%	23,966
2004-05	23,310	22,273	95.55%	23,579
2005-06	23,283	21,730	93.33%	23,700
2006-07	23,548	22,392	95.09%	23,933
2007-08	23,250	22,400	96.34%	23,603
2008-09	23,880	22,770	95.35%	24,256
2009-10	24,177	23,043	95.31%	24,494
2010-11	24,336	23,206	95.36%	24,649

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

History of High School Graduates Last Ten School Years

School Year	East	Highland	West	Horizonte	Total
2001-02	326	368	383	125	1,202
2002-03	359	365	348	175	1,247
2003-04	331	346	380	119	1,176
2004-05	403	392	378	115	1,288
2005-06	291	298	381	45	1,015
2006-07	320	293	337	86	1,036
2007-08	326	275	362	112	1,075
2008-09	334	255	414	115	1,118
2009-10	376	316	390	99	1,181
2010-11	354	282	450	133	1,219

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Number of Students Per Instructional Staff Last Ten School Years

School Year	Average Daily Membership	Teachers and Instructional Staff	Average Ratio of Students to Teachers and Instructional Staff
2001-02	24,443	1,395	17.52
2002-03	24,190	1,377	17.57
2003-04	23,623	1,354	17.45
2004-05	23,310	1,344	17.34
2005-06	23,283	1,364	17.07
2006-07	23,548	1,385	17.00
2007-08	23,250	1,418	16.40
2008-09	23,880	1,414	16.89
2009-10	24,177	1,387	17.43
2010-11	24,336	1,412	17.24

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Teacher Compensation Data Last Ten Fiscal Years

<u>Fiscal Year Ending June 30,</u>	<u>Bachelor Degree 1st Year Teacher Wage</u>	<u>Doctorate Degree 25th Year Teacher Wage</u>	<u>District Average* Teacher Wage</u>	<u>District Average* Teacher Benefits</u>	<u>Total District Average* Teacher Compensation</u>	<u>State Average* Teacher Compensation</u>
2002	\$ 29,538	\$ 57,667	\$ 45,305	\$ 14,156	\$ 59,461	\$ 52,792
2003	29,538	57,667	45,774	15,310	61,084	53,268
2004	29,950	58,473	47,592	16,293	63,885	53,396
2005	30,396	59,343	48,416	20,574	68,990	57,001
2006	31,308	61,123	48,246	19,554	67,800	59,182
2007	32,873	64,179	48,516	19,950	68,466	62,223
2008	34,975	66,438	48,835	20,653	69,488	63,726
2009	37,280	68,780	49,896	20,921	70,817	63,198
2010	37,280	68,780	50,444	21,157	71,601	63,857
2011	37,280	68,780	50,408	21,228	71,636	n/a

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

n/a - 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,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Buildings:										
Elementary Schools										
Number	28	28	28	28	28	27	27	27	27	28
Square feet	2,015,695	2,003,837	2,003,837	2,009,743	1,982,210	2,043,618	1,997,571	1,970,439	1,928,507	1,909,587
Capacity	15,700	15,650	15,650	15,700	15,700	15,200	15,200	15,200	15,200	15,550
Enrollment	14,073	13,747	13,545	13,311	13,517	13,450	13,259	13,518	13,698	13,795
Percent of Capacity	89.64%	87.84%	86.55%	84.78%	86.10%	88.49%	87.23%	88.93%	90.12%	88.71%
Average Age	18.79	17.79	16.79	15.29	14.29	14.93	17.89	20.78	21.67	27.70
Middle Schools										
Number	5	5	5	5	5	5	5	5	5	5
Square feet	645,813	645,813	645,813	616,168	616,168	579,988	542,430	542,430	542,430	542,430
Capacity	3,750	3,750	3,750	3,850	3,850	3,850	3,850	3,850	3,850	3,850
Enrollment	3,204	3,234	3,202	3,292	3,075	2,893	2,904	3,004	3,104	3,189
Percent of Capacity	85.44%	86.24%	85.39%	85.51%	79.87%	75.14%	75.43%	78.03%	80.62%	82.83%
Average Age	9.20	8.20	7.20	27.60	26.60	36.20	44.80	43.80	42.80	41.80
High Schools										
Number	4	4	4	4	4	4	4	4	4	4
Square feet	1,421,087	1,403,621	1,403,621	1,403,621	1,403,621	1,276,650	1,276,650	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	6,683	6,779	6,821	6,543	5,921	6,409	6,315	6,393	6,587	6,679
Percent of Capacity	89.11%	90.39%	90.95%	87.24%	78.95%	85.45%	84.20%	85.24%	87.83%	89.05%
Average Age	43.50	42.50	41.50	40.50	39.50	38.50	37.50	36.50	35.50	34.50
Other Buildings										
Number	7	7	7	8	9	10	9	8	8	5
Square feet	338,157	338,157	338,157	338,157	372,191	412,591	389,581	340,221	340,221	256,896
Average Age	37.57	36.57	35.57	43.00	36.11	40.00	39.00	38.10	37.30	27.40
Total Buildings										
Number *	44	44	44	45	46	46	45	44	44	42
Square feet	4,420,752	4,391,428	4,391,428	4,367,689	4,374,190	4,312,847	4,206,232	4,129,740	4,087,808	3,985,563
Capacity	26,950	26,900	26,900	27,050	27,050	26,550	26,550	26,550	26,550	26,900
Enrollment	23,960	23,760	23,568	23,146	22,513	22,752	22,478	22,915	23,389	23,663
Percent of Capacity	88.91%	88.33%	87.61%	85.57%	83.23%	85.69%	84.66%	86.31%	88.09%	87.97%
Average Age	22.93	21.93	20.93	23.82	22.09	24.74	27.71	29.70	29.86	26.48
Number of Portables **	23	25	25	22	20	17	17	17	17	17
Acres of Land	402.51	401.33	401.47	401.47	406.23	406.23	403.19	400.16	400.16	384.09
Number of Vehicles	270	262	267	253	267	303	291	248	252	292

* 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, 2001 through 2010

	2010	% of	2009	2008	2007
	Taxable Value	T.V.	Taxable Value	Taxable Value	Taxable Value
<i>Set by State Tax Commission-</i>					
<i>Centrally Assessed</i>	<u>\$ 1,609,972,716</u>	8.3	<u>\$ 1,603,357,209</u>	<u>\$ 2,076,836,331</u>	<u>\$ 2,063,831,387</u>
<i>Set by County Assessor-</i>					
<i>Locally Assessed:</i>					
Real Property:					
Residential real estate-primary use	7,203,158,472	38.7	7,521,205,474	8,313,316,414	7,982,874,698
Residential real estate-not primary use	176,233,820	0.9	182,821,550	196,920,050	168,877,860
Commercial and industrial real estate	7,341,913,730	37.9	7,362,953,510	8,489,152,490	7,787,815,930
Agricultural - FAA	62,270	0.0	72,180	83,650	94,860
Unimproved non FAA	943,240	0.0	1,140,840	7,396,660	-
Total Real Property	<u>14,722,311,532</u>	77.6	<u>15,068,193,554</u>	<u>17,006,869,264</u>	<u>15,939,663,348</u>
Personal Property:					
Fee in lieu property	871,292,046	4.4	864,197,808	1,043,969,067	1,057,956,499
Mobile homes-primary residential use	3,709,447	0.0	3,956,511	4,063,339	4,038,261
Mobile homes-other use	6,782,678	0.0	4,260,559	3,268,840	1,968,478
Commercial and industrial property	<u>1,716,215,584</u>	9.7	<u>1,879,628,393</u>	<u>1,729,162,841</u>	<u>1,614,187,157</u>
Total Personal Property	<u>2,597,999,755</u>	14.2	<u>2,752,043,271</u>	<u>2,780,464,087</u>	<u>2,678,150,395</u>
Total Locally Assessed	<u>17,320,311,287</u>	91.7	<u>17,820,236,825</u>	<u>19,787,333,351</u>	<u>18,617,813,743</u>
Total Taxable Property	<u>\$ 18,930,284,003</u>	100.0	<u>\$ 19,423,594,034</u>	<u>\$ 21,864,169,682</u>	<u>\$ 20,681,645,130</u>
Total Taxable Property (less fee in lieu/age-based property)	<u>\$ 18,058,991,957</u>		<u>\$ 18,559,396,226</u>	<u>\$ 20,820,200,615</u>	<u>\$ 19,623,688,631</u>

Source: Property Tax Division, Utah State Tax Commission.

2006	2005	2004	2003	2002	2001
Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value	Taxable Value
<u>\$ 2,050,073,870</u>	<u>\$ 1,888,464,689</u>	<u>\$ 2,060,112,828</u>	<u>\$ 1,934,054,794</u>	<u>\$ 2,118,713,906</u>	<u>\$ 2,335,868,812</u>
6,640,872,862	5,694,210,289	5,275,500,947	5,055,390,082	5,032,529,629	4,805,158,368
155,894,610	119,905,160	98,796,390	107,641,420	97,037,270	92,425,240
6,488,770,260	5,543,060,010	5,487,885,450	5,397,884,680	5,409,017,340	5,247,292,940
57,330	485,460	454,800	4,824,170	3,814,540	3,585,710
-	-	-	46,740	76,770	76,270
<u>13,285,595,062</u>	<u>11,357,660,919</u>	<u>10,862,637,587</u>	<u>10,565,787,092</u>	<u>10,542,475,549</u>	<u>10,148,538,528</u>
865,964,085	816,908,485	1,664,119,899	864,761,464	1,059,932,794	1,102,999,770
3,755,446	4,145,984	4,658,860	5,578,546	5,513,431	5,660,951
1,874,153	2,204,036	2,749,493	3,032,274	2,429,626	2,460,172
<u>1,418,064,839</u>	<u>1,570,119,166</u>	<u>1,440,125,458</u>	<u>1,564,068,562</u>	<u>1,615,857,011</u>	<u>1,644,134,676</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>2,683,732,862</u>	<u>2,755,255,569</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>13,226,208,411</u>	<u>12,903,794,097</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>\$ 15,344,922,317</u>	<u>\$ 15,239,662,909</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>	<u>\$ 14,284,989,523</u>	<u>\$ 14,136,663,139</u>

SALT LAKE CITY SCHOOL DISTRICT

Statements of Net Assets Governmental Activities June 30, 2007 through 2011

	2011	2010	2009	2008	2007
Assets:					
Cash and investments	\$ 110,018,366	\$ 94,603,264	\$ 87,274,069	\$ 102,910,489	\$ 96,465,191
Accounts receivable:					
Property taxes	108,468,137	102,549,322	100,847,813	99,101,675	99,200,222
Other local	950,631	1,492,709	797,729	1,116,079	1,032,829
State of Utah	898,156	575,732	761,111	643,707	708,164
Federal government	13,420,836	18,871,643	16,040,141	10,334,990	9,072,418
Due from component unit	32,284	33,744	90,894	13,817	36,860
Inventories	833,091	1,087,131	1,062,631	1,174,411	1,179,465
Prepaid expenses	211,347	260,260	280,110	840,632	623,927
Restricted cash	600,802	-	-	-	-
Bond issuance costs, net of accumulated depreciation	626,980	682,071	705,506	802,163	775,668
Note receivable	1,191,318	1,292,052	1,368,109	1,415,196	-
Capital assets:					
Sites and construction in progress	43,988,441	76,252,132	70,344,253	47,717,685	33,801,386
Other capital assets, net of accumulated depreciation	295,688,461	261,942,224	273,107,772	282,799,887	287,284,375
Total assets	<u>576,928,850</u>	<u>559,642,284</u>	<u>552,680,138</u>	<u>548,870,731</u>	<u>530,180,505</u>
Liabilities:					
Accounts payable	5,237,546	3,984,419	5,737,219	8,696,628	6,417,130
Accrued interest	1,499,923	1,663,513	1,797,807	1,940,711	3,096,625
Accrued salary and related benefits	21,161,747	20,735,624	20,809,540	20,465,040	14,402,457
Unearned revenue:					
Property taxes	103,582,262	98,463,480	97,586,112	96,475,918	95,872,639
Other local sources	192,656	1,324,070	1,089,098	1,287,966	1,220,808
State of Utah	3,251,084	5,104,591	4,835,200	8,503,597	7,373,657
Federal government	938,540	662,686	822,002	852,562	9,756
Noncurrent liabilities:					
Due or payable within one year	14,959,110	13,767,017	13,376,550	13,356,408	12,510,489
Due or payable after one year	113,084,547	120,421,776	127,603,079	139,279,229	149,633,914
Total liabilities	<u>263,907,415</u>	<u>266,127,176</u>	<u>273,656,607</u>	<u>290,858,059</u>	<u>290,537,475</u>
Net Assets:					
Invested in capital assets, net of related debt	228,941,391	218,164,244	211,269,421	187,291,547	167,156,231
Restricted for:					
Special programs	3,289,391	3,710,271	3,953,567	3,329,942	2,588,366
Child nutrition	2,873,396	2,884,901	1,798,139	1,985,922	2,036,789
Student activities	2,194,639	1,731,903	1,773,317	1,766,926	-
Debt service	-	268,588	-	1,027,210	-
Capital projects	28,492,313	25,963,061	21,690,347	32,646,654	40,011,110
Scholarships and programs	746,549	-	-	-	-
Unrestricted	46,483,756	40,792,140	38,538,740	29,964,471	27,850,534
Total net assets	<u>\$ 313,021,435</u>	<u>\$ 293,515,108</u>	<u>\$ 279,023,531</u>	<u>\$ 258,012,672</u>	<u>\$ 239,643,030</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, 2007 through 2011

	2011	2010	2009	2008	2007
Assets:					
Cash and investments	\$ 57,382,593	\$ 49,944,014	\$ 48,969,644	\$ 52,009,516	\$ 43,151,596
Accounts receivable:					
Property taxes	70,764,605	66,704,411	61,321,679	60,037,994	61,169,614
Other local	405,164	352,854	459,624	505,237	759,403
State of Utah	288,377	278,266	314,678	206,394	281,350
Federal government	10,089,833	15,153,359	13,833,854	8,478,083	5,768,939
Inventories	-	-	234,379	267,893	264,430
Prepaid expenditures	144,865	123,845	181,736	437,465	269,766
Total assets	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>	<u>\$ 125,315,594</u>	<u>\$ 121,942,582</u>	<u>\$ 111,665,098</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 1,128,698	\$ 1,060,967	\$ 1,606,814	\$ 3,666,117	\$ 2,508,475
Accrued salaries and related benefits	21,161,747	20,735,624	20,809,540	20,465,040	14,402,457
Deferred revenue:					
Property taxes	70,551,241	66,672,635	61,242,154	59,970,624	61,740,301
Other local	31,298	51,181	38,633	18,306	30,879
State of Utah	1,459,822	4,900,372	4,539,430	8,300,008	7,373,657
Federal government	938,540	662,686	822,002	852,562	9,756
Total liabilities	<u>95,271,346</u>	<u>94,083,465</u>	<u>89,058,573</u>	<u>93,272,657</u>	<u>86,065,525</u>
Fund balances:					
Nonspendable:					
Inventories	-	-	234,379	267,893	264,430
Prepaid expenditures	144,865	123,845	181,736	437,465	269,766
Committed:					
Economic stabilization	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Assigned:					
Charter schools	756,073	400,625	213,347	-	-
Programs	16,017,386	12,061,073	9,971,270	4,000,111	1,494,415
Schools	2,104,894	1,740,004	2,123,709	3,544,215	3,459,737
Employee benefit obligations	7,525,961	5,310,475	3,841,149	-	-
Unassigned	10,254,912	11,837,262	12,691,431	13,420,241	13,111,225
Total fund balances	<u>43,804,091</u>	<u>38,473,284</u>	<u>36,257,021</u>	<u>28,669,925</u>	<u>25,599,573</u>
Total liabilities and fund balances	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>	<u>\$ 125,315,594</u>	<u>\$ 121,942,582</u>	<u>\$ 111,665,098</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	Fiscal Year Ended June 30,				
	2012	2011	2010	2009	2008	2007
Revenues:						
Property taxes	\$ 62,772,161	\$ 62,793,446	\$ 60,252,172	\$ 59,231,647	\$ 60,271,613	\$ 60,850,999
Interest	920,044	1,055,216	884,610	2,758,022	2,440,637	2,967,983
Other local revenue	3,803,176	6,987,243	5,879,817	6,198,551	4,678,483	4,433,188
State of Utah	84,221,142	85,940,854	84,284,144	91,593,245	91,679,747	76,552,865
Federal government	19,895,942	27,393,349	26,790,429	27,471,923	15,346,324	15,362,275
Total Revenues	<u>171,612,465</u>	<u>184,170,108</u>	<u>178,091,172</u>	<u>187,253,388</u>	<u>174,416,804</u>	<u>160,167,310</u>
Expenditures:						
Instruction	124,577,687	122,465,000	120,175,647	121,894,855	117,089,818	105,426,290
Supporting services:						
Students	5,894,018	5,892,066	6,086,687	6,320,902	5,957,556	5,418,920
Instructional staff	11,980,537	11,657,062	12,359,162	13,113,177	13,413,127	13,020,723
General district administration	766,881	903,263	885,924	664,535	729,621	612,564
General school administration	11,797,704	11,179,035	10,972,640	9,740,183	9,255,337	8,659,956
Central	4,612,985	4,811,435	4,596,755	4,634,273	4,122,425	4,110,610
Operation and maintenance of school buildings	15,237,765	16,511,711	16,129,239	18,571,321	16,193,768	15,608,036
Student transportation	5,210,592	5,253,829	4,508,769	4,587,473	4,414,868	4,057,943
Other	-	-	-	-	110,252	61,473
Child nutrition services	182,094	165,900	160,086	139,573	59,680	-
Total Expenditures	<u>180,260,263</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>
Excess (deficiency) of revenues over (under) expenditures - Net change in fund balances	<u>(8,647,798)</u>	<u>5,330,807</u>	<u>2,216,263</u>	<u>7,587,096</u>	<u>3,070,352</u>	<u>3,190,795</u>
Fund balances - beginning	<u>43,804,091</u>	<u>38,473,284</u>	<u>36,257,021</u>	<u>28,669,925</u>	<u>25,599,573</u>	<u>22,408,778</u>
Fund balances - ending	<u>\$ 35,156,293</u>	<u>\$ 43,804,091</u>	<u>\$ 38,473,284</u>	<u>\$ 36,257,021</u>	<u>\$ 28,669,925</u>	<u>\$ 25,599,573</u>

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