

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, 2012

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

Table of Contents

Year Ended June 30, 2012

Page

INTRODUCTORY SECTION:

Letter of Transmittal	1
GFOA Certificate of Achievement for Excellence in Financial Reporting	5
ASBO Certificate of Excellence in Financial Reporting	6
Administrative Organizational Chart	7
Members of the Board of Education	8

FINANCIAL SECTION:

Independent Auditor's Report	9
-------------------------------------	---

Management's Discussion and Analysis	11
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Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Assets	20
Statement of Activities	21

Fund Financial Statements:

Balance Sheet - Governmental Funds	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	23
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	26
Statement of Fund Net Assets - Proprietary Funds Governmental Activities - Internal Service Funds	27
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds Governmental Activities - Internal Service Funds	28
Statement of Fund Cash Flows - Proprietary Funds Governmental Activities - Internal Service Funds	29
Notes to Basic Financial Statements	31

SALT LAKE CITY SCHOOL DISTRICT

Table of Contents

Year Ended June 30, 2012

Page

FINANCIAL SECTION (Continued)

Combining and Individual Fund Statements and Schedules:

Major Governmental Funds:

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>General Fund</i>	51
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Debt Service Fund</i>	52
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Capital Projects Fund</i>	53

Nonmajor Governmental Funds:

Combining Balance Sheet - Nonmajor Governmental Funds	55
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	56
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Special Programs</i> - A Nonmajor Special Revenue Fund	57
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Child Nutrition</i> - A Nonmajor Special Revenue Fund	58
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Student Activities</i> - A Nonmajor Special Revenue Fund	59

Proprietary Funds (Internal Service Funds):

Combining Statement of Fund Net Assets - Internal Service Funds	61
Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets - Internal Service Funds	62
Combining Statement of Fund Cash Flows - Internal Service Funds	63

STATISTICAL SECTION:

Net Assets by Component	67
Changes in Net Assets	68
Changes in Fund Balances, Governmental Funds	70
Fund Balances, Governmental Funds	72
Assessed Value and Estimated Actual Value of Taxable Property	73
Direct and Overlapping Property Tax Rates	74
Some of the Principal Property Tax Payers	75
Property Tax Levies and Collections	76

SALT LAKE CITY SCHOOL DISTRICT

Table of Contents

Year Ended June 30, 2012

	Page
<hr/>	
STATISTICAL SECTION ((Continued)):	
Ratios of Outstanding Debt	77
Direct and Overlapping Governmental Activities Debt	78
Legal Debt Margin Information	79
Debt Service Schedule of Outstanding General Obligation Bonds	80
Demographic and Economic Statistics	82
Principal Employers	83
Expenses by Function - Statement of Activities	84
Expenses by Function Per Pupil - Statement of Activities	86
Full-time Equivalents	87
Expenditures by Function - General Fund	88
Expenditures by Function Per Pupil - General Fund	89
Child Nutrition - Facts and Figures	90
Student Enrollment Statistics	91
History of High School Graduates	92
Number of Students per Instructional Staff	93
Teacher Compensation Data	94
Capital Asset Information	95
Historical Summaries of Taxable Values of Property	96
Statements of Net Assets - Governmental Activities	98
General Fund - Comparative Balance Sheets	99
General Fund - Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances	100



November 29, 2012

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, 2012 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, 2012 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, 2012 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, 2012 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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, 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 24,365 students in kindergarten through twelfth grade living within the boundaries of Salt Lake City, which are part of a total population of approximately 190,000 citizens. In accomplishing this goal, the District operates 38 schools comprised of 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 (Foundation) is a discretely presented component unit of the District; the Foundation is a legally separate entity established to support the District. The Foundation's financial data is presented as a separate column on the government-wide financial statements of the District. The Municipal Building Authority (Building Authority) of Salt Lake City School District is a blended component unit established to support the District. There are no other units of government that are dependent on the District.

Budget Controls

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

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

Local Economy

The District receives almost one-half of general fund revenues from state sources. The majority of the state funds for education are derived from income taxes. From January to June 2012, Utah job growth was 3.2% higher than the same six months of 2011. Utah personal income also showed signs of improvement in 2011, up 2.2% over 2010. The Governor's Office of Planning and Budget is projecting that unemployment will fall to 6.2% in 2013 from 6.7% in 2012. Economic improvement is expected to be gradual, and the current forecast is that education fund revenue for the state will remain relatively flat.

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 1.9% for the upcoming fiscal year. In total, the District is faced with a 3.8% 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 metropolitan area home prices are up 1.0% over the last year but down 18.8% over the last five years. The Salt Lake Chamber of Commerce predicts stability 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 2012 calendar year is 0.006476, up from 0.006408 for the 2011 year. This tax rate reflects an increase in the calculated basic state levy.

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 2012, the District's unused legal debt capacity is approximately \$907.1 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, 2011. The District has received certificates continuously for thirty-five 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.

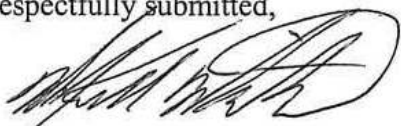
The Association of School Business Officials (ASBO) has awarded its Certificate of Excellence to the Salt Lake City School District. This award certifies that the annual financial report for the year ended June 30, 2011, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials of the United States and Canada. The District believes that the 2012 annual report, which will be submitted to ASBO for an annual review, also conforms to these principles and standards.

Acknowledgement

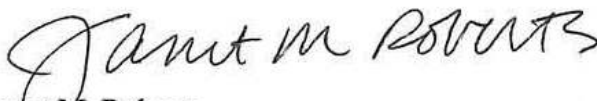
Many individuals helped in preparing this report, including members of the various business departments. We express our appreciation to Alan Kearsley, CPA, Director of Finance; Janny Hortin, CPA, Senior Accountant; and Cynthia Done, CPA, Senior Accountant for the major effort in closing the year and 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, 2011

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.



Linda C. Sandison

President

Jeffrey R. Enner

Executive Director

Association of School Business Officials International



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

Salt Lake City School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011*

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



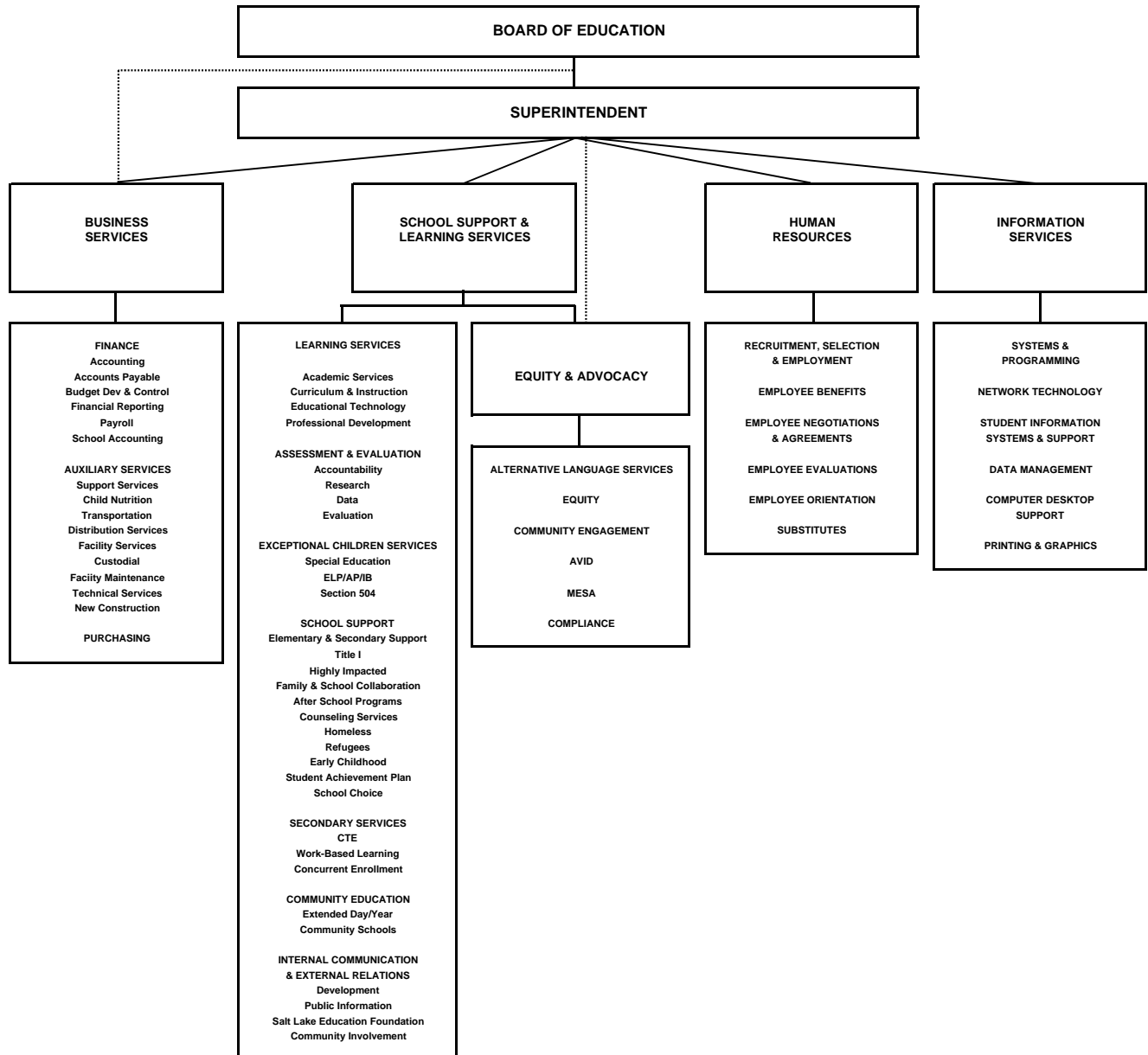
Brian L. Mee, SFO, RSBA
President

John D. Musso, CAE, RSBA
Executive Director

Administrative Organizational Chart Salt Lake City School District

THE ADMINISTRATION

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



Salt Lake City School District

Members of the Board of Education

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

Kristi Swett, President	Precinct Number Seven
Heather Bennett, Vice President.....	Precinct Number Five
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
Martine Cao	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, 2012, 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, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2012 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other

knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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 and statistical sections are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Squire & Company, PC

November 29, 2012

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, 2012. 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 \$321.3 million at the close of the most recent fiscal year.
- During the year, expenses were \$8.3 million less than the \$244.6 million generated in taxes and other revenues for governmental activities. This was a decrease from last year, when expenses were less than revenues by \$19.5 million.
- Student enrollment increased by 29 students to a total of 24,365 students for fiscal 2012. The value of the State's Weighted Pupil Unit (WPU) increased by \$239 or 9.27%. This increase was due to the reclassification of programs to be funded by the WPU which previously were not, and did not result in a corresponding increase in total state aid. Total state aid decreased by \$6.1 million. This decrease was due to cuts in various state programs as well as a change in certain distribution formulas and the previous year's recognition of deferred state revenue in the Career and Technical Education (CTE) program associated with construction costs.
- Federal aid decreased by \$6.8 million mainly due to expiring availability of funds through the American Recovery and Reinvestment Act (ARRA).
- During fiscal 2012, the District completed the retrofit of Emerson elementary school and leasehold improvements for a building owned by Salt Lake Community College and used by the Career and Technical Education (CTE) program. The retrofit of the Lowell and Goodwin Avenue sites as well as the fieldhouse and classroom renovation project at West High School continued throughout the year. Construction of the Glendale/Mountain View Community Learning Center was started. All of these projects have an estimated total cost of \$23.3 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 48 of this report.

Supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the notes to basic financial statements. Combining and individual fund statements and schedules can be found on pages 50 to 63 of this report.

Government-wide Financial Analysis

As noted earlier, net 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 \$321.3 million at the close of the most recent fiscal year.

SALT LAKE SCHOOL DISTRICT'S Net Assets

(in millions of dollars)

June 30, 2012 and 2011

	Governmental activities		Total change
	2012	2011	2012-2011
Current and other assets	\$ 231.0	\$ 237.2	\$ (6.2)
Capital assets	343.5	339.7	3.8
Total assets	574.5	576.9	(2.4)
Current and other liabilities	138.2	135.9	2.3
Long-term liabilities outstanding	115.0	128.0	(13.0)
Total liabilities	253.2	263.9	(10.7)
Net assets:			
Invested in capital assets, net of related debt	237.5	228.9	8.6
Restricted	36.7	37.6	(0.9)
Unrestricted	47.1	46.5	0.6
Total net assets	\$ 321.3	\$ 313.0	\$ 8.3

- The largest portion of the District's net assets (73.9%) 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 (11.4%) 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* (14.7%) 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 decreased by \$0.9 million during the year ended June 30, 2012. This decrease is due primarily to a decrease in unspent resources restricted for capital projects.

The District's net assets increased by \$8.3 million during the current year. The following discussion and analysis on governmental activities focuses on this increase:

SALT LAKE CITY SCHOOL DISTRICT'S Changes in Net Assets

(in millions of dollars)

Years Ended June 30, 2012 and 2011

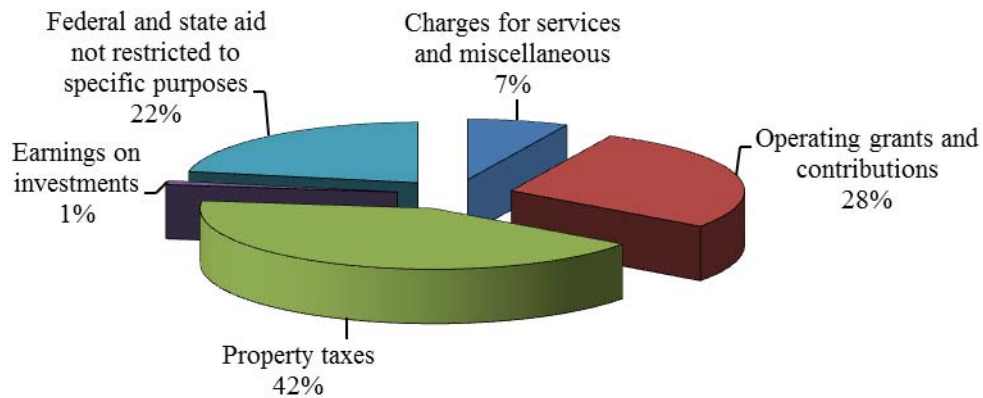
	Governmental activities		Total change
	2012	2011	2012-2011
Revenues:			
Program revenues:			
Charges for services	\$ 8.0	\$ 7.6	\$ 0.4
Operating grants and contributions	69.9	71.7	(1.8)
General revenues:			
Property taxes	104.0	102.1	1.9
Federal and state aid not restricted to specific purposes	53.3	64.4	(11.1)
Earnings on investments	1.5	1.3	0.2
Miscellaneous	7.9	9.0	(1.1)
Total revenues	<u>244.6</u>	<u>256.1</u>	<u>(11.5)</u>
Expenses:			
Instruction	153.8	154.2	(0.4)
Supporting services:			
Students	6.0	6.1	(0.1)
Instructional staff	15.4	14.9	0.5
General district administration	1.2	1.4	(0.2)
General school administration	11.8	11.5	0.3
Central services	4.5	4.8	(0.3)
Operation and maintenance of school buildings	18.3	18.2	0.1
Student transportation	6.1	5.9	0.2
Child nutrition services	14.5	14.3	0.2
Community services	0.9	0.7	0.2
Interest on long-term liabilities	3.8	4.6	(0.8)
Total expenses	<u>236.3</u>	<u>236.6</u>	<u>(0.3)</u>
Change in net assets	8.3	19.5	(11.2)
Net assets - beginning	<u>313.0</u>	<u>293.5</u>	<u>19.5</u>
Net assets - ending	<u>\$ 321.3</u>	<u>\$ 313.0</u>	<u>\$ 8.3</u>

Governmental activities. The key elements of the increase in the District's net assets for the year ended June 30, 2012 are as follows:

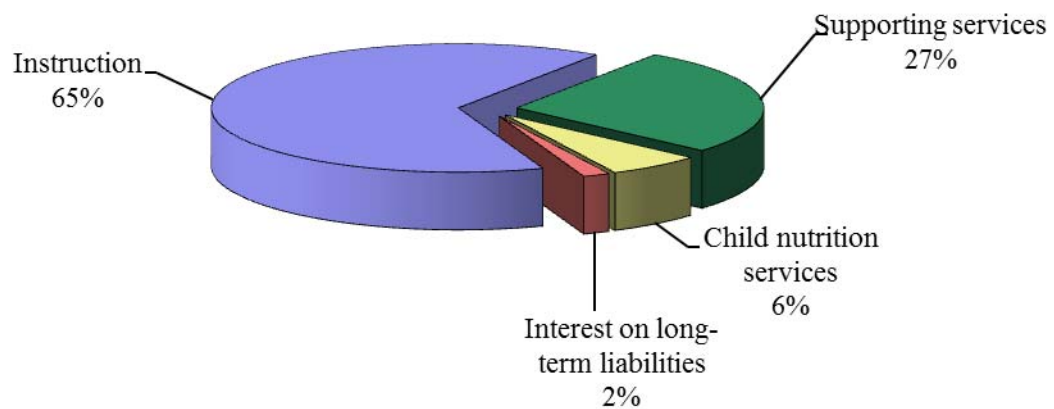
- Operating grants and contributions decreased by \$1.8 million primarily due to decreases in federal Title I funding. Federal aid decreased by \$5.0 million due primarily to the ending of the American Recovery and Reinvestment Act (ARRA) and the Federal Education Jobs funding program in 2011.
- State aid decreased by \$6.1 million due to \$2.4 million of deferred career and technology resources being used in the prior year for improvements to a building that will be used by the CTE program. In addition, changes were made to the method that certain state aid is allocated to districts which resulted in a decrease of total state aid. 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 (\$2,816) increased by 9.27% over the prior year, however this increase was the result of changing certain programs to be funded by the WPU which previously were not funded by the WPU. Any additional revenue generated by the WPU increase was offset by decreases in other state funded programs.

- Property taxes increased by \$1.9 million due to increased rates.
- Expenses remained relatively unchanged. Increases to retirement and insurance costs have been offset by efficiencies and other cost saving measures.

**SALT LAKE CITY SCHOOL DISTRICT
Revenues by Source - Governmental Activities
Year Ended June 30, 2012**



**SALT LAKE CITY SCHOOL DISTRICT
Expenses by Function - Governmental Activities
Year Ended June 30, 2012**



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 \$79.3 million, \$8.0 million less than the previous year. The fund balance of the *general fund* remained relatively unchanged for the year. The fund balance of the *capital projects fund* decreased by \$11.6 million or 34.0%, due to the drawdown of previously unspent bond proceeds and reserves which were used to pay for construction projects during the year. The fund balance of the *debt service fund* increased by \$0.5 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 \$174.8 million, a decrease of 2.2% during the current fiscal year. This compares to a 1.7% increase in fiscal 2011. Instruction represents 68.7% of *general fund* expenditures.
- *General fund* salaries totaled \$113.5 million while the associated employee benefits of retirement, social security, insurance (health and accident, industrial, and unemployment) added \$38.0 million to arrive at 84.7% 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, 2012, the District's combined governmental fund balance is \$79.3 million (\$0.7 million in nonspendable, \$28.5 million in restricted, \$7.0 million in committed, \$33.5 million in assigned, and \$9.6 million in unassigned fund balances).

General Fund Budgetary Highlights

During the year, the Board revised the District's budget. Budget amendments were made to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$3.0 million or 1.7% in total general fund expenditures. The most significant budgetary adjustments may be summarized as follows:

- \$2.7 million or 2.2% 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 instructional staff—supporting services from the use of unanticipated prior year carry overs.

Even with these budget adjustments, actual expenditures were \$8.5 million less than final budgeted amounts. The most significant variances may be summarized as follows:

- \$7.3 million or 6.1% positive variance in instruction, due to unspent supply allocations and equipment budgets which are carried over to the next year.
- \$0.3 million or 4.5% positive variance in instructional staff—supporting services due to further budget cuts as well as unspent supply allocations and federal grants which are carried over to the next year.

Revenues were \$0.8 million less than the final budgeted amount. State revenue was \$2.4 million or 3.1% less than the final budgeted amount due to legislative cuts to school funding. Federal revenue was \$2.5 million or 11.3% less than the final budgeted amount due to 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 \$3.9 million in unearned federal and state revenue at June 30, 2012.

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 2012 the retrofit of one elementary school and the construction of a new CTE building were completed, the retrofit of two mixed use buildings and a high school fieldhouse continued, and the construction of the Glendale/Mountain View Community Learning Center was started. The projects in progress have a projected cost of \$23.3 million. The total expended on these projects at June 30, 2012 is \$15.2 million, leaving a projected cost to complete all projects begun to date at \$8.1 million.

Capital assets at June 30, 2012 and 2011 are outlined below:

SALT LAKE CITY SCHOOL DISTRICT'S Capital Assets

(net of accumulated depreciation, in millions of dollars)

June 30, 2012 and 2011

	Governmental activities		Total change 2012-2011
	2012	2011	
Sites	\$ 33.0	\$ 33.0	\$ -
Construction in progress	15.2	11.0	4.2
Buildings	288.6	289.3	(0.7)
Equipment	3.3	3.0	0.3
Vehicles	3.4	3.4	-
Total capital assets, net	<u>\$ 343.5</u>	<u>\$ 339.7</u>	<u>\$ 3.8</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, 2012 is \$1,002.7 million. Net general obligation debt at June 30, 2012 is \$95.6 million, resulting in a legal debt margin of \$907.1 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, 2012 and 2011

	Governmental activities 2012	2011	Total change 2012-2011
General obligation bonds	\$ 95.6	\$ 108.5	\$ (12.9)
QSCB Bonds	11.0	11.0	-
Outstanding bonds, net	<u>\$ 106.6</u>	<u>\$ 119.5</u>	<u>\$ (12.9)</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	2011	2012	2013 *	2014 *	2015 *	2016 *
Average Daily Membership	24,336	24,365	24,520	24,661	24,773	24,975

* Projected ADM

The District's enrollment for the year ended June 30, 2012 increased by 29 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, 2012

	Primary Government Governmental Activities	Component Unit District Foundation
Assets:		
Cash and investments	\$ 102,377,616	\$ 2,373,388
Receivables:		
Property taxes	107,847,323	-
Other local	706,159	1,933
State of Utah	1,312,389	-
Federal government	14,450,054	-
Due from component unit	140,192	-
Inventories	833,521	-
Prepaid expenses	302,042	-
Investments restricted for debt service	1,342,658	-
Bond issuance costs, net of accumulated amortization	575,145	-
Note receivable	1,118,054	-
Capital assets:		
Sites and construction in progress	48,124,574	-
Buildings, equipment, and vehicles, net of accumulated depreciation	295,382,784	-
Total assets	574,512,511	2,375,321
Liabilities:		
Accounts payable	3,720,570	25,183
Accrued interest	1,338,837	-
Accrued salaries and related benefits	23,155,357	-
Due to primary government	-	140,192
Unearned revenue:		
Property taxes	103,582,261	-
Other local sources	229,281	-
State of Utah	5,411,083	-
Federal government	807,152	-
Long-term liabilities:		
Portion due or payable within one year	14,766,933	-
Portion due or payable after one year	100,195,604	-
Total liabilities	253,207,078	165,375
Net Assets:		
Invested in capital assets, net of related debt	237,440,881	-
Restricted:		
Special programs	4,310,662	-
Child nutrition	2,517,560	-
Student activities	2,124,821	-
Debt service	308,030	-
Capital projects	24,594,980	-
Scholarships and programs	2,880,113	-
Unrestricted	47,128,386	2,209,946
Total net assets	\$ 321,305,433	\$ 2,209,946

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, 2012

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	\$ 153,800,381	\$ 4,481,581	\$ 44,427,184	\$ (104,891,616)	
Supporting services:					
Students	5,965,406	-	1,428,718	(4,536,688)	
Instructional staff	15,361,417	-	5,010,820	(10,350,597)	
General district administration	1,181,821	-	781,737	(400,084)	
General school administration	11,811,898	-	2,129,130	(9,682,768)	
Central	4,555,684	-	315,854	(4,239,830)	
Operation and maintenance of school buildings	18,295,132	359,896	1,086,399	(16,848,837)	
Student transportation	6,058,589	10,883	2,513,521	(3,534,185)	
Child nutrition services	14,547,742	1,198,038	11,879,773	(1,469,931)	
Community services	919,813	2,012,325	301,958	1,394,470	
Interest on long-term liabilities	3,823,970	-	-	(3,823,970)	
Total primary government	<u>\$ 236,321,853</u>	<u>\$ 8,062,723</u>	<u>\$ 69,875,094</u>	(158,384,036)	
Component unit:					
Salt Lake Education Foundation	<u>\$ 3,446,349</u>	<u>\$ -</u>	<u>\$ 3,249,524</u>		\$ (196,825)
General revenues:					
Property taxes:					
Basic state supported program for regular K-12 instruction (set by state legislature)				25,820,979	-
Voted leeway for regular K-12 instruction				14,281,874	-
School Board leeway for class size reduction				6,491,761	-
School Board K-3 reading program				1,963,758	-
Special transportation				2,450,640	-
Tort liability				1,622,940	-
Community recreation				7,871,260	-
Debt service				16,489,073	-
Capital outlay for buildings and other capital needs				18,160,702	-
Ten percent of basic for construction, textbooks, and supplies				8,845,024	-
Total property taxes				103,998,011	-
Federal and state revenue not restricted to specific purposes				53,295,236	-
Earnings on investments				1,518,660	281,919
Miscellaneous				7,856,127	-
Total general revenues				166,668,034	281,919
Change in net assets				8,283,998	85,094
Net assets - beginning				313,021,435	2,124,852
Net assets - ending				\$ 321,305,433	\$ 2,209,946

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

SALT LAKE CITY SCHOOL DISTRICT

Balance Sheet Governmental Funds June 30, 2012

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 58,485,506	\$ 979,408	\$ 22,598,265	\$ 11,494,924	\$ 93,558,103
Receivables:					
Property taxes	70,359,586	19,285,815	15,959,385	2,242,537	107,847,323
Other local	367,906	-	1,118,054	478,173	1,964,133
State of Utah	615,917	-	-	696,472	1,312,389
Federal government	12,628,674	-	-	1,821,380	14,450,054
Inventories	-	-	-	446,573	446,573
Prepaid expenditures	114,464	-	105,954	81,624	302,042
Restricted cash	-	-	1,342,658	-	1,342,658
Total assets	<u>\$ 142,572,053</u>	<u>\$ 20,265,223</u>	<u>\$ 41,124,316</u>	<u>\$ 17,261,683</u>	<u>\$ 221,223,275</u>
Liabilities and fund balances:					
Liabilities:					
Accounts payable	\$ 1,306,635	\$ -	\$ 1,407,363	\$ 467,427	\$ 3,181,425
Due to student organizations	-	-	-	250,349	250,349
Accrued salaries and related benefits	23,155,357	-	-	-	23,155,357
Deferred revenue:					
Property taxes	70,294,617	19,268,006	15,944,648	2,240,466	107,747,737
Other local	35,400	-	1,118,054	193,881	1,347,335
State of Utah	3,134,679	-	-	2,276,404	5,411,083
Federal government	807,152	-	-	-	807,152
Total liabilities	98,733,840	19,268,006	18,470,065	5,428,527	141,900,438
Fund Balances:					
Nonspendable:					
Inventories	-	-	-	446,573	446,573
Prepaid expenditures	114,464	-	105,954	81,624	302,042
Restricted:					
Debt service	-	997,217	-	-	997,217
Capital projects	-	-	22,548,297	-	22,548,297
Community recreation	-	-	-	2,880,113	2,880,113
Child nutrition services	-	-	-	2,070,987	2,070,987
Committed:					
Economic stabilization	7,000,000	-	-	-	7,000,000
Assigned:					
Charter schools	1,074,149	-	-	-	1,074,149
Programs	16,223,740	-	-	4,145,865	20,369,605
Programs reported in the schools	2,294,233	-	-	83,173	2,377,406
Students	-	-	-	2,124,821	2,124,821
Employee benefit obligations	7,525,961	-	-	-	7,525,961
Unassigned	9,605,666	-	-	-	9,605,666
Total fund balances	<u>43,838,213</u>	<u>997,217</u>	<u>22,654,251</u>	<u>11,833,156</u>	<u>79,322,837</u>
Total liabilities and fund balances	<u>\$ 142,572,053</u>	<u>\$ 20,265,223</u>	<u>\$ 41,124,316</u>	<u>\$ 17,261,683</u>	<u>\$ 221,223,275</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, 2012

Total fund balances for governmental funds	\$ 79,322,837
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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	15,170,221	
Buildings, net of \$165,872,142 accumulated depreciation	288,642,774	
Equipment, net of \$5,011,834 accumulated depreciation	3,157,213	
Vehicles, net of \$7,219,497 accumulated depreciation	<u>3,427,599</u>	343,352,160

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.	4,165,476
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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.	1,118,054
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(1,338,837)
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Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$1,043,023 and accumulated amortization is \$467,878.	575,145
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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:	752,220
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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	(93,442,722)	
Qualified school construction bonds payable	(11,000,000)	
Unamortized deferred amounts on refunding	3,045,123	
Unamortized premiums and discounts	<u>(5,244,023)</u>	(106,641,622)

Total net assets of governmental activities	<u>\$ 321,305,433</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, 2012

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 64,858,727	\$ 17,396,111	\$ 13,832,281	\$ 8,304,246	\$ 104,391,365
Earnings on investments	1,165,916	17,973	189,093	89,716	1,462,698
School lunch sales	-	-	-	1,198,038	1,198,038
Other local sources	6,860,079	-	150,000	7,710,733	14,720,812
State of Utah	79,714,817	-	40,601	5,448,010	85,203,428
Federal government	22,266,784	-	-	15,700,118	37,966,902
Total revenues	174,866,323	17,414,084	14,211,975	38,450,861	244,943,243
Expenditures:					
Current:					
Instruction	120,032,041	-	-	13,686,192	133,718,233
Supporting services:					
Students	5,819,902	-	-	27,261	5,847,163
Instructional staff	11,832,489	-	-	2,926,951	14,759,440
General district administration	613,129	-	-	441,027	1,054,156
General school administration	11,457,168	-	-	-	11,457,168
Central	4,516,641	-	-	39,043	4,555,684
Operation and maintenance of school buildings	15,000,732	-	-	2,381,095	17,381,827
Student transportation	5,463,831	-	-	-	5,463,831
Child nutrition services	96,268	-	-	13,447,806	13,544,074
Community services	-	-	-	919,813	919,813
Capital outlay	-	-	25,877,839	1,512,348	27,390,187
Debt service:					
Principal retirement	-	12,433,000	-	-	12,433,000
Bond issuance costs	-	130,143	-	-	130,143
Interest, fiscal charges, and other	-	4,085,461	55,500	-	4,140,961
Total expenditures	174,832,201	16,648,604	25,933,339	35,381,536	252,795,680
Excess (deficiency) of revenues over (under) expenditures	34,122	765,480	(11,721,364)	3,069,325	(7,852,437)
Other financing sources (uses):					
Refunding bonds issued	-	16,360,000	-	-	16,360,000
Bond premium	-	2,062,922	-	-	2,062,922
Payment to refunded bond escrow agent	-	(18,664,358)	-	-	(18,664,358)
Proceeds from the sale of capital assets	-	-	73,264	4,899	78,163
Total other financing sources (uses)	-	(241,436)	73,264	4,899	(163,273)
Net change in fund balances	34,122	524,044	(11,648,100)	3,074,224	(8,015,710)
Fund balances - beginning	43,804,091	473,173	34,302,351	8,758,932	87,338,547
Fund balances - ending	<u>\$ 43,838,213</u>	<u>\$ 997,217</u>	<u>\$ 22,654,251</u>	<u>\$ 11,833,156</u>	<u>\$ 79,322,837</u>

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, 2012*

Net change in fund balances-total governmental funds **\$ (8,015,710)**

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	\$ 17,491,482	
Loss on disposal of capital assets	(30,484)	
Proceeds from sale of capital assets	(78,163)	
Depreciation expense	<u>(13,692,065)</u>	3,690,770

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	12,433,000	
General obligation refunding bonds issued	(16,360,000)	
Premium on refunding bonds	(2,062,922)	
Bond issuance costs	130,143	
Payment to refunded bond escrow agent	18,664,358	
Interest expense	161,086	
Amortization of bond issuance costs	(106,278)	
Amortization of bond premiums and discounts	544,166	
Amortization of deferred amounts on refunding	<u>(388,261)</u>	13,015,292

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.

(393,354)

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.

(13,000)

Change in net assets of governmental activities

\$ 8,283,998

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2012

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 62,772,160	\$ 63,145,155	\$ 64,858,727	\$ 1,713,572
Earnings on investments	920,044	900,869	1,165,916	265,047
Other local sources	3,803,176	4,643,981	6,860,079	2,216,098
State of Utah	84,221,142	82,177,433	79,714,817	(2,462,616)
Federal government	19,895,942	24,786,788	22,266,784	(2,520,004)
Total revenues	171,612,464	175,654,226	174,866,323	(787,903)
Expenditures:				
Current:				
Instruction	124,577,687	127,291,860	120,032,041	7,259,819
Supporting services:				
Students	5,894,018	5,921,100	5,819,902	101,198
Instructional staff	11,980,537	12,367,198	11,832,489	534,709
General district administration	864,389	901,174	613,129	288,045
General school administration	11,797,704	11,656,735	11,457,168	199,567
Central	4,515,477	4,597,475	4,516,641	80,834
Operation and maintenance of school buildings	15,237,765	15,211,628	15,000,732	210,896
Student transportation	5,210,592	5,243,276	5,463,831	(220,555)
Child nutrition services	182,094	98,954	96,268	2,686
Total expenditures	180,260,263	183,289,400	174,832,201	8,457,199
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(8,647,799)	(7,635,174)	34,122	7,669,296
Fund balances - beginning	43,804,091	43,804,091	43,804,091	-
Fund balances - ending	<u>\$ 35,156,292</u>	<u>\$ 36,168,917</u>	<u>\$ 43,838,213</u>	<u>\$ 7,669,296</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, 2012

Assets:

Current assets:

Cash and investments	\$ 8,819,513
Inventories	386,948
Receivables	272
Total current assets	9,206,733

Noncurrent assets:

Capital assets:

Equipment	501,201
Accumulated depreciation	(346,003)
Net capital assets	155,198
Total assets	9,361,931

Liabilities:

Current liabilities:

Accounts payable	288,796
Accrued vacation	86,724
Accrued sick leave	379,149
Early retirement incentive payable	852,457
Dental insurance payable	384,291
Workers compensation payable	254,312
Total current liabilities	2,245,729

Noncurrent liabilities:

Accrued vacation	1,140,889
Accrued sick leave	3,144,691
Early retirement incentive payable	2,078,402
Total noncurrent liabilities	6,363,982
Total liabilities	8,609,711

Net assets:

Invested in capital assets	155,198
Unrestricted	597,022
Total net assets	\$ 752,220

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, 2012

Operating revenues:

Charges for services	\$ 4,889,714
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Operating expenses:

Salaries	946,105
Employee benefits	3,387,697
Materials	406,669
Contracted services	40,259
Utilities	216
Equipment maintenance	72,992
Depreciation	24,194
Other expenses	80,544

Total operating expenses	<u>4,958,676</u>
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Operating income (loss)	(68,962)
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Nonoperating income (expense):

Earnings on investments	<u>55,962</u>
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Change in net assets	(13,000)
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Total net assets - beginning	<u>765,220</u>
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Total net assets - ending	<u><u>\$ 752,220</u></u>
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The notes to the financial statements are an integral part of this statement.

SALT LAKE CITY SCHOOL DISTRICT

Statement of Fund Cash Flows

Proprietary Funds

Governmental Activities - Internal Service Funds

Year Ended June 30, 2012

Cash flows from operating activities:

Receipts from interfund services provided	\$ 4,911,361
Payments to suppliers	(569,505)
Payments to employees	(4,508,881)
Net cash used by operating activities	(167,025)

Cash flows from capital and related financing activities:

Acquisition of capital assets	(90,616)
-------------------------------	----------

Cash flows from investing activities:

Interest earned	55,962
Net change in cash and cash equivalents	(201,679)

Cash and cash equivalents - beginning

9,021,192**Cash and cash equivalents - ending** (displayed as cash and investments
on the statement of fund net assets)

\$ 8,819,513

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

Operating loss	\$ (68,962)
----------------	-------------

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

Depreciation expense	24,194
Changes in operating assets and liabilities:	
Receivables	21,647
Inventories	(29,437)
Prepaid expenses	12,209
Accounts payable	48,403
Accrued vacation	(12,807)
Accrued sick leave	(130,046)
Early retirement incentive payable	(71,620)
Dental insurance payable	41,225
Workers compensation payable	(1,831)
Total adjustments	(98,063)
Net cash used by operating activities	\$ (167,025)

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 (the Foundation) is a nonprofit organization established under Internal Revenue Service regulations as a conduit for tax-deductible donations to the District. The Foundation's board is approved by the Board of Education. The Foundation exclusively services the District. The Foundation is presented as a discretely presented component unit of the District 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 additional data is available to set the rates.
- Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah state law, interim adjustments may be made by administrative transfer of money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2012, have been included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

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 Utah Public Treasurers' Investment Fund (PTIF).

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

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

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

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

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

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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

2. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2012, as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 7,405,448
Carrying amount of investments	98,688,214
Total cash and investments	<u>\$ 106,093,662</u>
Governmental funds cash and investments	\$ 93,558,103
Internal service funds cash and investments	8,819,513
Statement of net assets cash and investments, unrestricted	102,377,616
Investments restricted for debt service	1,342,658
Component unit cash and investments	2,373,388
Total cash and investments	<u>\$ 106,093,662</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 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, 2012, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Salt Lake City School District	\$ 7,217,488	\$ 7,466,916	\$ 511,302
Salt Lake Education Foundation	187,960	191,165	191,165
Total deposits	<u>\$ 7,405,448</u>	<u>\$ 7,658,081</u>	<u>\$ 702,467</u>

- Custodial credit risk – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. At June 30, 2012, the uninsured amount of the District's and Foundation's bank deposits was uncollateralized. At June 30, 2012, \$6,955,614 of the District's bank deposits

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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

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

The PTIF is 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, 2012, 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)	\$ 34,329,162	\$ 34,329,162	\$ -	\$ -	\$ -
Corporate bonds	62,173,624	26,828,272	35,345,352	-	-
	96,502,786	61,157,434	35,345,352	-	-
Salt Lake Education Education Foundation, a component unit:					
Fixed income securities	674,856	674,166	-	497	193
Mutual funds	1,510,572	1,510,572	-	-	-
	2,185,428	2,184,738	-	497	193
Total investments	\$ 98,688,214	\$ 63,342,172	\$ 35,345,352	\$ 497	\$ 193

- **Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District’s policy is to manage its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and bankers’ acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years. The Foundation can invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years.
- **Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s policy for reducing its exposure to credit risk is to comply with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody’s Investors Service, Inc. or by Standard and Poor’s Corporation at the time of purchase. The District has no investment policy that would further limit its investment choices.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

As of June 30, 2012, 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	\$ 34,329,162
Corporate bonds:	
Aaa/Aaa*	502,233
Aa1/Aa2/Aa3	4,006,597
A1/A2/A3	35,004,582
Baa1	18,654,255
Unrated	<u>4,005,957</u>
	96,502,786
Salt Lake Education Foundation, a component unit:	
Fixed income securities:	
Aaa	52
Unrated	674,804
Mutual funds:	
Unrated	<u>1,510,572</u>
	<u>2,185,428</u>
Total investments	<u><u>\$ 98,688,214</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.

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

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

county assessor is required to assess real property as of January 1 and complete the tax rolls by May 15. By July 21, the county auditor is to mail assessed value and tax notices to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county auditor is to deliver the completed assessment rolls to the county treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2.5% penalty, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 31 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at an annual rate determined by the County; the interest period is from January 1 until date paid.

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

As of June 30, 2012, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2012 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, 2012 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)	\$ 2,462,363	\$ 660,444	\$ 727,398	\$ 315,271	\$ 4,165,476
Levied for future year	67,897,223	18,625,371	15,231,987	1,927,266	103,681,847
	<u>\$ 70,359,586</u>	<u>\$ 19,285,815</u>	<u>\$ 15,959,385</u>	<u>\$ 2,242,537</u>	<u>\$ 107,847,323</u>
Property taxes - deferred revenue:					
Levied for future year and collected	\$ (64,969)	\$ (17,809)	\$ (14,737)	\$ (2,071)	\$ (99,586)
Levied for future year and uncollected	67,897,223	18,625,371	15,231,987	1,927,266	103,681,847
Deferred property tax revenue - governmental activities, statement of net assets	67,832,254	18,607,562	15,217,250	1,925,195	103,582,261
Levied for current and prior years (delinquent)	<u>2,462,363</u>	<u>660,444</u>	<u>727,398</u>	<u>315,271</u>	<u>4,165,476</u>
Deferred property tax revenue - governmental funds, balance sheet	<u>\$ 70,294,617</u>	<u>\$ 19,268,006</u>	<u>\$ 15,944,648</u>	<u>\$ 2,240,466</u>	<u>\$ 107,747,737</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

4. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Sites	\$ 32,954,353	\$ -	\$ -	\$ 32,954,353
Construction in progress	11,034,088	14,998,102	(10,861,969)	15,170,221
Total capital assets, not being depreciated	43,988,441	14,998,102	(10,861,969)	48,124,574
Capital assets, being depreciated:				
Buildings/leasehold improvements	444,966,255	11,428,649	(1,879,988)	454,514,916
Equipment	8,693,944	1,279,105	(1,302,801)	8,670,248
Vehicles	10,241,838	738,213	(332,955)	10,647,096
Total capital assets, being depreciated	463,902,037	13,445,967	(3,515,744)	473,832,260
Accumulated depreciation for:				
Buildings/leasehold improvements	(155,649,754)	(12,102,376)	1,879,988	(165,872,142)
Equipment	(5,726,248)	(899,005)	1,267,416	(5,357,837)
Vehicles	(6,837,574)	(714,878)	332,955	(7,219,497)
Total accumulated depreciation	(168,213,576)	(13,716,259)	3,480,359	(178,449,476)
Total capital assets, being depreciated, net	295,688,461	(270,292)	(35,385)	295,382,784
Governmental activity capital assets, net	\$ 339,676,902	\$ 14,727,810	\$ (10,897,354)	\$ 343,507,358

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

Governmental activities:	
Instruction	\$ 9,977,719
Supporting services:	
Students	118,243
Instructional staff	601,977
General district administration	127,665
General school administration	354,730
Operation and maintenance of school buildings	913,305
Student transportation	594,758
Child nutrition services	1,003,668
Capital assets held by the District's internal service funds are charged to the various functions based on their usage of the assets	24,194
Total depreciation expense, governmental activities	\$ 13,716,259

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

The District is obligated at June 30, 2012, under construction commitments as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Lowell Building - Retrofit	\$ 4,235,000	\$ 2,699,669	\$ 1,535,331
Old Northwest Building - Retrofit	6,500,000	5,854,639	645,361
West - Fieldhouse & Classroom	6,800,000	6,316,846	483,154
Glendale/Mountain View Community Learning Center	5,800,000	299,067	5,500,933
	<u>\$ 23,335,000</u>	<u>\$ 15,170,221</u>	<u>\$ 8,164,779</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, 2012.

5. RETIREMENT PLANS

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

Tier 1 State and School Contributory System

Tier 1 State and School Noncontributory System

Tier 2 State and School Contributory System (new in 2012)

The Systems 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 Title 49 of the *Utah Code*. The Utah State Retirement Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board whose members are appointed by the Governor. The Systems 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 Tier 1 State and School Contributory Retirement System are required to contribute 1.00% of annual covered salary, and the District contributes 17.37% of annual covered salary. For employees participating in the Tier 1 State and School Noncontributory Retirement System, the District contributes 16.86% of annual covered salary. For employees participating in the Tier 2 State and School Contributory System, the District contributes 12.74% of annual covered salary. The contribution rates are actuarially determined. The contribution requirements of the Systems are authorized by statute and specified by the Utah State Retirement Board.

The District's contributions to the Tier 1 State and School Contributory Retirement System for the years ended June 30, 2012, 2011, and 2010 were \$495,711, \$508,022, and \$537,438, respectively; and employee contributions were \$13,944, \$14,992, and \$17,643, respectively. The District's contributions to the Tier 1 State and School Noncontributory Retirement System for the years ended June 30, 2012, 2011, and 2010, were \$18,498,931, \$18,049,325, and \$16,989,465, respectively. The District's contributions to the Tier 2 State and School Contributory System for the year ended June 30, 2012 were \$383,386. The contributions were equal to the required contributions for each year.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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 Tier 1 State and School Non-contributory Retirement System have a contribution of 2.5% 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, 2012, 2011, and 2010, were \$1,813,043, \$2,203,687, and \$2,828,075, respectively; the employee contributions for the years ending June 30, 2012, 2011, and 2010, were \$3,027,839, \$3,226,856, and \$3,604,203, respectively. In addition, employees contributed \$55,282, \$37,072, and \$22,907 to a Roth IRA Plan, for the years ending June 30, 2012, 2011, and 2010, respectively and \$596, \$1,052, and \$556, respectively, to a Traditional IRA Plan. 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 \$326,324 for the year ended June 30, 2012. 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, 2012 is \$770,342 and the total liability at June 30, 2012 is \$2,930,859. 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, 2012, an estimate of all future costs based on open claims was recorded as a liability of \$254,312; 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.

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

A reconciliation of the accrued liability for the years ended June 30, 2012 and 2011 is as follows:

	Workers Compensation	
	2012	2011
Accrued liability - beginning	\$ 256,143	\$ 156,787
Charges for services	655,335	939,211
Claims paid	(657,166)	(839,855)
Accrued liability - ending	<u>\$ 254,312</u>	<u>\$ 256,143</u>

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

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

The District self insures dental benefits for employees and retains a third-party administrator to process claims. At June 30, 2012, the current unpaid and the incurred but not reported liabilities were recorded for \$384,291. 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, 2012 and 2011 is as follows:

	Accrued Dental Insurance	
	2012	2011
Accrued liability - beginning	\$ 343,066	\$ 435,226
Charges for services	1,188,147	1,123,225
Claims paid	(1,146,922)	(1,215,385)
Accrued liability - ending	<u>\$ 384,291</u>	<u>\$ 343,066</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.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

7. LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 107,280,722	\$ 16,360,000	\$ (30,198,000)	\$ 93,442,722	\$ 12,810,000
Qualified school construction bonds	11,000,000	-	-	11,000,000	-
Deferred amounts on refunding	(2,454,870)	(1,435,598)	845,345	(3,045,123)	-
Unamortized premiums and discounts	3,721,811	2,062,922	(540,710)	5,244,023	-
Total bonds payable, net	119,547,663	16,987,324	(29,893,365)	106,641,622	12,810,000
Accrued vacation	1,240,420	74,821	(87,628)	1,227,613	86,724
Accrued sick leave	3,653,886	284,131	(414,177)	3,523,840	379,149
Early retirement incentive	3,002,479	770,342	(841,962)	2,930,859	852,457
Accrued dental insurance	343,066	1,188,147	(1,146,922)	384,291	384,291
Workers compensation	256,143	655,335	(657,166)	254,312	254,312
Total governmental activity long-term liabilities	<u>\$ 128,043,657</u>	<u>\$ 19,960,100</u>	<u>\$ (33,041,220)</u>	<u>\$ 114,962,537</u>	<u>\$ 14,766,933</u>

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

General Obligation Bonds – The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2012, including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 12,810,000	\$ 4,212,860	\$ 17,022,860
2014	13,990,000	3,341,830	17,331,830
2015	7,740,000	2,711,179	10,451,179
2016	8,087,722	2,364,979	10,452,701
2017	6,780,000	2,158,175	8,938,175
2018-2022	34,485,000	6,241,251	40,726,251
2023-2025	9,550,000	719,663	10,269,663
Totals	<u>\$ 93,442,722</u>	<u>\$ 21,749,937</u>	<u>\$ 115,192,659</u>

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

General obligation school building bonds payable at June 30, 2012, 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
\$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%.	770,000
\$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. During the year ended June 30, 2012, \$6,835,000 of these bonds were defeased.	2,110,000
\$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%. During the year ended June 30, 2012, \$2,150,000 of these bonds were defeased.	22,525,000
\$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%.	10,130,000
\$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%.	17,590,000
\$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%.	1,170,000
\$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%.	18,045,000
\$16,360,000 2012 refunding bonds, due in annual installments of \$410,000 to \$3,345,000, beginning March 1, 2013, through March 1, 2021, interest from 2.00% to 5.00%.	<u>16,360,000</u>
	<u>\$ 93,442,722</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, 2012, is \$1,002,762,330. General obligation debt net of deferred amounts on refunding and unamortized premiums and discounts at June 30, 2012 is \$95,641,622, resulting in a legal debt margin of \$907,120,708.

Advance Refunding – In February of 2012, the District issued \$16,360,000 of general obligation refunding bonds (Series 2012) 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 \$17,765,000 of previously issued general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government-wide financial statements. This advance refunding was undertaken to reduce total debt service payments over the next nine years by \$2,263,531 and resulted in an economic gain of \$1,951,291.

SALT LAKE CITY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

Qualified School Construction Bonds – Qualified school construction bonds, issued by the Building Authority, payable at June 30, 2012, 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%. 6,000,000

\$ 11,000,000

The District transfers \$737,941 annually into a sinking fund. At June 30, 2012, the sinking fund has a balance of \$1,342,658. The annual requirements to amortize all lease revenue bonds outstanding as of June 30, 2012, including interest payments are listed as follows:

Year Ending June 30,	Principal	Net Interest	Total
2013	\$ -	\$ 51,400	\$ 51,400
2014	-	51,400	51,400
2015	-	51,400	51,400
2016	-	51,400	51,400
2017	-	51,400	51,400
2018-2022	-	257,000	257,000
2023-2027	5,000,000	136,750	5,136,750
2028	6,000,000	14,400	6,014,400
Totals	<u>\$ 11,000,000</u>	<u>\$ 665,150</u>	<u>\$ 11,665,150</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 affect the financial statements of the District.

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

SALT LAKE CITY SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

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 0.69%. The annual anticipated payments as of June 30, 2012, including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 72,825	\$ 7,761	\$ 80,586
2014	73,331	7,255	80,586
2015	73,840	6,746	80,586
2016	74,352	6,234	80,586
2017	74,869	5,717	80,586
2018-2022	382,209	20,721	402,930
2023-2027	366,628	7,269	373,897
Totals	<u>\$ 1,118,054</u>	<u>\$ 61,703</u>	<u>\$ 1,179,757</u>

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

SALT LAKE CITY SCHOOL DISTRICT

Major Governmental Funds

General Fund

By definition the general fund is a major fund.

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

Debt Service Fund

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

Capital Projects Fund

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

SALT LAKE CITY SCHOOL DISTRICT

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

General Fund

Year Ended June 30, 2012

With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property tax	\$ 63,145,155	\$ 64,858,727	\$ 1,713,572	\$ 62,793,446
Interest on investments	900,869	1,165,916	265,047	1,055,216
Other local sources	4,643,981	6,860,079	2,216,098	6,987,243
State of Utah	82,177,433	79,714,817	(2,462,616)	85,940,854
Federal government	24,786,788	22,266,784	(2,520,004)	27,393,349
Total revenues	175,654,226	174,866,323	(787,903)	184,170,108
Expenditures:				
Current:				
Instruction	127,291,860	120,032,041	7,259,819	122,465,000
Supporting services:				
Students	5,921,100	5,819,902	101,198	5,892,066
Instructional staff	12,367,198	11,832,489	534,709	11,657,062
General district administration	901,174	613,129	288,045	903,263
General school administration	11,656,735	11,457,168	199,567	11,179,035
Central services	4,597,475	4,516,641	80,834	4,811,435
Operation and maintenance of school buildings	15,211,628	15,000,732	210,896	16,511,711
Student transportation	5,243,276	5,463,831	(220,555)	5,253,829
Child nutrition services	98,954	96,268	2,686	165,900
Total expenditures	183,289,400	174,832,201	8,457,199	178,839,301
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	(7,635,174)	34,122	7,669,296	5,330,807
Fund balances - beginning	43,804,091	43,804,091	-	38,473,284
Fund balances - ending	\$ 36,168,917	\$ 43,838,213	\$ 7,669,296	\$ 43,804,091

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2012

With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property tax	\$ 16,914,065	\$ 17,396,111	\$ 482,046	\$ 17,211,909
Interest on investments	10,000	17,973	7,973	9,742
Other local sources	-	-	-	15,648
Total revenues	16,924,065	17,414,084	490,019	17,237,299
Expenditures:				
Bond issuance costs	138,565	130,143	8,422	162,210
Principal retirement	11,443,392	12,433,000	(989,608)	12,111,000
Interest on bonds	5,070,069	4,080,461	989,608	4,791,903
Other fees	5,000	5,000	-	5,250
Total expenditures	16,657,026	16,648,604	8,422	17,070,363
Excess (deficiency) of revenues over (under) expenditures	267,039	765,480	481,597	166,936
Other Financing Sources (Uses):				
Refunding bond proceeds	16,360,000	16,360,000	-	18,255,000
Bond premium	2,062,922	2,062,922	-	2,984,071
Payment to refunded bond escrow agent	(18,664,357)	(18,664,358)	(1)	(21,076,861)
Total other financing sources (uses)	(241,435)	(241,436)	(1)	162,210
Net change in fund balances	25,604	524,044	481,596	329,146
Fund balances - beginning	473,173	473,173	-	144,027
Fund balances - ending	<u>\$ 498,777</u>	<u>\$ 997,217</u>	<u>\$ 481,596</u>	<u>\$ 473,173</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, 2012

With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 13,977,531	\$ 13,832,281	\$ (145,250)	\$ 19,537,520
Interest on investments	147,675	189,093	41,418	167,754
Other local sources	157,857	150,000	(7,857)	214,240
State of Utah	-	40,601	40,601	-
Federal government	-	-	-	1,711,562
Total revenues	14,283,063	14,211,975	(71,088)	21,631,076
Expenditures:				
Site acquisition	-	-	-	1,893,292
Equipment	2,224,260	1,869,036	355,224	2,230,086
Bond issuance costs	-	-	-	46,281
Interest on bonds	51,400	51,400	-	42,280
Bond agent fees	4,100	4,100	-	2,100
Facilities acquisition and construction services	29,776,508	24,008,803	5,767,705	18,313,243
Total expenditures	32,056,268	25,933,339	6,122,929	22,527,282
Excess (deficiency) of revenues over (under) expenditures	(17,773,205)	(11,721,364)	6,051,841	(896,206)
Other Financing Sources (Uses):				
Qualified school construction bond proceeds	-	-	-	6,000,000
Sale of capital assets	49,170	73,264	24,094	100,734
Total other financing sources (uses)	49,170	73,264	24,094	6,100,734
Net change in fund balances	(17,724,035)	(11,648,100)	6,075,935	5,204,528
Fund balances - beginning	34,302,351	34,302,351	-	29,097,823
Fund balances - ending	\$ 16,578,316	\$ 22,654,251	\$ 6,075,935	\$ 34,302,351

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, 2012

	Special Revenue Funds			
	Special Programs	Child Nutrition	Student Activities	Total
Assets:				
Cash and investments	\$ 8,006,480	\$ 1,320,899	\$ 2,167,545	\$ 11,494,924
Receivables:				
Property taxes	2,242,537	-	-	2,242,537
Other local	475,758	256	2,159	478,173
State of Utah	107,004	589,468	-	696,472
Federal government	1,183,690	401,407	236,283	1,821,380
Inventories	-	446,573	-	446,573
Prepaid expenditures	81,624	-	-	81,624
Total assets	<u>\$ 12,097,093</u>	<u>\$ 2,758,603</u>	<u>\$ 2,405,987</u>	<u>\$ 17,261,683</u>
Liabilities:				
Accounts payable	\$ 341,203	\$ 95,407	\$ 30,817	\$ 467,427
Due to student organizations	-	-	250,349	250,349
Deferred revenue:				
Property taxes	2,240,466	-	-	2,240,466
Other local	48,245	145,636	-	193,881
State of Utah	2,276,404	-	-	2,276,404
Total liabilities	<u>4,906,318</u>	<u>241,043</u>	<u>281,166</u>	<u>5,428,527</u>
Fund balances:				
Nonspendable:				
Inventories	-	446,573	-	446,573
Prepaid expenditures	81,624	-	-	81,624
Restricted:				
Community recreation	2,880,113	-	-	2,880,113
Child nutrition services	-	2,070,987	-	2,070,987
Assigned:				
Programs	4,145,865	-	-	4,145,865
Schools	83,173	-	-	83,173
Students	-	-	2,124,821	2,124,821
Total fund balances	<u>7,190,775</u>	<u>2,517,560</u>	<u>2,124,821</u>	<u>11,833,156</u>
Total liabilities and fund balances	<u>\$ 12,097,093</u>	<u>\$ 2,758,603</u>	<u>\$ 2,405,987</u>	<u>\$ 17,261,683</u>

SALT LAKE CITY SCHOOL DISTRICT

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

Year Ended June 30, 2012

	Special Revenue Funds			
	Special Programs	Child Nutrition	Student Activities	Total
Revenues:				
Property taxes	\$ 8,304,246	\$ -	\$ -	\$ 8,304,246
Tuition	1,897,119	-	-	1,897,119
Student fees	-	-	680,582	680,582
Food sales	-	1,198,038	-	1,198,038
Earnings on investments	58,248	9,260	22,208	89,716
Other local revenues	2,655,280	-	2,477,752	5,133,032
State of Utah	3,895,590	1,552,420	-	5,448,010
Federal government	5,136,482	10,327,353	236,283	15,700,118
Total revenues	21,946,965	13,087,071	3,416,825	38,450,861
Expenditures:				
Current:				
Instruction	10,199,549	-	3,486,643	13,686,192
Supporting services:				
Students	27,261	-	-	27,261
Instructional staff	2,926,951	-	-	2,926,951
General district administration	441,027	-	-	441,027
Central	39,043	-	-	39,043
Operation and maintenance of school buildings	2,381,095	-	-	2,381,095
Child nutrition services	-	13,447,806	-	13,447,806
Community services	919,813	-	-	919,813
Capital outlay	1,512,348	-	-	1,512,348
Total expenditures	18,447,087	13,447,806	3,486,643	35,381,536
Excess (deficiency) of revenues over (under) expenditures	3,499,878	(360,735)	(69,818)	3,069,325
Other financing sources (uses):				
Proceeds from sale of capital assets	-	4,899	-	4,899
Net change in fund balances	3,499,878	(355,836)	(69,818)	3,074,224
Fund balances - beginning	3,690,897	2,873,396	2,194,639	8,758,932
Fund balances - ending	\$ 7,190,775	\$ 2,517,560	\$ 2,124,821	\$ 11,833,156

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, 2012

With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 7,801,449	\$ 8,304,246	\$ 502,797	\$ 2,001,385
Tuition	1,632,374	1,897,119	264,745	1,920,833
Earnings on investments	300	58,248	57,948	20,127
Other local sources	3,275,448	2,655,280	(620,168)	2,512,595
State of Utah	3,986,177	3,895,590	(90,587)	3,914,870
Federal government:	6,206,524	5,136,482	(1,070,042)	5,336,680
Total revenues	22,902,272	21,946,965	(955,307)	15,706,490
Expenditures:				
Current:				
Instruction	11,403,542	10,199,549	1,203,993	10,935,696
Supporting services:				
Counseling and child accounting	28,455	27,261	1,194	50,868
Library media and educational supervision	3,324,597	2,926,951	397,646	2,655,914
General district administration	464,466	441,027	23,439	388,836
Central	39,703	39,043	660	39,230
Operation and maintenance of school buildings	2,565,380	2,381,095	184,285	878,701
Community services	835,456	919,813	(84,357)	717,929
Capital outlay	2,015,070	1,512,348	502,722	10,051
Total expenditures	20,676,669	18,447,087	2,229,582	15,677,225
Excess (deficiency) of revenues over (under) expenditures - net change in fund balances	2,225,603	3,499,878	1,274,275	29,265
Fund balances - beginning	3,690,897	3,690,897	-	3,661,632
Fund balances - ending	<u>\$ 5,916,500</u>	<u>\$ 7,190,775</u>	<u>\$ 1,274,275</u>	<u>\$ 3,690,897</u>

SALT LAKE CITY SCHOOL DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual *Child Nutrition*

A Nonmajor Special Revenue Fund

Year Ended June 30, 2012

With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Food sales	\$ 1,256,774	\$ 1,198,038	\$ (58,736)	\$ 1,208,121
Earnings on investments	9,500	9,260	(240)	7,690
State of Utah	1,476,835	1,552,420	75,585	1,409,369
Federal government	10,644,372	10,327,353	(317,019)	10,463,161
Total revenues	13,387,481	13,087,071	(300,410)	13,088,341
Expenditures:				
Current:				
Salaries	3,917,252	3,586,440	330,812	3,563,360
Employee benefits	1,513,340	1,316,036	197,304	1,311,153
Food	6,847,497	6,328,420	519,077	5,725,268
Supplies	714,000	624,995	89,005	1,332,050
Contracted services	370,635	324,909	45,726	336,760
Indirect costs	655,748	631,121	24,627	731,319
Equipment and maintenance	623,801	635,885	(12,084)	101,814
Total expenditures	14,642,273	13,447,806	1,194,467	13,101,724
Excess (deficiency) of revenues over (under) expenditures	(1,254,792)	(360,735)	894,057	(13,383)
Other financing sources:				
Proceeds from sale of capital assets	8,000	4,899	(3,101)	1,878
Net change in fund balances	(1,246,792)	(355,836)	890,956	(11,505)
Fund balances - beginning	2,873,396	2,873,396	-	2,884,901
Fund balances - ending	<u>\$ 1,626,604</u>	<u>\$ 2,517,560</u>	<u>\$ 890,956</u>	<u>\$ 2,873,396</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, 2012

With Comparative Totals for 2011

	2012			2011
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Interest from investments	\$ 35,000	\$ 22,208	\$ (12,792)	\$ 13,322
Fees and fines	2,012	680,582	678,570	139,595
Vending	100,000	50,711	(49,289)	53,052
Other	3,862,988	2,427,041	(1,435,947)	3,484,888
Federal government	233,730	236,283	2,553	-
Total revenues	4,233,730	3,416,825	(816,905)	3,690,857
Expenditures:				
Current:				
Salaries	130,958	132,076	(1,118)	37,782
Employee benefits	9,092	14,736	(5,644)	5,337
Contract services	348,400	42,146	306,254	44,198
Construction services	134,930	233,732	(98,802)	-
Purchased services	36,092	58,196	(22,104)	34,446
Supplies	3,310,575	2,951,280	359,295	3,101,297
Dues and fees	29,953	-	29,953	680
Equipment	-	54,477	(54,477)	4,381
Total expenditures	4,000,000	3,486,643	513,357	3,228,121
Excess (deficiency) of revenues over (under) expenditures -	233,730	(69,818)	(303,548)	462,736
Fund balances - beginning	2,194,639	2,194,639	-	1,731,903
Fund balances - ending	<u>\$ 2,428,369</u>	<u>\$ 2,124,821</u>	<u>\$ (303,548)</u>	<u>\$ 2,194,639</u>

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, 2012

With Comparative Totals for 2011

	2012					2011
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
Assets:						
Current assets:						
Cash and investments	\$ -	\$ 98,324	\$ 96,958	\$ 8,624,231	\$ 8,819,513	\$ 9,021,192
Receivables	272	-	-	-	272	21,919
Inventories	289,754	23,099	74,095	-	386,948	357,511
Prepaid expenses	-	-	-	-	-	12,209
Total current assets	290,026	121,423	171,053	8,624,231	9,206,733	9,412,831
Capital assets:						
Equipment	275,513	123,671	102,017	-	501,201	531,765
Accumulated depreciation	(163,687)	(98,612)	(83,704)	-	(346,003)	(442,989)
Net capital assets	111,826	25,059	18,313	-	155,198	88,776
Total assets	401,852	146,482	189,366	8,624,231	9,361,931	9,501,607
Liabilities:						
Current liabilities:						
Accounts payable	283,180	3,833	1,783	-	288,796	240,393
Accrued vacation	-	-	-	86,724	86,724	61,055
Accrued sick leave	-	-	-	379,149	379,149	294,149
Early retirement incentive	-	-	-	852,457	852,457	833,756
Dental insurance	-	-	-	384,291	384,291	343,066
Workers compensation	-	-	-	254,312	254,312	256,143
Total current liabilities	283,180	3,833	1,783	1,956,933	2,245,729	2,028,562
Noncurrent liabilities:						
Accrued vacation	-	-	-	1,140,889	1,140,889	1,179,365
Accrued sick leave	-	-	-	3,144,691	3,144,691	3,359,737
Early retirement incentive	-	-	-	2,078,402	2,078,402	2,168,723
Total noncurrent liabilities	-	-	-	6,363,982	6,363,982	6,707,825
Total liabilities	283,180	3,833	1,783	8,320,915	8,609,711	8,736,387
Net assets:						
Invested in capital assets	111,826	25,059	18,313	-	155,198	88,776
Unrestricted	6,846	117,590	169,270	303,316	597,022	676,444
Total net assets	\$ 118,672	\$ 142,649	\$ 187,583	\$ 303,316	\$ 752,220	\$ 765,220

SALT LAKE CITY SCHOOL DISTRICT

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

Internal Service Funds

Year Ended June 30, 2012

With Comparative Totals for 2011

	2012					2011
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Total	Total
Operating revenues:						
Charges for services	\$ 714,691	\$ 210,932	\$ 991,317	\$ 2,972,774	\$ 4,889,714	\$ 4,981,508
Operating expenses:						
Salaries	332,409	93,139	520,557	-	946,105	947,301
Employee benefits	117,209	40,524	235,276	2,994,688	3,387,697	3,429,886
Materials	142,480	55,014	209,175	-	406,669	413,913
Contracted services	26,097	-	14,162	-	40,259	33,896
Utilities	216	-	-	-	216	94,566
Equipment maintenance	23,621	44,501	4,870	-	72,992	77,121
Depreciation	20,194	3,204	796	-	24,194	27,104
Other expenses	70,124	5,066	5,354	-	80,544	11,098
Total operating expenses	732,350	241,448	990,190	2,994,688	4,958,676	5,034,885
Operating income (loss)	(17,659)	(30,516)	1,127	(21,914)	(68,962)	(53,377)
Nonoperating income (expense):						
Interest on investments	-	738	295	54,929	55,962	42,343
Change in net assets	(17,659)	(29,778)	1,422	33,015	(13,000)	(11,034)
Net assets - beginning	136,331	172,427	186,161	270,301	765,220	776,254
Net assets - ending	\$ 118,672	\$ 142,649	\$ 187,583	\$ 303,316	\$ 752,220	\$ 765,220

SALT LAKE CITY SCHOOL DISTRICT

Combining Statement of Fund Cash Flows Internal Service Funds

Year Ended June 30, 2012

With Comparative Totals for 2011

	2012				2011
	Distribution Services	Printing/ Graphics	Technical Services	Employee Benefits	Totals
Cash flows from operating activities:					
Receipts from interfund services provided	\$ 714,431	\$ 210,932	\$ 991,317	\$ 2,994,681	\$ 4,911,361
Payments to suppliers	(212,188)	(111,099)	(246,218)	-	(569,505)
Payments to employees	(449,618)	(133,663)	(755,833)	(3,169,767)	(4,508,881)
Net cash provided (used) by operating activities	52,625	(33,830)	(10,734)	(175,086)	(167,025)
Cash flows from capital and related financing activities:					
Acquisition of capital assets	(52,625)	(18,882)	(19,109)	-	(90,616)
Cash flows from investing activities:					
Interest earned	-	738	295	54,929	55,962
Change in cash and cash equivalents	-	(51,974)	(29,548)	(120,157)	(201,679)
Cash and Cash Equivalents - Beginning	-	150,298	126,506	8,744,388	9,021,192
Cash and Cash Equivalents - Ending (displayed as cash and investments in the combining statement of fund net assets)	\$ -	\$ 98,324	\$ 96,958	\$ 8,624,231	\$ 8,819,513
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ (17,659)	\$ (30,516)	\$ 1,127	\$ (21,914)	\$ (68,962)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation expense	20,194	3,204	796	-	24,194
Changes in operating assets and liabilities:					
Receivables	(260)	-	-	21,907	21,647
Inventories	(17,559)	(6,687)	(5,191)	-	(29,437)
Prepaid expenses	11,337	872	-	-	12,209
Accounts payable	56,572	(703)	(7,466)	-	48,403
Accrued vacation	-	-	-	(12,807)	(12,807)
Accrued sick leave	-	-	-	(130,046)	(130,046)
Early retirement incentive payable	-	-	-	(71,620)	(71,620)
Dental insurance payable	-	-	-	41,225	41,225
Workers compensation payable	-	-	-	(1,831)	(1,831)
Total adjustments	70,284	(3,314)	(11,861)	(153,172)	(98,063)
Net cash provided (used) by operating activities	\$ 52,625	\$ (33,830)	\$ (10,734)	\$ (175,086)	\$ (167,025)
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.	67 - 72
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	73 - 76
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	77 - 81
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	83 - 84
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	85 - 96
Continuing Disclosure Information These schedules are required as part of the District's ongoing general obligation bonded debt disclosures and give additional information to investors about the financial trends and tax base of the District.	97 - 101

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

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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
2012	\$ 237,440,881	\$ 36,736,166	\$ 47,128,386	\$ 321,305,433
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

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)

	Fiscal Year Ended June 30,			
	2012	2011	2010	2009
Expenses				
Instruction	\$ 153,800,381	\$ 154,224,029	\$ 153,450,334	\$ 151,852,629
Supporting services:				
Students	5,965,406	6,059,853	6,245,107	6,528,229
Instructional staff	15,361,417	14,897,568	15,406,650	16,297,035
General district administration	1,181,821	1,413,788	1,357,320	1,147,099
General school administration	11,811,898	11,529,791	11,293,363	10,060,731
Central	4,555,684	4,850,665	4,622,323	4,660,032
Operation and maintenance of school buildings	18,295,132	18,208,395	18,234,484	20,242,738
Student transportation	6,058,589	5,851,624	5,059,709	5,139,744
Other	-	-	-	-
Child nutrition services	14,547,742	14,257,099	13,079,043	13,464,062
Community services	919,813	717,929	562,525	513,449
Interest on long-term liabilities	3,823,970	4,571,285	5,322,106	5,746,253
Total expenses	<u>236,321,853</u>	<u>236,582,026</u>	<u>234,632,964</u>	<u>235,652,001</u>
Program Revenues				
Charges for services:				
Instruction	4,481,581	4,131,741	3,388,844	3,743,039
Supporting services	370,779	445,325	475,060	491,177
Community services	2,012,325	1,208,121	1,183,018	1,054,712
Child nutrition services	1,198,038	1,790,335	1,339,422	1,644,704
Operating grants and contributions	69,875,094	71,722,359	70,280,605	67,347,167
Total program revenues	<u>77,937,817</u>	<u>79,297,881</u>	<u>76,666,949</u>	<u>74,280,799</u>
Net (expense)/revenue	(158,384,036)	(157,284,145)	(157,966,015)	(161,371,202)
General Revenues and Other Changes in Net Assets				
Property taxes	103,998,011	102,066,099	97,273,621	98,026,965
Federal and state aid not restricted to specific purposes	53,295,236	64,447,486	64,685,625	72,648,266
Earnings on investments	1,518,660	1,316,194	1,683,970	3,772,269
Miscellaneous	7,856,127	8,960,693	8,814,375	7,934,561
Special item - gain (loss) on sale of capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total general and Other	<u>166,668,034</u>	<u>176,790,472</u>	<u>172,457,591</u>	<u>182,382,061</u>
Change in net assets	<u>\$ 8,283,998</u>	<u>\$ 19,506,327</u>	<u>\$ 14,491,576</u>	<u>\$ 21,010,859</u>

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

2008	2007	2006	2005	2004	2003
\$ 148,816,437	\$ 128,090,287	\$ 121,092,136	\$ 123,020,933	\$ 117,563,738	\$ 114,395,404
6,160,831	5,601,671	5,337,591	4,844,132	4,656,927	4,366,774
16,828,598	16,309,593	15,056,516	14,660,073	14,019,717	13,628,478
1,231,531	1,150,893	958,648	935,694	848,490	957,423
9,570,287	8,936,635	8,386,289	8,020,289	7,645,986	7,404,602
4,147,499	4,134,114	4,026,619	3,951,811	3,734,409	3,509,838
17,240,137	16,696,371	15,378,445	14,459,399	14,265,928	14,468,785
5,421,467	4,968,145	4,248,876	3,900,984	3,746,698	3,380,522
110,252	61,473	60,386	60,786	64,697	-
12,514,591	12,655,235	10,470,589	9,883,076	9,088,718	8,786,219
489,901	414,688	493,430	510,772	471,650	-
4,946,826	7,595,731	6,564,799	4,558,460	4,957,405	3,604,164
227,478,357	206,614,836	192,074,324	188,806,409	181,064,363	174,502,209
6,673,555	4,405,759	4,101,710	2,529,295	2,542,871	3,129,230
566,065	581,091	617,967	442,718	403,968	288,844
1,102,037	587,163	730,785	768,987	687,892	-
1,150,852	1,592,285	1,529,549	1,407,576	1,480,345	1,497,262
60,378,521	51,643,095	50,305,857	50,215,690	47,997,245	46,330,566
69,871,030	58,809,393	57,285,868	55,364,266	53,112,321	51,245,902
(157,607,327)	(147,805,443)	(134,788,456)	(133,442,143)	(127,952,042)	(123,256,307)
97,748,775	98,994,142	84,772,942	82,696,878	79,257,468	72,824,950
66,263,474	59,246,466	55,300,216	52,585,629	50,948,224	48,519,102
4,552,856	5,365,984	3,481,248	1,946,572	1,356,863	2,101,797
4,134,406	2,291,372	1,100,770	2,171,861	1,960,745	2,110,468
1,154,765	1,127,244	-	-	-	492,828
173,854,276	167,025,208	144,655,176	139,400,940	133,523,300	126,049,145
\$ 16,246,949	\$ 19,219,765	\$ 9,866,720	\$ 5,958,797	\$ 5,571,258	\$ 2,792,838

SALT LAKE SCHOOL DISTRICT

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

	Fiscal Year Ended June 30,			
	2012	2011	2010	2009
Revenues				
Property taxes	\$ 104,391,365	\$ 101,544,260	\$ 96,367,544	\$ 97,410,606
Other local sources	17,381,548	17,810,066	16,723,463	18,448,615
State of Utah	85,203,428	91,265,093	89,412,671	97,096,751
Federal government	37,966,902	44,904,752	45,553,559	42,898,682
Total revenues	<u>244,943,243</u>	<u>255,524,171</u>	<u>248,057,237</u>	<u>255,854,654</u>
Expenditures				
Instruction	133,718,233	136,628,817	133,719,808	136,305,305
Supporting services:				
Students	5,847,163	5,942,934	6,138,199	6,421,380
Instructional staff	14,759,440	14,312,976	14,872,111	15,762,789
General district administration	1,054,156	1,292,099	1,225,378	1,039,932
General school administration	11,457,168	11,179,035	10,972,640	9,740,183
Central	4,555,684	4,850,665	4,622,323	4,660,032
Operation and maintenance of buildings	17,381,827	17,390,412	17,478,438	19,492,892
Student transportation	5,463,831	5,253,829	4,508,769	4,587,473
Other	-	-	-	-
Child nutrition services	13,544,074	13,267,624	12,174,820	12,523,847
Community services	919,813	717,929	562,525	513,449
Capital outlay	27,390,187	22,491,052	18,073,415	31,409,429
Debt service:				
Principal retirement	12,433,000	12,111,000	11,483,000	11,056,000
Bond issuance costs	130,143	208,491	78,023	-
Interest, fiscal charges and other	4,140,961	4,797,153	5,443,821	5,876,578
Total expenditures	<u>252,795,680</u>	<u>250,444,016</u>	<u>241,353,270</u>	<u>259,389,289</u>
Excess (deficiency) of revenues over (under) expenditures	(7,852,437)	5,080,155	6,703,967	(3,534,635)
Other financing sources (uses)				
Refunding bonds issued	16,360,000	18,255,000	-	-
Bonds issued	-	6,000,000	5,000,000	-
Bond premium	2,062,922	2,984,071	-	-
Bond discount	-	-	-	-
Payment to refunded bonds escrow agent	(18,664,358)	(21,076,861)	-	-
Proceeds from the sale of capital assets	78,163	102,612	254,258	53,584
Total other financing sources (uses)	<u>(163,273)</u>	<u>6,264,822</u>	<u>5,254,258</u>	<u>53,584</u>
Net change in fund balances	<u>\$ (8,015,710)</u>	<u>\$ 11,344,977</u>	<u>\$ 11,958,225</u>	<u>\$ (3,481,051)</u>
Debt service as a percentage of noncapital expenditures	7.04%	7.18%	7.23%	7.23%

2008	2007	2006	2005	2004	2003
\$ 99,487,300	\$ 98,980,594	\$ 83,415,882	\$ 82,977,301	\$ 80,563,113	\$ 72,087,271
17,837,559	14,466,456	11,437,326	9,071,776	8,310,425	9,015,660
96,616,784	81,208,998	76,234,377	73,997,888	72,257,791	72,499,191
30,025,211	29,680,563	29,371,696	28,803,431	26,687,678	22,350,477
243,966,854	224,336,611	200,459,281	194,850,396	187,819,007	175,952,599
130,643,850	114,778,371	109,320,100	110,311,569	102,615,405	101,943,792
6,055,848	5,509,445	5,247,602	4,764,071	4,579,058	4,296,342
16,303,681	15,848,461	14,606,574	14,259,777	13,630,381	13,276,306
1,132,620	1,043,435	844,915	788,293	715,702	819,258
9,255,337	8,659,956	8,116,323	7,780,109	7,412,381	7,193,298
4,147,499	4,134,114	4,026,619	3,951,811	3,734,409	3,509,838
17,029,973	16,485,564	14,692,413	13,891,111	13,726,876	13,998,454
4,414,868	4,057,943	3,780,775	3,463,364	3,366,309	2,929,302
110,252	61,473	60,386	60,786	64,697	-
11,553,314	11,807,975	9,638,347	9,315,593	8,351,657	8,098,003
489,901	414,688	493,430	510,772	471,650	-
30,743,475	24,290,623	40,160,641	41,639,546	41,368,637	26,484,123
10,859,000	10,215,000	7,910,000	6,265,000	5,905,000	4,180,000
164,012	-	131,248	297,569	-	-
6,071,060	6,732,366	5,685,916	4,687,813	5,083,712	3,341,503
248,974,690	224,039,414	224,715,289	221,987,184	211,025,874	190,070,219
(5,007,836)	297,197	(24,256,008)	(27,136,788)	(23,206,867)	(14,117,620)
16,801,000	-	-	19,665,000	-	18,420,000
-	-	31,255,000	35,000,000	-	45,000,000
101,405	-	401,267	1,449,569	-	580,162
-	-	-	-	-	(63,750)
(16,738,393)	-	-	(20,899,708)	-	(18,261,509)
109,248	2,135,070	110	1,088	6,944	978,462
273,260	2,135,070	31,656,377	35,215,949	6,944	46,653,365
\$ (4,734,576)	\$ 2,432,267	\$ 7,400,369	\$ 8,079,161	\$ (23,199,923)	\$ 32,535,745
7.45%	8.27%	7.26%	5.89%	6.19%	4.42%

SALT LAKE CITY SCHOOL DISTRICT

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

Fiscal Year Ended June 30,	General Fund						Total
	Nonspendable	Restricted	Restricted	Committed	Assigned	Unassigned	
2012	\$ 114,464	\$ -	\$ -	\$ 7,000,000	\$ 27,118,083	\$ 9,605,666	\$ 43,838,213
2011	144,865	-	-	7,000,000	26,404,314	10,254,912	43,804,091
2010	123,845	-	-	7,000,000	19,512,177	11,837,262	38,473,284
2009	416,115	-	-	7,000,000	16,149,475	12,691,431	36,257,021
2008	705,358	-	-	7,000,000	7,544,326	13,420,241	28,669,925
2007	534,196	-	-	7,000,000	4,954,152	13,111,225	25,599,573
2006	627,172	-	-	7,000,000	3,577,247	11,204,359	22,408,778
2005	649,158	-	-	7,000,000	3,349,445	12,484,268	23,482,871
2004	598,498	-	-	6,500,000	2,724,035	15,755,569	25,578,102
2003	601,152	-	-	5,000,000	2,233,775	17,422,340	25,257,267

Fiscal Year Ended June 30,	All Other Governmental Funds								
	Nonspendable	Restricted				Assigned			
		Community Recreation	Child Nutrition	Capital Projects	Debt Service	Programs	Schools	Students	Total
2012	\$ 634,151	\$ 2,880,113	\$ 2,070,987	\$ 22,548,297	\$ 997,217	\$ 4,145,865	\$ 83,173	\$ 2,124,821	\$ 35,484,624
2011	529,853	746,549	2,397,752	34,259,502	473,173	2,847,426	86,497	2,193,704	43,534,456
2010	873,766	2,175,407	2,138,429	28,986,407	144,027	1,411,518	58,829	1,731,903	37,520,286
2009	822,656	1,748,464	1,071,746	19,652,789	552,888	2,104,519	70,992	1,754,270	27,778,324
2008	1,218,949	1,757,603 *	1,150,091 *	30,354,885 *	1,096,558 *	1,501,459 *	- *	1,766,926 *	38,846,471
2007	1,184,082	1,068,253	1,206,868	38,831,304	814,747	1,209,703	213,749	-	44,528,706
2006	882,728	511,885	2,162,265	40,547,056	-	1,012,710	170,590	-	45,287,234
2005	597,929	444,026	1,592,761	33,114,042	109,812	794,019	160,183	-	36,812,772
2004	482,457	232,210	1,194,932	23,664,908	424,288	510,068	129,517	-	26,638,380
2003	385,435	323,454	430,016	48,169,078	341,010	377,867	132,278	-	50,159,138

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
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	24,826,812,300	72.74%
2011	1,576,916,496	7,441,337,891	7,473,015,890	56,380	1,730,988,924	18,222,315,581	0.006408	25,069,058,250	72.69%

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, 2002 through 2011

(rate per \$1 of assessed value)

	Tax Rates for the Tax Year Ended December 31,									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Salt Lake City School District direct rates:										
Basic program (1)	0.001591	0.001527	0.001433	0.001277	0.001319	0.001556	0.001743	0.001828	0.001856	0.001834
Voted and board leeway (2)	0.001280	0.002000	0.001968	0.001585	0.001620	0.002000	0.002000	0.002000	0.002000	0.002000
K-3 reading program	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	0.000121	(a)	(a)
Transportation (3)	0.000151	0.000095	(b)	(b)	(b)	(b)	(b)	(b)	(b)	(b)
Tort liability (4)	0.000100	0.000022	0.000022	0.000019	0.000020	0.000024	0.000026	0.000026	0.000027	0.000026
Recreation (5)	0.000485	0.000120	0.000116	0.000111	0.000118	0.000134	0.000151	0.000158	0.000121	0.000118
Capital outlay (6)	0.001119	0.001229	0.001123	0.000801	0.000803	0.000847	0.000793	0.000854	0.000914	0.000831
10% of Basic - Other (7)	0.000545	0.000225	0.000223	0.000196	0.000209	0.000247	0.000278	0.000280	0.000286	0.000278
Debt service (8)	0.001016	0.001032	0.000970	0.000827	0.000874	0.001073	0.000968	0.000772	0.000814	0.000486
Total direct rate	0.006408	0.006371	0.005976	0.004937	0.005084	0.006002	0.006080	0.006039	0.006018	0.005573

Overlapping Rates:

Salt Lake City Corporation	0.004622	0.004637	0.003896	0.003299	0.003383	0.003958	0.004499	0.004653	0.004681	0.004457
Salt Lake City Library	0.000817	0.000791	0.000760	0.000618	0.000657	0.000762	0.000869	0.000887	0.000777	0.000755
Salt Lake County	0.002696	0.002593	0.002278	0.001934	0.001994	0.002371	0.002682	0.002816	0.002868	0.002939
Central Utah Water District	0.000436	0.000421	0.000400	0.000286	0.000302	0.000357	0.000400	0.000353	0.000358	0.000358
S.L.C. Metro. Water District	0.000409	0.000414	0.000398	0.000352	0.000351	0.000350	0.000259	0.000264	0.002690	0.000261
Mosquito Abatement District	0.000131	0.000132	0.000126	0.000097	0.000102	0.000118	0.000135	0.000138	0.000072	0.000070

Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature
- (2) Maximum rate is 0.002000
- (3) Maximum rate is 0.000300
- (4) Maximum rate is 0.000100
- (5) No maximum rate
- (6) Maximum rate is 0.002400
- (7) Maximum rate based on formula and changes annually
- (8) 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, 2011		December 31, 2002	
	Taxable Value	Percent of District's Total Taxable Value (1)	Taxable Value	Percent of District's Total Taxable Value (1)
City Creek Reserve	\$ 529,991,879	2.93%	\$ -	-
PacifiCorp	388,873,207	2.15%	271,080,985	1.92%
Sinclair Oil	193,243,100	1.07%	110,906,380	0.78%
Delta Airlines	166,964,580	0.92%	215,020,770	1.52%
Qwest Corporation	145,150,287	0.80%	339,128,077	2.40%
Sky West Airlines	138,508,482	0.77%	188,560,170	1.33%
Inland Western Salt City Gateway	122,130,300	0.68%	-	-
Property Reserve	116,845,685	0.65%	-	-
Wasatch Plaza Holding	115,547,000	0.64%	79,760,200	0.56%
Boyer Properties	112,749,700	0.62%	100,441,800	0.71%
Gateway Associates	109,317,300	0.61%	92,218,200	0.65%
Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints	58,705,870	0.33%	333,036,250	2.36%
AT&T Wireless	-	-	217,341,958	1.54%
Totals	<u>\$ 2,198,027,390</u>	<u>9.24%</u>	<u>\$ 1,947,494,790</u>	<u>13.78%</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
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%	2,558,768	98,008,618	100.00%
2007	98,281,497	95,619,445	97.29%	2,568,288	98,187,733	99.90%
2008	98,892,331	95,841,478	96.91%	2,561,697	98,403,175	99.51%
2009	97,662,099	93,364,752	95.60%	2,885,647	96,250,399	98.55%
2010	102,507,323	98,984,079	96.56%	1,953,184	100,937,263	98.47%
2011	104,561,807	101,267,001	96.85%	-	101,267,001	96.85%

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

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

SALT LAKE CITY SCHOOL DISTRICT

Ratios of Outstanding Debt Last Ten Fiscal Years

Fiscal Year Ended June 30,	Outstanding General Obligation Bonds	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
2003	\$ 118,077,722	0.83%	\$ 652	\$ 4,881	\$ -	\$ -	\$ 118,077,722	0.83%	\$ 652	\$ 4,881
2004	112,172,722	0.80%	624	4,748	-	-	112,172,722	0.80%	624	4,748
2005	140,667,722	0.98%	788	6,035	-	109,812	140,557,910	0.98%	787	6,030
2006	164,012,722	1.11%	921	7,044	-	-	164,012,722	1.11%	921	7,044
2007	153,797,722	0.92%	860	6,531	-	814,747	152,982,975	0.91%	855	6,497
2008	143,594,722	0.73%	795	6,176	-	1,096,558	142,498,164	0.73%	789	6,129
2009	132,538,722	0.64%	729	5,550	-	552,888	131,985,834	0.63%	726	5,527
2010	121,055,722	0.65%	661	5,007	5,000,000	144,027	125,911,695	0.68%	688	5,208
2011	107,280,722	0.59%	575	4,408	11,000,000	473,173	117,807,549	0.65%	632	4,841
2012	93,442,722	0.51%	492	3,835	11,000,000	997,217	103,445,505	0.57%	545	4,246

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt As of June 30, 2012

Taxing Entity (1)	2011 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 *	\$ 18,224,321,911	\$ 18,224,321,911	100.0%	\$ 170,058,269	\$ 170,058,269
Salt Lake County **	72,675,066,236	23,619,396,527	32.5%	253,860,000	82,504,500
Total Overlapping General Obligation Debt					<u>252,562,769</u>
Direct:					
General Obligation Debt					93,442,722
Deferred Amounts					<u>2,198,900</u>
Total Direct General Obligation Debt					95,641,622
Total Direct and Overlapping General Obligation Debt					<u>\$ 348,204,391</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, 2003 through 2012

Fiscal Year Ended June 30,	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
2003	\$ 19,577,523,566	\$ 783,100,943	\$ 118,077,722	\$ 711,100	\$ 665,734,321	14.99%
2004	19,078,075,246	763,123,010	112,172,722	657,127	651,607,415	14.61%
2005	20,354,534,876	814,181,395	140,667,722	284,209	673,797,882	17.24%
2006	20,301,794,775	812,071,791	164,012,722	(132,192)	647,926,877	20.21%
2007	23,061,841,525	922,473,661	153,797,722	(131,808)	768,544,131	16.69%
2008	27,216,392,096	1,088,655,684	143,594,722	368,697	945,429,659	13.16%
2009	28,669,298,571	1,146,771,943	132,538,722	356,118	1,014,589,339	11.53%
2010	25,580,544,749	1,023,221,790	121,055,722	343,539	902,509,607	11.80%
2011	24,826,812,300	993,072,492	107,280,722	(1,266,941)	884,524,829	10.93%
2012	25,069,058,250	1,002,762,330	93,442,722	(2,198,900)	907,120,708	9.54%

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

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

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

SALT LAKE CITY SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year) As of June 30, 2012

		Fiscal Year Ending June 30,											
		2013		2014		2015		2016		2017		2018	
Series 1997	Principal	\$ -	(1)	\$ -		\$ -		\$ -		\$ -		\$ -	
\$ 9,305,000	Interest	-	(1)	-		-		-		-		-	
Series 1998	Principal	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)
\$ 10,000,000	Interest	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)	-	(2)
Series 1999	Principal	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)
\$ 10,000,000	Interest	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)	-	(3)
Series 2000	Principal	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)
\$ 10,000,000	Interest	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)	-	(4)
Series 2001B	Principal	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)
\$ 10,000,000	Interest	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)	-	(5)
QZAB 2001	Principal	-		-		-		4,742,722		-		-	
\$ 4,742,722	Interest	39,554		39,555		39,554		39,554		-		-	
Series 2002A	Principal	-	(6)	-	(6)	-	(6)	-	(6)	-	(6)	-	(6)
\$ 10,000,000	Interest	-	(6)	-	(6)	-	(6)	-	(6)	-	(6)	-	(6)
Series 2002B	Principal	-	(10)	-	(10)	-	(10)	-	(10)	-	(10)	-	(10)
\$ 12,315,000	Interest	-	(10)	-	(10)	-	(10)	-	(10)	-	(10)	-	(10)
Series 2002C	Principal	770,000		-		-		-		-		-	
\$ 6,105,000	Interest	32,725		-		-		-		-		-	
Series 2003	Principal	2,110,000		-	(11)	-	(11)	-	(11)	-	(8)	-	(8)
\$ 45,000,000	Interest	366,568		-	(11)	-	(11)	-	(11)	-	(8)	-	(8)
Series 2005A	Principal	1,665,000		1,720,000		1,780,000		-		1,845,000		1,915,000	
\$ 35,000,000	Interest	905,150		846,875		786,675		715,475		715,475		641,675	
Series 2005B	Principal	3,415,000		5,755,000		960,000		-		-		-	
\$ 19,665,000	Interest	501,700		330,950		43,200		-		-		-	
Series 2006	Principal	2,565,000		2,655,000		1,820,000		-		1,540,000		1,610,000	
\$ 31,255,000	Interest	732,250		629,650		523,450		450,650		450,650		389,050	
Series 2007A	Principal	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)
\$ 9,876,000	Interest	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)	-	(9)
Series 2007B	Principal	1,170,000		-		-		-		-		-	
\$ 6,925,000	Interest	49,725		-		-		-		-		-	
Series 2010	Principal	90,000		550,000		-		-		2,360,000		2,480,000	
\$ 18,255,000	Interest	833,300		831,500		820,500		820,500		820,500		702,500	
Series 2012	Principal	1,025,000		3,310,000		3,180,000		3,345,000		1,035,000		1,070,000	
\$ 16,360,000	Interest	751,888		663,300		497,800		338,800		171,550		130,150	
Total		<u>\$ 17,022,860</u>		<u>\$ 17,331,830</u>		<u>\$ 10,451,179</u>		<u>\$ 10,452,701</u>		<u>\$ 8,938,175</u>		<u>\$ 8,938,375</u>	
Total Principal		\$ 12,810,000		\$ 13,990,000		\$ 7,740,000		\$ 8,087,722		\$ 6,780,000		\$ 7,075,000	
Total Interest		<u>4,212,860</u>		<u>3,341,830</u>		<u>2,711,179</u>		<u>2,364,979</u>		<u>2,158,175</u>		<u>1,863,375</u>	
Total		<u>\$ 17,022,860</u>		<u>\$ 17,331,830</u>		<u>\$ 10,451,179</u>		<u>\$ 10,452,701</u>		<u>\$ 8,938,175</u>		<u>\$ 8,938,375</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.
- (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.

Source: Salt Lake City School District records

2019	2020	2021	2022	2023	2024	2025	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(3)	-	-	-	-	-	-
-	(3)	-	-	-	-	-	-
-	(4)	-	-	-	-	-	-
-	(4)	-	-	-	-	-	-
-	(5)	-	(5)	-	-	-	-
-	(5)	-	(5)	-	-	-	-
-	-	-	-	-	-	-	4,742,722
-	-	-	-	-	-	-	158,217
-	(6)	-	(6)	-	-	-	-
-	(6)	-	(6)	-	-	-	-
-	(10)	-	(10)	-	-	-	-
-	(10)	-	(10)	-	-	-	-
-	-	-	-	-	-	-	770,000
-	-	-	-	-	-	-	32,725
-	(8)	-	(8)	-	(7)	-	2,110,000
-	(8)	-	(8)	-	(7)	-	366,568
1,985,000	2,065,000	-	(12)	2,240,000	2,335,000	2,435,000	22,525,000
565,075	485,675	403,075	(12)	403,075	310,675	211,438	7,098,288
-	-	-	-	-	-	-	10,130,000
-	-	-	-	-	-	-	875,850
1,670,000	2,475,000	3,255,000	-	-	-	-	17,590,000
324,650	257,850	146,476	-	-	-	-	3,904,676
-	(9)	-	(9)	-	(9)	-	-
-	(9)	-	(9)	-	(9)	-	-
-	-	-	-	-	-	-	1,170,000
-	-	-	-	-	-	-	49,725
2,605,000	2,735,000	2,850,000	2,135,000	2,240,000	-	-	18,045,000
578,500	448,250	338,850	196,350	89,600	-	-	6,480,350
1,100,000	410,000	1,885,000	-	-	-	-	16,360,000
108,750	64,750	56,550	-	-	-	-	2,783,538
<u>\$ 8,936,975</u>	<u>\$ 8,941,525</u>	<u>\$ 8,934,951</u>	<u>\$ 4,974,425</u>	<u>\$ 4,975,275</u>	<u>\$ 2,646,438</u>	<u>\$ 2,647,950</u>	<u>\$ 115,192,659</u>
\$ 7,360,000	\$ 7,685,000	\$ 7,990,000	\$ 4,375,000	\$ 4,575,000	\$ 2,435,000	\$ 2,540,000	\$ 93,442,722
<u>1,576,975</u>	<u>1,256,525</u>	<u>944,951</u>	<u>599,425</u>	<u>400,275</u>	<u>211,438</u>	<u>107,950</u>	<u>21,749,937</u>
<u>\$ 8,936,975</u>	<u>\$ 8,941,525</u>	<u>\$ 8,934,951</u>	<u>\$ 4,974,425</u>	<u>\$ 4,975,275</u>	<u>\$ 2,646,438</u>	<u>\$ 2,647,950</u>	<u>\$ 115,192,659</u>

(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.

(9) 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.

(10) The principal and interest due in fiscal 2013 through 2020 on the Series 2002B bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2012.

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

(12) The principal and interest due in fiscal 2021 on the Series 2005A bonds were refunded, resulting in the defeasance of the old debt and substitution of the "Refunding Bonds" Series of 2012.

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

SALT LAKE CITY SCHOOL DISTRICT

Demographic and Economic Statistics Last Ten Fiscal Years

Fiscal Year Ended June 30,	Salt Lake City Estimated Population (1)	Salt Lake City Total Personal Income (2)	Salt Lake City Per Capita Income (2)	Salt Lake City Unemployment Rate (3)	Salt Lake City Estimated Workforce (4)	Estimated Construction Within Salt Lake City (5)	Percentage of Students of Minority Ancestry (6)
2003	181,027	\$ 6,741,061,876	\$ 37,238	6.7%	286,023	\$ 202,547,885	47%
2004	179,894	6,775,885,091	37,666	5.4%	284,233	242,529,617	49%
2005	178,605	7,075,096,097	39,613	4.9%	282,196	255,967,379	51%
2006	178,097	7,805,389,046	43,827	4.4%	281,393	399,493,398	52%
2007	178,858	8,603,388,140	48,102	2.8%	282,596	386,526,998	53%
2008	180,651	9,390,333,317	51,981	3.4%	285,429	581,410,300	54%
2009	181,698	8,882,512,905	48,886	5.9%	287,083	555,102,000	55%
2010	183,102	8,201,517,302	44,792	7.1%	289,301	214,364,500	55%
2011	186,440	8,427,996,847	45,205	7.6%	294,575	421,603,300	50%
2012	189,899	na	na	6.0%	300,040	222,253,100	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, 2003 through 2012

Employer	June 30, 2012		June 30, 2003	
	Estimated Number of Employees	Percent of District's Total Estimated Workforce	Estimated Number of Employees	Percent of District's Total Estimated Workforce
University of Utah (including hospital)	18,000 - 25,999	6.00%	15,000 - 19,999	5.24%
State of Utah	7,000 - 9,000	2.33%	20,000 +	6.99%
Salt Lake County	5,000 - 6,999	1.67%	5,000 - 6,999	1.75%
Salt Lake City School District	4,000 - 4,999	1.33%	3,000 - 3,999	1.05%
Intermountain Health Care	3,000 - 4,999	1.00%	6,000 +	2.10%
L3 Communications	3,000 - 3,999	1.00%	-	0.00%
LDS Church	2,000 - 3,999	0.67%	2,000 +	0.70%
ARUP Laboratories	2,000 - 2,999	0.67%	-	0.00%
Delta Airlines	2,000 - 2,999	0.67%	4,000 - 4,999	1.40%
Skywest Airlines	2,000 - 2,999	0.67%	1,000 - 1,999	0.35%
Salt Lake City Corporation	2,000 - 2,999	0.67%	3,000 - 3,999	1.05%
Qwest	1,000 - 1,999	0.33%	2,000 - 2,999	0.74%
Totals	<u>48,035</u>	<u>17.00%</u>	<u>62,000</u>	<u>21.36%</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	Year Ended June 30,			
	2012	2011	2010	2009
Instruction	\$ 153,800,381 65.08%	\$ 154,224,029 65.19%	\$ 153,450,334 65.40%	\$ 151,852,629 64.44%
Supporting services:				
Students	5,965,406 2.52%	6,059,853 2.56%	6,245,107 2.66%	6,528,229 2.77%
Instructional staff	15,361,417 6.50%	14,897,568 6.30%	15,406,650 6.57%	16,297,035 6.92%
General district administration	1,181,821 0.50%	1,413,788 0.60%	1,357,320 0.58%	1,147,099 0.49%
General school administration	11,811,898 5.00%	11,529,791 4.87%	11,293,363 4.81%	10,060,731 4.27%
Central	4,555,684 1.93%	4,850,665 2.05%	4,622,323 1.97%	4,660,032 1.98%
Operation and maintenance of school buildings	18,295,132 7.74%	18,208,395 7.70%	18,234,484 7.77%	20,242,738 8.59%
Student transportation	6,058,589 2.56%	5,851,624 2.47%	5,059,709 2.16%	5,139,744 2.18%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Child nutrition services	14,547,742 6.16%	14,257,099 6.03%	13,079,043 5.57%	13,464,062 5.71%
Community services	919,813 0.39%	717,929 0.30%	562,525 0.24%	513,449 0.22%
Interest on long-term liabilities	3,823,970 1.62%	4,571,285 1.93%	5,322,106 2.27%	5,746,253 2.44%
Total	<u>\$ 236,321,853</u>	<u>\$ 236,582,026</u>	<u>\$ 234,632,964</u>	<u>\$ 235,652,001</u>
Average Daily Membership	24,365	24,336	24,177	23,880
Average Expenses Per Pupil	\$ 9,699	\$ 9,721	\$ 9,705	\$ 9,868

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

2008	2007	2006	2005	2004	2003
\$ 148,816,437 65.42%	\$ 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%
6,160,831 2.71%	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%
16,828,598 7.40%	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%
1,231,531 0.54%	1,150,893 0.56%	958,648 0.50%	935,694 0.50%	848,490 0.47%	957,423 0.55%
9,570,287 4.21%	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%
4,147,499 1.82%	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%
17,240,137 7.58%	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%
5,421,467 2.38%	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%
110,252 0.05%	61,473 0.03%	60,386 0.03%	60,786 0.03%	64,697 0.04%	- 0.00%
12,514,591 5.50%	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%
489,901 0.22%	414,688 0.20%	493,430 0.26%	510,772 0.27%	471,650 0.26%	- 0.00%
4,946,826 2.17%	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%
<u>\$ 227,478,357</u>	<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>
23,250	23,548	23,283	23,310	23,623	24,190
\$ 9,784	\$ 8,774	\$ 8,252	\$ 8,100	\$ 7,665	\$ 7,214

SALT LAKE CITY SCHOOL DISTRICT

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

Function	Year Ended June 30,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	\$ 6,312 65.08%	\$ 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%
Supporting services:										
Students	245 2.52%	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%
Instructional staff	630 6.50%	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%
General district administration	48 0.50%	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%
General school administration	485 5.00%	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%
Central	187 1.93%	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%
Operation and maintenance of school buildings	751 7.74%	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%
Student transportation	249 2.56%	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%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%	5 0.05%	3 0.03%	3 0.03%	3 0.03%	3 0.04%	- 0.00%
Child nutrition services	597 6.16%	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%
Community services	38 0.39%	30 0.30%	23 0.24%	22 0.22%	21 0.22%	18 0.20%	21 0.26%	22 0.27%	20 0.26%	- 0.00%
Interest on long-term liabilities	157 1.62%	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%
Total	<u>\$ 9,699</u>	<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>
Average Daily Membership	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190

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,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	1,754.36	1,756.74	1,779.69	1,762.51	1,702.24	1,681.57	1,847.31	1,634.92	1,677.89	1,743.49
Supporting services:										
Students	70.02	69.48	70.47	71.72	68.92	66.58	68.60	65.82	63.21	63.45
Instructional staff	129.67	131.67	137.56	143.44	141.25	144.41	144.84	141.10	134.90	127.95
General district administration	3.50	3.50	3.50	3.50	3.55	3.50	3.50	2.00	4.50	2.50
General school administration	132.05	131.53	130.57	122.76	114.32	113.06	110.98	113.05	111.99	111.04
Central	78.98	82.26	82.03	79.60	89.69	86.29	82.65	84.26	78.91	78.39
Operation and maintenance of school buildings	214.87	217.48	213.19	225.23	231.45	244.10	206.68	214.04	205.95	221.77
Student transportation	53.51	55.55	59.28	60.59	59.82	59.12	61.13	61.60	69.61	69.50
Other support services	1.60	-	-	-	0.75	0.75	0.75	0.78	0.77	-
Child nutrition services	175.97	179.73	168.39	167.23	187.95	162.06	132.48	146.19	140.42	152.51
Community services	531.11	530.86	540.83	547.93	536.22	545.39	555.45	578.75	384.30	413.19
Capital outlay	41.46	44.44	43.97	43.00	43.00	48.50	46.01	44.00	41.00	39.00
Total	<u>3,187.10</u>	<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>
Licensed (teachers)	1,332.02	1,347.05	1,346.44	1,320.87	1,292.23	1,275.83	1,285.29	1,284.03	1,281.43	1,296.35
Classified (support)	<u>1,855.08</u>	<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>
Total	<u>3,187.10</u>	<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>

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,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	\$ 120,032,041 68.66%	\$ 122,465,000 68.48%	\$ 120,175,647 68.33%	\$ 121,894,855 67.85%	\$ 117,089,818 68.34%	\$ 105,426,290 67.16%	\$ 99,571,980 67.94%	\$ 100,174,972 68.93%	\$ 92,038,844 68.12%	\$ 91,918,024 68.90%
Supporting Services:										
Students	5,819,902 3.33%	5,892,066 3.29%	6,086,687 3.46%	6,320,902 3.52%	5,957,556 3.48%	5,418,920 3.45%	5,165,921 3.52%	4,687,110 3.23%	4,539,965 3.36%	4,296,342 3.22%
Instructional staff	11,832,489 6.77%	11,657,062 6.52%	12,359,162 7.03%	13,113,177 7.30%	13,413,127 7.83%	13,020,723 8.29%	11,683,625 7.97%	11,655,995 8.02%	10,660,170 7.89%	9,723,036 7.29%
General district administration	613,129 0.35%	903,263 0.51%	885,924 0.50%	664,535 0.37%	729,621 0.43%	612,564 0.39%	358,179 0.24%	360,833 0.25%	339,133 0.25%	819,258 0.61%
General school administration	11,457,168 6.55%	11,179,035 6.25%	10,972,640 6.24%	9,740,183 5.42%	9,255,337 5.40%	8,659,956 5.52%	8,116,323 5.54%	7,780,109 5.35%	7,408,795 5.48%	7,193,298 5.39%
Central	4,516,641 2.58%	4,811,435 2.69%	4,596,755 2.61%	4,634,273 2.58%	4,122,425 2.41%	4,111,611 2.62%	4,003,994 2.73%	3,928,749 2.70%	3,711,379 2.75%	3,509,838 2.63%
Operation and maintenance of school buildings	15,000,732 8.58%	16,511,711 9.23%	16,129,239 9.17%	18,571,321 10.34%	16,193,768 9.45%	15,608,036 9.94%	13,816,735 9.43%	13,209,340 9.09%	12,992,156 9.62%	13,023,744 9.76%
Student transportation	5,463,831 3.13%	5,253,829 2.94%	4,508,769 2.56%	4,587,473 2.55%	4,414,868 2.58%	4,057,943 2.59%	3,780,775 2.58%	3,463,364 2.38%	3,366,309 2.49%	2,929,302 2.20%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%	110,252 0.06%	60,472 0.04%	60,386 0.04%	60,786 0.04%	64,697 0.05%	- 0.00%
Child nutrition services	96,268 0.06%	165,900 0.09%	160,086 0.09%	139,573 0.08%	59,680 0.03%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	\$ 174,832,201	\$ 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
Average Daily Membership	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190
Average Expenditures Per Pupil	\$ 7,176	\$ 7,349	\$ 7,274	\$ 7,524	\$ 7,370	\$ 6,666	\$ 6,295	\$ 6,234	\$ 5,720	\$ 5,515

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,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Instruction	\$ 4,927 68.66%	\$ 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%
Supporting Services:										
Students	239 3.33%	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%
Instructional staff	486 6.77%	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%
General district administration	25 0.35%	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%
General school administration	470 6.55%	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%
Central	185 2.58%	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%
Operation and maintenance of school buildings	616 8.58%	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%
Student transportation	224 3.13%	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%
Other	- 0.00%	- 0.00%	- 0.00%	- 0.00%	5 0.06%	3 0.04%	3 0.04%	3 0.04%	3 0.05%	- 0.00%
Child nutrition services	4 0.06%	7 0.09%	6 0.09%	6 0.08%	3 0.03%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Total	<u>\$ 7,176</u>	<u>\$ 7,349</u>	<u>\$ 7,274</u>	<u>\$ 7,524</u>	<u>\$ 7,370</u>	<u>\$ 6,666</u>	<u>\$ 6,295</u>	<u>\$ 6,234</u>	<u>\$ 5,720</u>	<u>\$ 5,515</u>
Average Daily Membership	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190

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,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Number of schools participating in lunch program	47	48	47	48	44	46	45	45	45	46
Student Lunches Served:										
Free	1,957,471	1,970,525	1,865,781	1,742,258	1,665,699	1,633,491	1,666,818	1,683,795	1,603,149	1,552,912
Reduced price	298,036	264,327	357,018	376,429	378,120	366,829	294,537	300,695	304,772	326,966
Fully paid	607,648	604,580	601,930	640,127	631,076	616,240	578,592	549,758	566,669	590,786
Total	<u>2,863,155</u>	<u>2,839,432</u>	<u>2,824,729</u>	<u>2,758,814</u>	<u>2,674,895</u>	<u>2,616,560</u>	<u>2,539,947</u>	<u>2,534,248</u>	<u>2,474,590</u>	<u>2,470,664</u>
Adult Lunches Served:	64,817	58,232	55,359	58,362	33,131	53,859	56,286	53,800	58,430	59,692
Number of schools participating in breakfast program	42	40	43	43	40	42	39	39	38	39
Student Breakfasts Served:										
Free	812,068	830,348	791,251	756,864	711,935	719,887	753,079	763,293	746,675	725,439
Reduced price	105,388	93,510	121,545	134,643	134,801	140,935	112,900	114,772	115,779	126,271
Fully paid	75,776	75,497	72,603	77,461	77,893	77,366	75,251	69,495	68,972	64,598
Total	<u>993,232</u>	<u>999,355</u>	<u>985,399</u>	<u>968,968</u>	<u>924,629</u>	<u>938,188</u>	<u>941,230</u>	<u>947,560</u>	<u>931,426</u>	<u>916,308</u>
Number of serving days	177	177	177	177	178	177	177	178	177	178
Average Daily Participation:										
Student lunch	16,176	15,872	15,959	15,587	15,028	14,783	14,350	14,237	13,981	13,880
Adult lunch	366	329	313	330	186	304	318	302	330	335
Student breakfast	5,611	5,646	5,567	5,474	5,195	5,300	5,318	5,323	5,262	5,148
Average daily membership	24,365	24,336	24,177	23,880	23,250	23,548	23,283	23,310	23,623	24,190
Student lunches served as a percentage of ADM	66.39%	65.22%	66.01%	65.27%	64.64%	62.78%	61.63%	61.08%	59.18%	57.38%
Number of students on:										
Free lunch	13,759	13,964	13,526	12,481	12,266	12,122	12,717	12,908	13,021	12,172
Reduced lunch	2,056	1,763	2,516	2,668	2,773	2,865	2,185	2,274	2,376	2,595
Percentage of students on:										
Free lunch	56.47%	57.38%	55.95%	52.27%	52.76%	51.48%	54.62%	55.38%	55.12%	50.32%
Reduced lunch	8.44%	7.24%	10.41%	11.17%	11.93%	12.17%	9.38%	9.76%	10.06%	10.73%

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

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Student Enrollment Statistics Last Ten School Years

School Year Ended June 30,	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
2003	24,190	23,849	98.59%	24,382
2004	23,623	22,345	94.59%	23,966
2005	23,310	22,273	95.55%	23,579
2006	23,283	21,730	93.33%	23,700
2007	23,548	22,392	95.09%	23,933
2008	23,250	22,400	96.34%	23,603
2009	23,880	22,770	95.35%	24,256
2010	24,177	23,043	95.31%	24,494
2011	24,336	23,206	95.36%	24,649
2012	24,365	23,198	95.21%	24,638

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

History of High School Graduates Last Ten School Years

School Year Ended June 30,	East	Highland	West	Horizonte	Total
2003	359	365	348	175	1,247
2004	331	346	380	119	1,176
2005	403	392	378	115	1,288
2006	291	298	381	45	1,015
2007	320	293	337	86	1,036
2008	326	275	362	112	1,075
2009	334	255	414	115	1,118
2010	376	316	390	99	1,181
2011	354	282	450	133	1,219
2012	398	316	423	190	1,327

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Number of Students Per Instructional Staff Last Ten School Years

School Year Ended June 30,	Average Daily Membership	Teachers and Instructional Staff	Average Ratio of Students to Teachers and Instructional Staff
2003	24,190	1,377	17.57
2004	23,623	1,354	17.45
2005	23,310	1,344	17.34
2006	23,283	1,364	17.07
2007	23,548	1,385	17.00
2008	23,250	1,418	16.40
2009	23,880	1,414	16.89
2010	24,177	1,387	17.43
2011	24,336	1,412	17.24
2012	24,365	1,407	17.32

Source: Salt Lake City School District records

SALT LAKE CITY SCHOOL DISTRICT

Teacher Compensation Data Last Ten Fiscal Years

<u>Fiscal Year Ended 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 Median* Teacher Compensation</u>
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	62,880
2012	37,280	68,780	54,379	22,803	77,182	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,									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Buildings:										
Elementary Schools										
Number	28	28	28	28	28	28	27	27	27	27
Square feet	2,015,695	2,015,695	2,003,837	2,003,837	2,009,743	1,982,210	2,043,618	1,997,571	1,970,439	1,928,507
Capacity	15,700	15,700	15,650	15,650	15,700	15,700	15,200	15,200	15,200	15,200
Enrollment	13,985	14,073	13,747	13,545	13,311	13,517	13,450	13,259	13,518	13,698
Percent of Capacity	89.08%	89.64%	87.84%	86.55%	84.78%	86.10%	88.49%	87.23%	88.93%	90.12%
Average Age	19.39	18.79	17.79	16.79	15.29	14.29	14.93	17.89	20.78	21.67
Middle Schools										
Number	5	5	5	5	5	5	5	5	5	5
Square feet	645,813	645,813	645,813	645,813	616,168	616,168	579,988	542,430	542,430	542,430
Capacity	3,750	3,750	3,750	3,750	3,850	3,850	3,850	3,850	3,850	3,850
Enrollment	3,213	3,204	3,234	3,202	3,292	3,075	2,893	2,904	3,004	3,104
Percent of Capacity	85.68%	85.44%	86.24%	85.39%	85.51%	79.87%	75.14%	75.43%	78.03%	80.62%
Average Age	10.20	9.20	8.20	7.20	27.60	26.60	36.20	44.80	43.80	42.80
High Schools										
Number	4	4	4	4	4	4	4	4	4	4
Square feet	1,421,087	1,421,087	1,403,621	1,403,621	1,403,621	1,403,621	1,276,650	1,276,650	1,276,650	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	6,685	6,683	6,779	6,821	6,543	5,921	6,409	6,315	6,393	6,587
Percent of Capacity	89.13%	89.11%	90.39%	90.95%	87.24%	78.95%	85.45%	84.20%	85.24%	87.83%
Average Age	44.50	43.50	42.50	41.50	40.50	39.50	38.50	37.50	36.50	35.50
Other Buildings										
Number	7	7	7	7	8	9	10	9	8	8
Square feet	338,157	338,157	338,157	338,157	338,157	372,191	412,591	389,581	340,221	340,221
Average Age	31.14	37.57	36.57	35.57	43.00	36.11	40.00	39.00	38.10	37.30
Total Buildings										
Number *	44	44	44	44	45	46	46	45	44	44
Square feet	4,420,752	4,420,752	4,391,428	4,391,428	4,367,689	4,374,190	4,312,847	4,206,232	4,129,740	4,087,808
Capacity	26,950	26,950	26,900	26,900	27,050	27,050	26,550	26,550	26,550	26,550
Enrollment	23,883	23,960	23,760	23,568	23,146	22,513	22,752	22,478	22,915	23,389
Percent of Capacity	88.62%	88.91%	88.33%	87.61%	85.57%	83.23%	85.69%	84.66%	86.31%	88.09%
Average Age	22.50	22.93	21.93	20.93	23.82	22.09	24.74	27.71	29.70	29.86
Number of Portables **	23	23	25	25	22	20	17	17	17	17
Acres of Land	402.51	402.51	401.33	401.47	401.47	406.23	406.23	403.19	400.16	400.16
Number of Vehicles	279	270	262	267	253	267	303	291	248	252

* 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, 2002 through 2011

	2011	% of	2010	2009	2008
	Taxable Value	T.V.	Taxable Value	Taxable Value	Taxable Value
<i>Set by State Tax Commission-</i>					
<i>Centrally Assessed</i>	<u>\$ 1,576,916,496</u>	<u>8.3</u>	<u>\$ 1,609,972,716</u>	<u>\$ 1,603,357,209</u>	<u>\$ 2,076,836,331</u>
<i>Set by County Assessor-</i>					
<i>Locally Assessed:</i>					
Real Property:					
Residential real estate-primary use	7,261,895,281	38.7	7,203,158,472	7,521,205,474	8,313,316,414
Residential real estate-not primary use	179,442,610	0.9	176,233,820	182,821,550	196,920,050
Commercial and industrial real estate	7,472,027,650	37.9	7,341,913,730	7,362,953,510	8,489,152,490
Agricultural - FAA	56,380	0.0	62,270	72,180	83,650
Unimproved non FAA	988,240	0.0	943,240	1,140,840	7,396,660
Total Real Property	<u>14,914,410,161</u>	<u>77.6</u>	<u>14,722,311,532</u>	<u>15,068,193,554</u>	<u>17,006,869,264</u>
Personal Property:					
Fee in lieu property	330,048,407	4.4	871,292,046	864,197,808	1,043,969,067
Mobile homes-primary residential use	3,653,927	0.0	3,709,447	3,956,511	4,063,339
Mobile homes-other use	4,722,895	0.0	6,782,678	4,260,559	3,268,840
Commercial and industrial property	<u>1,722,612,102</u>	<u>9.7</u>	<u>1,716,215,584</u>	<u>1,879,628,393</u>	<u>1,729,162,841</u>
Total Personal Property	<u>2,061,037,331</u>	<u>14.2</u>	<u>2,597,999,755</u>	<u>2,752,043,271</u>	<u>2,780,464,087</u>
Total Locally Assessed	<u>16,975,447,492</u>	<u>91.7</u>	<u>17,320,311,287</u>	<u>17,820,236,825</u>	<u>19,787,333,351</u>
Total Taxable Property	<u>\$ 18,552,363,988</u>	<u>100.0</u>	<u>\$ 18,930,284,003</u>	<u>\$ 19,423,594,034</u>	<u>\$ 21,864,169,682</u>
Total Taxable Property (less fee in lieu/age-based property)	<u>\$ 18,222,315,581</u>		<u>\$ 18,058,991,957</u>	<u>\$ 18,559,396,226</u>	<u>\$ 20,820,200,615</u>

Source: Property Tax Division, Utah State Tax Commission.

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
<u>Taxable Value</u>	<u>Taxable Value</u>	<u>Taxable Value</u>	<u>Taxable Value</u>	<u>Taxable Value</u>	<u>Taxable Value</u>
<u>\$ 2,063,831,387</u>	<u>\$ 2,050,073,870</u>	<u>\$ 1,888,464,689</u>	<u>\$ 2,060,112,828</u>	<u>\$ 1,934,054,794</u>	<u>\$ 2,118,713,906</u>
7,982,874,698	6,640,872,862	5,694,210,289	5,275,500,947	5,055,390,082	5,032,529,629
168,877,860	155,894,610	119,905,160	98,796,390	107,641,420	97,037,270
7,787,815,930	6,488,770,260	5,543,060,010	5,487,885,450	5,397,884,680	5,409,017,340
94,860	57,330	485,460	454,800	4,824,170	3,814,540
-	-	-	-	46,740	76,770
<u>15,939,663,348</u>	<u>13,285,595,062</u>	<u>11,357,660,919</u>	<u>10,862,637,587</u>	<u>10,565,787,092</u>	<u>10,542,475,549</u>
1,057,956,499	865,964,085	816,908,485	1,664,119,899	864,761,464	1,059,932,794
4,038,261	3,755,446	4,145,984	4,658,860	5,578,546	5,513,431
1,968,478	1,874,153	2,204,036	2,749,493	3,032,274	2,429,626
<u>1,614,187,157</u>	<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>2,678,150,395</u>	<u>2,289,658,523</u>	<u>2,393,377,671</u>	<u>3,111,653,710</u>	<u>2,437,440,846</u>	<u>2,683,732,862</u>
<u>18,617,813,743</u>	<u>15,575,253,585</u>	<u>13,751,038,590</u>	<u>13,974,291,297</u>	<u>13,003,227,938</u>	<u>13,226,208,411</u>
<u>\$ 20,681,645,130</u>	<u>\$ 17,625,327,455</u>	<u>\$ 15,639,503,279</u>	<u>\$ 16,034,404,125</u>	<u>\$ 14,937,282,732</u>	<u>\$ 15,344,922,317</u>
<u>\$ 19,623,688,631</u>	<u>\$ 16,759,363,370</u>	<u>\$ 14,822,594,794</u>	<u>\$ 14,370,284,226</u>	<u>\$ 14,072,521,268</u>	<u>\$ 14,284,989,523</u>

SALT LAKE CITY SCHOOL DISTRICT

Statements of Net Assets Governmental Activities June 30, 2008 through 2012

	2012	2011	2010	2009	2008
Assets:					
Cash and investments	\$ 102,377,616	\$ 110,018,366	\$ 94,603,264	\$ 87,274,069	\$ 102,910,489
Accounts receivable:					
Property taxes	107,847,323	108,468,137	102,549,322	100,847,813	99,101,675
Other local	706,159	950,631	1,492,709	797,729	1,116,079
State of Utah	1,312,389	898,156	575,732	761,111	643,707
Federal government	14,450,054	13,420,836	18,871,643	16,040,141	10,334,990
Due from component unit	140,192	32,284	33,744	90,894	13,817
Inventories	833,521	833,091	1,087,131	1,062,631	1,174,411
Prepaid expenses	302,042	211,347	260,260	280,110	840,632
Restricted cash	1,342,658	600,802	-	-	-
Bond issuance costs, net of accumulated depreciation	575,145	626,980	682,071	705,506	802,163
Note receivable	1,118,054	1,191,318	1,292,052	1,368,109	1,415,196
Capital assets:					
Sites and construction in progress	48,124,574	43,988,441	76,252,132	70,344,253	47,717,685
Other capital assets, net of accumulated depreciation	295,382,784	295,688,461	261,942,224	273,107,772	282,799,887
Total assets	<u>574,512,511</u>	<u>576,928,850</u>	<u>559,642,284</u>	<u>552,680,138</u>	<u>548,870,731</u>
Liabilities:					
Accounts payable	3,720,570	5,237,546	3,984,419	5,737,219	8,696,628
Accrued interest	1,338,837	1,499,923	1,663,513	1,797,807	1,940,711
Accrued salary and related benefits	23,155,357	21,161,747	20,735,624	20,809,540	20,465,040
Unearned revenue:					
Property taxes	103,582,261	103,582,262	98,463,480	97,586,112	96,475,918
Other local sources	229,281	192,656	1,324,070	1,089,098	1,287,966
State of Utah	5,411,083	3,251,084	5,104,591	4,835,200	8,503,597
Federal government	807,152	938,540	662,686	822,002	852,562
Noncurrent liabilities:					
Due or payable within one year	14,766,933	14,959,110	13,767,017	13,376,550	13,356,408
Due or payable after one year	100,195,604	113,084,547	120,421,776	127,603,079	139,279,229
Total liabilities	<u>253,207,078</u>	<u>263,907,415</u>	<u>266,127,176</u>	<u>273,656,607</u>	<u>290,858,059</u>
Net Assets:					
Invested in capital assets, net of related debt	237,440,881	228,941,391	218,164,244	211,269,421	187,291,547
Restricted for:					
Special programs	4,310,662	3,289,391	3,710,271	3,953,567	3,329,942
Child nutrition	2,517,560	2,873,396	2,884,901	1,798,139	1,985,922
Student activities	2,124,821	2,194,639	1,731,903	1,773,317	1,766,926
Debt service	308,030	-	268,588	-	1,027,210
Capital projects	24,594,980	28,492,313	25,963,061	21,690,347	32,646,654
Scholarships and programs	2,880,113	746,549	-	-	-
Unrestricted	47,128,386	46,483,756	40,792,140	38,538,740	29,964,471
Total net assets	<u>\$ 321,305,433</u>	<u>\$ 313,021,435</u>	<u>\$ 293,515,108</u>	<u>\$ 279,023,531</u>	<u>\$ 258,012,672</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, 2008 through 2012

	2012	2011	2010	2009	2008
Assets:					
Cash and investments	\$ 58,485,506	\$ 57,382,593	\$ 49,944,014	\$ 48,969,644	\$ 52,009,516
Accounts receivable:					
Property taxes	70,359,586	70,764,605	66,704,411	61,321,679	60,037,994
Other local	367,906	405,164	352,854	459,624	505,237
State of Utah	615,917	288,377	278,266	314,678	206,394
Federal government	12,628,674	10,089,833	15,153,359	13,833,854	8,478,083
Inventories	-	-	-	234,379	267,893
Prepaid expenditures	114,464	144,865	123,845	181,736	437,465
Total assets	<u>\$ 142,572,053</u>	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>	<u>\$ 125,315,594</u>	<u>\$ 121,942,582</u>
Liabilities and Fund Balances:					
Liabilities:					
Accounts payable	\$ 1,306,635	\$ 1,128,698	\$ 1,060,967	\$ 1,606,814	\$ 3,666,117
Accrued salaries and related benefits	23,155,357	21,161,747	20,735,624	20,809,540	20,465,040
Deferred revenue:					
Property taxes	70,294,617	70,551,241	66,672,635	61,242,154	59,970,624
Other local	35,400	31,298	51,181	38,633	18,306
State of Utah	3,134,679	1,459,822	4,900,372	4,539,430	8,300,008
Federal government	807,152	938,540	662,686	822,002	852,562
Total liabilities	<u>98,733,840</u>	<u>95,271,346</u>	<u>94,083,465</u>	<u>89,058,573</u>	<u>93,272,657</u>
Fund balances:					
Nonspendable:					
Inventories	-	-	-	234,379	267,893
Prepaid expenditures	114,464	144,865	123,845	181,736	437,465
Committed:					
Economic stabilization	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Assigned:					
Charter schools	1,074,149	756,073	400,625	213,347	-
Programs	16,223,740	16,017,386	12,061,073	9,971,270	4,000,111
Schools	2,294,233	2,104,894	1,740,004	2,123,709	3,544,215
Employee benefit obligations	7,525,961	7,525,961	5,310,475	3,841,149	-
Unassigned	9,605,666	10,254,912	11,837,262	12,691,431	13,420,241
Total fund balances	<u>43,838,213</u>	<u>43,804,091</u>	<u>38,473,284</u>	<u>36,257,021</u>	<u>28,669,925</u>
Total liabilities and fund balances	<u>\$ 142,572,053</u>	<u>\$ 139,075,437</u>	<u>\$ 132,556,749</u>	<u>\$ 125,315,594</u>	<u>\$ 121,942,582</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,				
	2013	2012	2011	2010	2009	2008
Revenues:						
Property taxes	\$ 62,772,160	\$ 64,858,727	\$ 62,793,446	\$ 60,252,172	\$ 59,231,647	\$ 60,271,613
Interest	920,044	1,165,916	1,055,216	884,610	2,758,022	2,440,637
Other local revenue	3,803,176	6,860,079	6,987,243	5,879,817	6,198,551	4,678,483
State of Utah	84,221,142	79,714,817	85,940,854	84,284,144	91,593,245	91,679,747
Federal government	19,895,942	22,266,784	27,393,349	26,790,429	27,471,923	15,346,324
Total revenues	<u>171,612,464</u>	<u>174,866,323</u>	<u>184,170,108</u>	<u>178,091,172</u>	<u>187,253,388</u>	<u>174,416,804</u>
Expenditures:						
Instruction	124,577,687	120,032,041	122,465,000	120,175,647	121,894,855	117,089,818
Supporting services:						
Students	5,894,018	5,819,902	5,892,066	6,086,687	6,320,902	5,957,556
Instructional staff	11,980,537	11,832,489	11,657,062	12,359,162	13,113,177	13,413,127
General district administration	864,389	613,129	903,263	885,924	664,535	729,621
General school administration	11,797,704	11,457,168	11,179,035	10,972,640	9,740,183	9,255,337
Central	4,515,477	4,516,641	4,811,435	4,596,755	4,634,273	4,122,425
Operation and maintenance						
of school buildings	15,237,765	15,000,732	16,511,711	16,129,239	18,571,321	16,193,768
Student transportation	5,210,592	5,463,831	5,253,829	4,508,769	4,587,473	4,414,868
Other	-	-	-	-	-	110,252
Child nutrition services	182,094	96,268	165,900	160,086	139,573	59,680
Total expenditures	<u>180,260,263</u>	<u>174,832,201</u>	<u>178,839,301</u>	<u>175,874,909</u>	<u>179,666,292</u>	<u>171,346,452</u>
Excess (deficiency) of revenues over (under) expenditures - Net change in fund balances	(8,647,799)	34,122	5,330,807	2,216,263	7,587,096	3,070,352
Fund balances - beginning	<u>43,804,091</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>
Fund balances - ending	<u>\$ 35,156,292</u>	<u>\$ 43,838,213</u>	<u>\$ 43,804,091</u>	<u>\$ 38,473,284</u>	<u>\$ 36,257,021</u>	<u>\$ 28,669,925</u>

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