

CANYONS SCHOOL DISTRICT

**9150 South 500 West
Sandy, Utah 84070
www.canyonsdistrict.org**

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2012

**Tracy Scott Cowdell, President of the Board
David S. Doty, J.D., Ph.D., Chief Executive Officer
Keith L. Bradford, J.D., CPA, Chief Financial Officer**

**Prepared by
Leon O. Wilcox, CPA, Director of Accounting, Auditing and Budgeting
and Steven C. Reese, CPA, Accountant**

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November 30, 2012

To the Board of Education and Patrons of Canyons School District:

State of Utah law requires that school districts publish within five months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ending June 30, 2012 and is comprehensive to include all governmental departments, agencies, institutions, commissions, public authorities or other governmental organizations for which Canyons School District (the District) is financially accountable.

To meet the needs of potential users, this report is presented in three major sections:

- **Introductory Section** - Introduces the reader to the report and includes this transmittal letter, a list of elected and appointed officials, a map of the District, and the District's organizational chart.
- **Financial Section** - Consists of the independent auditor's report, management's discussion and analysis, the basic financial statements (including the notes to the basic financial statements), required supplementary information, and combining and individual fund financial statements and schedules.
- **Statistical Section** - Contains substantial financial information, but presents tables that differ from financial statements in that they present non-accounting data, cover several years; are designed to reflect social and economic data; financial and fiscal trends; as well as the fiscal capacity of the District.

Management of the District is expressly responsible for both the content and presentation of the report. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects. To provide a reasonable basis for such a representation, management of the District has established a comprehensive internal control framework designed to both protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's internal controls are designed to provide reasonable assurance rather than absolute assurance that the financial statements are free from material misstatement.

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 ending 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. Based upon the audit, the independent auditor concluded that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ending 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.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

As a recipient of federal funding (referred to as "awards"), 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 on the compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

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.

A report entitled Single Audit and State of Utah Legal Compliance Reports is issued as a separate document.

Profile of the District

Residents of the District voted to separate from the Jordan School District on November 6, 2007, thus forming their own district. The District officially began operations on July 1, 2009. Located in the southeast corner of Salt Lake County, the District covers approximately 192 square miles and includes the cities of Midvale, Cottonwood Heights, Sandy, and Draper and the town of Alta.

The District is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. The District is fiscally independent. Policymaking and legislative authority are vested in the Board of Education (the Board) consisting of seven members who are elected from among the District's seven precincts. Board members serve four-year staggered terms with no more than four Board members elected every two years. The Board has the power to determine its own budget, incur bonded debt, levy taxes and also can sue or be sued without recourse to any other body of government.

The major purpose of the District is to provide public education. In its third year of operations, the District's student population stood at 33,490. To accomplish its purpose, the District operates 29 elementary schools, 8 middle schools, 4 accredited high schools, and 4 special program schools. In addition, the District offers an adult and community education program for non-traditional students. The District is an equal opportunity employer and actively recruits teachers from universities throughout the nation.

For accounting purposes, the District is not treated as a single entity. Instead, it is treated as a collection of smaller, separate accounting entities known as funds. Funds are created to segregate and keep track of specific activities or to attain certain objectives in accordance with special regulations, restrictions, or limitations. Utah law requires the District to have a balanced budget for its funds and requires that all annual appropriations lapse at fiscal year end with the exception of those indicated as a fund balance commitment or assignment.

In the months preceding each year, the District Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. Included is a final budget for the current year ending June 30. If the proposed budget does not include a tax increase, a public hearing is held before the beginning of the next fiscal year according to Utah law at which time the budget is legally adopted by the Board after obtaining taxpayer input. If the proposed budget does include a tax increase, the Board accepts a tentative budget to begin

the year and within a few months holds a public hearing on the tax increase at which time the budget is legally adopted by the Board after obtaining taxpayer input. Once adopted, the budget acts as the financial operating plan for the entire year. The Board, upon recommendation of the Superintendent, can reduce the budget during the year. To increase the budget, however, the Board must conduct another public hearing prior to approving the increase.

The level at which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budgeted expenditures of a given fund. Therefore, as a matter of practicality, the budget of the District is usually amended only once each year when the Board also takes action on the new fiscal year budget.

Local Economy

The economic condition of the District is largely dependent upon two major factors. First, the broader state economy that is increasingly tied to the national and global economies and second, the views of the governor's office and state legislature toward funding public education with the resources generated by the state. State funding for education is always a significant issue in Utah because children represent such a large percentage of the population. When compared to other states, there are two factors that put the state in a difficult situation when it comes to generating tax revenue to fund public education. First, Utah is near the middle in terms of household income. Second, Utah has larger households. The result is less income available per child. Utah is near the top when measuring the share of income devoted to education and yet is currently the state with the lowest per-pupil funding.

Utah has a highly diversified economy that includes many industries such as construction, tourism, exports, defense, energy and minerals, agriculture and others. However, the recent national economic downturn is impacting many Utah industries. The lack of significant economic growth has greatly impacted public education. The Weighted Pupil Unit (WPU) is the State's primary funding source to equalize funding throughout all Utah school districts. The Legislature did increase the WPU from \$2,577 to \$2,816 for the fiscal year ended June 30, 2012, however it was done at the expense of other funding items, which was essentially a "wash" for the District. The WPU will increase to \$2,842 for the fiscal year ending June 30, 2013. The economic outlook calls for some minor expansion in 2013 with the hope for additional growth in 2014 and beyond. The unemployment rate for Salt Lake County was 6.5% at December 31, 2011 which is an improvement from the 7.8% rate at December 31, 2010. There will be considerable political pressure on the Legislature to at least maintain, if not slightly increase, funding for public education as it deals with potential budget deficits statewide. Nonetheless, the resources available may make that difficult to accomplish.

With the slow-growing economy, the District will be forced to deal with strained budgets. Even with additional financial constraints, the District will continue to maintain a balanced budget according to available resources.

Major Initiatives

The mission of the District is that all students will graduate from the Canyons School District college- and career- ready. The three major goals to achieve this mission are:

- Promote school and community engagement that supports students in becoming college- and career- ready.
- Implement a comprehensive educational system that aligns high quality curriculum, instruction, and assessment resulting in students becoming college- and career- ready.
- Recruit, develop, support, and retain quality educators and support staffs that are committed to preparing students for college and careers.

Another high priority is the construction, renovation, and replacement of school buildings. The Board proposed a \$250 million bond election, which was approved by the citizens in June 2010. The District completed construction on the remodel of Albion Middle and the rebuild of Midvale Elementary during the past year as both schools opened in August 2012. The following projects will be completed during the fiscal year ending June 30, 2013 and will open in the fall of 2013 in conjunction with the planned grade reconfiguration:

- The new Corner Canyon High in Draper
- Rebuild Butler Middle
- Rebuild Crescent View Middle in Draper
- New additions for Brighton High and Hillcrest High as the ninth grade will move to high schools for the 2013-2014 school year.

Many other capital projects are scheduled to be completed in the coming years as well.

Debt Administration

The District issues general obligation bonds to finance the construction and renovation of buildings, to purchase land, and equip schools. Details on the debt financing can be found in management's discussion and analysis and the notes to the basic financial statements. An overview of the debt is as follows:

- The District is responsible for 58% of the remaining outstanding bonds issued by the Jordan School District prior to November 2007, despite the fact many of the projects from these issuances occurred within the boundaries of the current Jordan School District. The principal amount owed is \$117.6 million and interest owed is \$26.9 million, for a total of \$144.5 million. The bond payments will be completed in 2022.
- As noted, residents of the District approved a \$250 million bond election in June 2010. The District issued the first \$68 million in April 2011. The principal and interest payments for the next five years will be primarily financed from the fund balance in the Capital Outlay Fund and will be completed in 2031. The District issued an additional \$80 million in August 2012 that will be financed from tax revenues in the Debt Service Fund.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Canyons School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. This was the second year the District submitted for and received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. Such reports must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District also received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. This was the second year the District submitted for and received this award. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended by the Association of School Business Officials International. The award is granted

only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials and is also valid for a period of one year.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the business department. We would like to express appreciation to all employees who assisted in the timely closing of the District's financial records and the preparation of this report. Special appreciation is expressed to Leon Wilcox, Director of Accounting and Steven Reese, Accountant, for their contribution in the preparation of this report.

We would also like to thank President Tracy Cowdell and the members of the Board of Education for their interest and support in conducting the financial affairs of the District.

Respectfully submitted,



David S. Doty, J.D., Ph.D.
Superintendent of Schools/
Chief Executive Officer



Keith L. Bradford, J.D., CPA
Business Administrator/Chief
Financial Officer/General Counsel

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

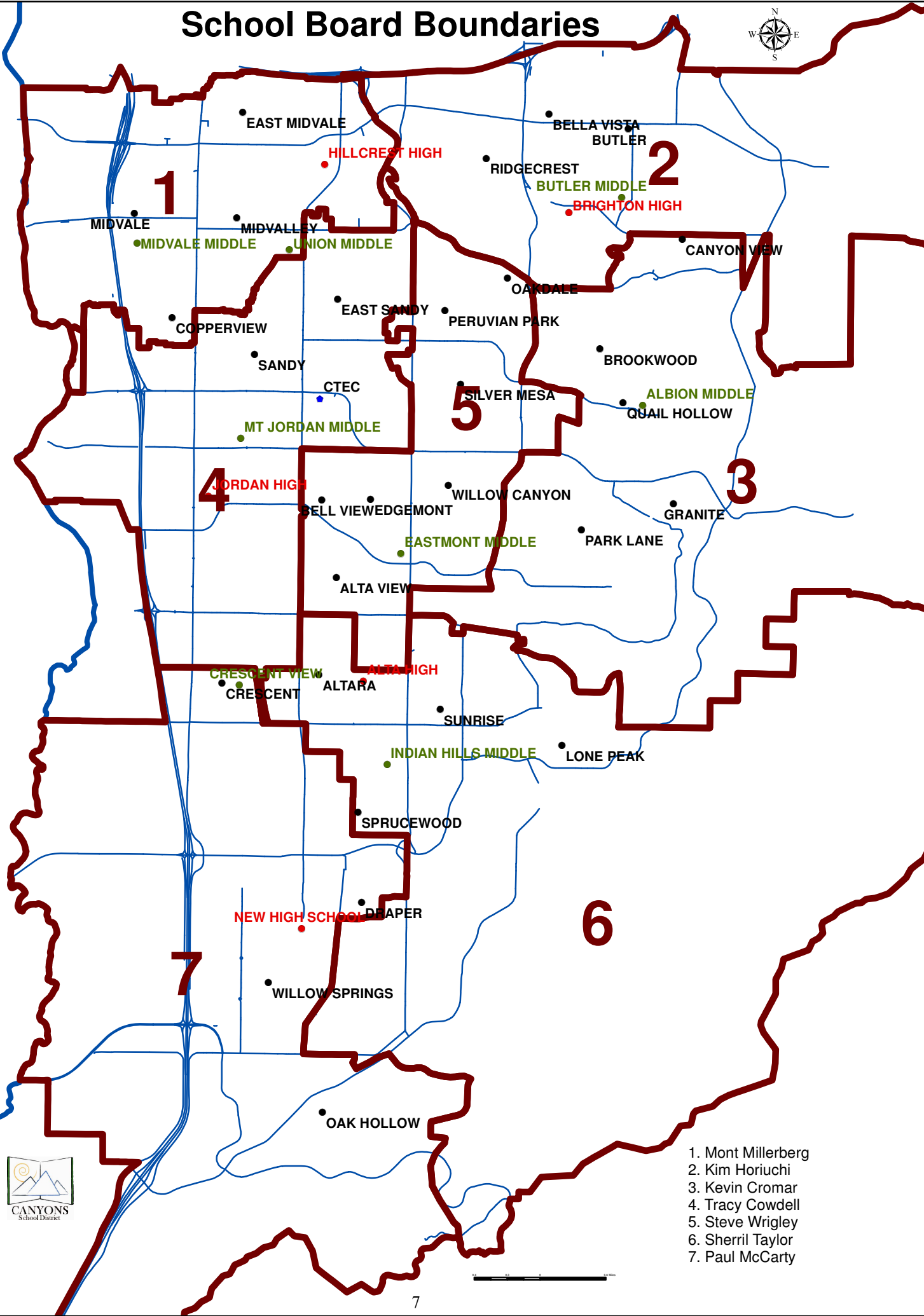
Elected Officials

	Initial Appointment	Present Term Began	Present Term Expires
Tracy Scott Cowdell, President Precinct IV	January, 2007	January, 2011	December, 2014
Sherril H. Taylor, Vice-President Precinct VI	January, 2005	January, 2011	December, 2014
Mont L. Millerberg, Member Precinct I	July, 2008	July, 2008	December, 2012
Kim M. Horiuchi, Member Precinct II	January, 2007	January, 2011	December, 2014
Kevin C. Cromar, Member Precinct III	July, 2008	July, 2008	December, 2012
Steve Wrigley, Member Precinct V	January, 2011	January, 2011	December, 2014
Dr. Paul J. McCarty, Member Precinct VII	July, 2008	July, 2008	December, 2012

Appointed Officials

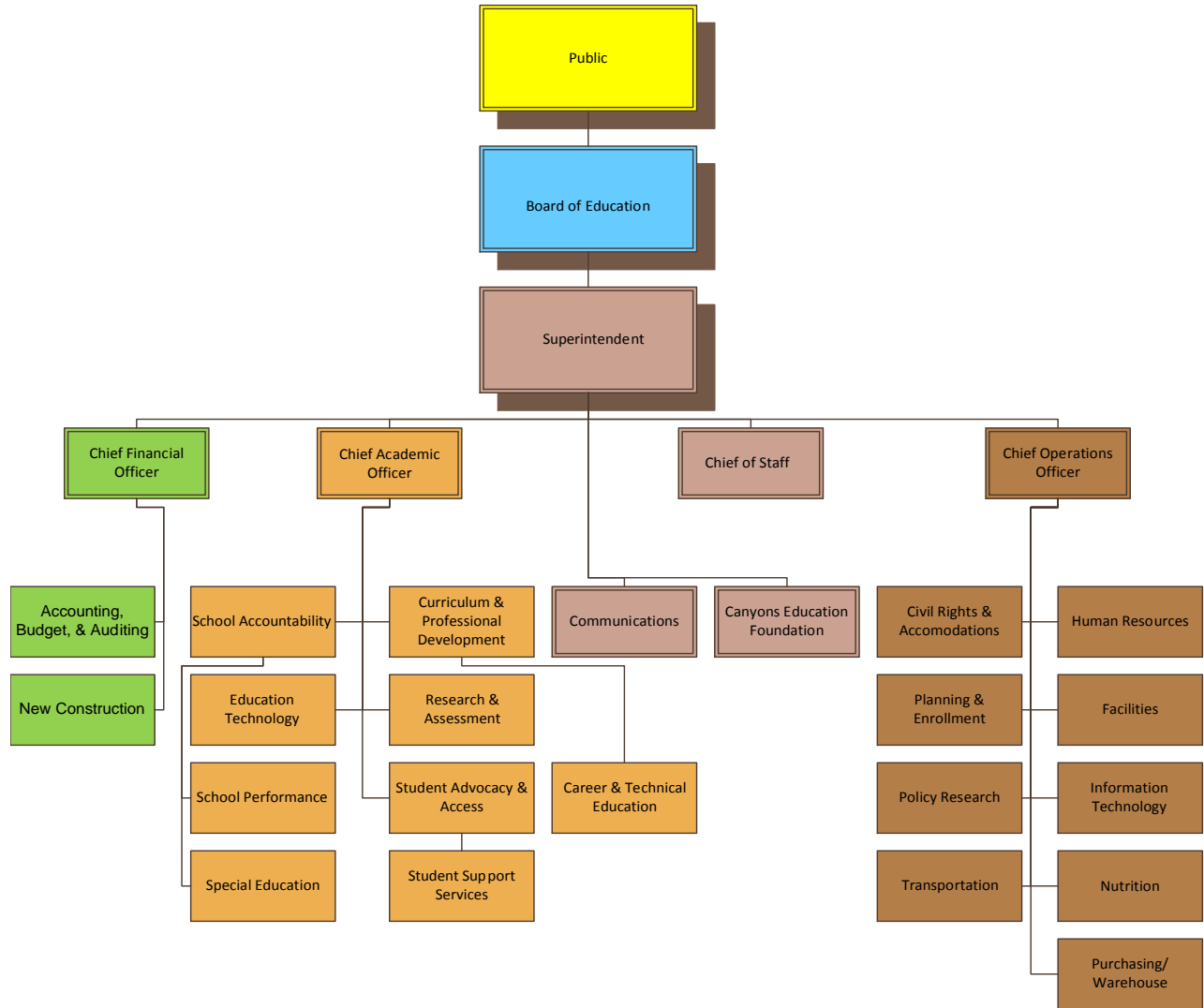
	Initial Appointment	Present Term Began	Present Term Expires
Dr. David S. Doty, Superintendent/ Chief Executive Officer	September, 2008	July, 2012	June, 2014
Keith L. Bradford Business Administrator/ Chief Financial Officer	December, 2008	July, 2012	June, 2014

School Board Boundaries



1. Mont Millerberg
2. Kim Horiuchi
3. Kevin Cromar
4. Tracy Cowdell
5. Steve Wrigley
6. Sherril Taylor
7. Paul McCarty

CANYONS SCHOOL DISTRICT
Organizational Chart
June 30, 2012



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Canyons 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. Enen

Executive Director

Association of School Business Officials International



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

Canyons 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



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Independent Auditor's Report

Board of Education
Canyons School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Canyons 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, and the aggregate remaining fund information of Canyons 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 30, 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 and required supplementary information, 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.

Aguirre & Company, P.C.

November 30, 2012

Management's Discussion and Analysis

As management of the Canyons School District (the District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 through 5 of this report.

FINANCIAL HIGHLIGHTS

- Canyons School District (located in south east Salt Lake County, Utah), was forged by the will of the people in Cottonwood Heights, Sandy, Draper, Midvale, and Alta in a November 2007 referendum vote and began operations on July 1, 2009. The fiscal year ended June 30, 2012 was the District's third fiscal year. The District has approximately 33,500 students and operates 41 traditional schools and 4 special program schools.
- The District's total net assets increased by \$17.0 million or five percent during 2012. Most of the change is due to the continued construction on the new Corner Canyon High, the rebuilding of Butler Middle and Midvale Elementary and the remodel of Albion Middle.
- During 2012, the District retired \$19.5 million of general obligation bonds. Of that amount \$17.5 million were previously issued by the former Jordan School District and the remaining \$2.0 were issued by the District in 2011.
- As of the close of the current year, the District's governmental funds reported combined ending fund balances of \$165.8 million, a decrease of \$71.6 million. Most of this year's change is due to a decrease of \$79.0 million in the Capital Outlay Fund due to the four major construction projects noted above. The District issued \$68.0 million of general obligation bonds in April 2011 and another \$80.0 million in August 2012 to fund these and other projects.
- At the end of the current year, unassigned fund balances for the General Fund was \$19.0 million or nine percent of General Fund expenditures.
- Actual revenues were \$0.4 million less than budgeted for the General Fund and actual expenditures were \$6.8 million less than the amount budgeted.

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 the 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 unpaid compensated absences).

The government-wide financial statements can be found on pages 24 and 25 of this report.

Fund financial statements – A *fund* is a group of related accounts that is used to maintain control over resources that are 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 grouped 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 seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, and the Capital Outlay Fund, each of which are considered to be major funds. Individual fund data for all major funds is provided in the form of *individual fund statements and schedules* found on pages 54 through 59 of this report. Data from the other four governmental funds (the special revenue funds) are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* can be found on pages 62 through 71 of this report.

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

The basic governmental fund financial statements can be found on pages 26 through 30 of this report.

- **Proprietary fund.** The District maintains one proprietary fund type. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses one internal service fund (the Self-Insurance Fund) to account for employee health and accident benefit services provided to all the other funds of the District. This internal service fund is included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 31 through 33 of this report.

Notes to the 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 the basic financial statements can be found on pages 34 through 50 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 \$334.4 million at the close of the most recent fiscal year, which is an increase of \$17.0 million from the prior year.

The largest portion of the District's net assets (46 percent) reflects its investment in capital assets (e.g., sites, construction in progress, site improvements, 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 (29 percent) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital outlay. The remaining net asset balance is unrestricted (25 percent) and may be used to meet the District's ongoing obligations to students, employees, creditors, and to honor next year's budget.

At the end of the fiscal year, the District is able to report positive balances in all three categories of net assets.

Investment in capital assets increased by \$21.5 million during the year ended June 30, 2012, due to the four major construction projects noted in the financial highlight section.

Restricted net assets decreased by \$10.2 million during the year ended June 30, 2012. The decrease is primarily a result of using resources restricted for capital outlay.

Unrestricted net assets increased by \$5.7 million during the year ended June 30, 2012. This increase is mostly due to unspent tax revenues in the General Fund.

Canyons School District's Net Assets
June 30, 2012 and 2011
(in millions of dollars)

	Governmental Activities		
	2012	2011	Change 2012-2011
Current and other assets	\$ 354.3	\$ 400.2	\$ (45.9)
Capital assets	339.7	273.3	66.4
Total assets	694.0	673.5	20.5
Other liabilities	164.2	141.9	22.3
Long-term liabilities outstanding	195.4	214.2	(18.8)
Total liabilities	359.6	356.1	3.5
Net assets:			
Invested in capital assets, net of related debt	154.8	133.3	21.5
Restricted	97.3	107.5	(10.2)
Unrestricted	82.3	76.6	5.7
Total net assets	\$ 334.4	\$ 317.4	\$ 17.0

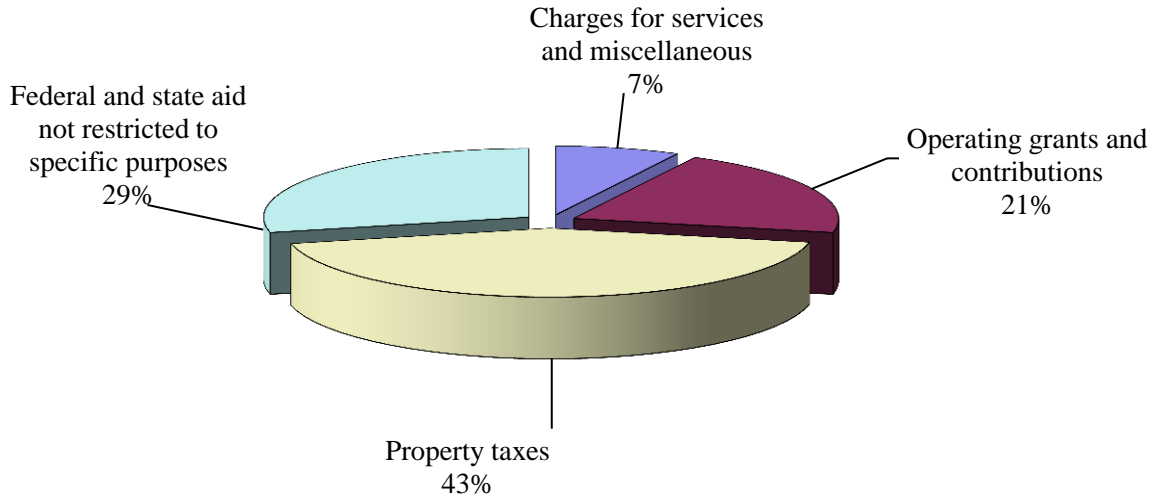
Governmental activities – The key elements of the increase of the District's net assets for the year ended June 30, 2012 are as follows:

- Revenues totaled \$286.6 million for the fiscal year ended June 30, 2012. Also, total expenses were \$269.6 million during the same period. The increase in the District's net assets for the year ended June 30, 2012 was \$17.0 million.
- Property taxes comprise 43 percent of the District's revenue. The District's tax rate for the 2011 calendar year of 0.008165 was applied to taxable value of property totaling \$15.8 billion.
- Revenues from the state of Utah comprise 43 percent of the District's revenue. State revenue 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. Certain students with special needs receive a WPU greater than one. The state guarantees that if local taxes do not provide revenue equal to the amount generated by the WPU, the state will make up the difference with additional state funding. The value of one WPU was \$2,816 for 2012. Student enrollment based on the October 1, 2011 count was 33,490.
- Revenues from federal awards comprise seven percent of the District's revenue. Federal awards are primarily restricted for instruction and other purposes, such as, special education, disadvantaged (Title I), and child nutrition.
- Instruction services represents 60 percent of District expenses for the year.

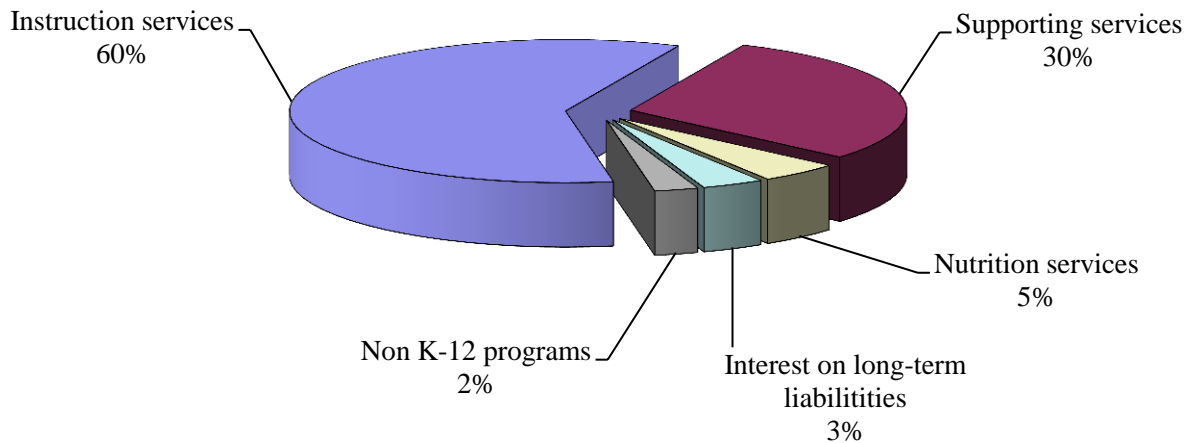
Canyons School District's Changes in Net Assets
Fiscal Years Ended June 30, 2012 and 2011
(in millions of dollars)

	Governmental Activities		
	2012	2011	Change 2012-2011
Revenues:			
Program revenues:			
Charges for services	\$ 14.3	\$ 14.6	\$ (0.3)
Operating grants and contributions	59.4	57.1	2.3
Capital grants and contributions	0.4	0.6	(0.2)
General revenues:			
Property taxes	123.5	124.4	(0.9)
Federal and state revenue not restricted to specific purposes	82.0	90.6	(8.6)
Interest	3.0	1.3	1.7
Miscellaneous	4.0	5.3	(1.3)
Total revenues	286.6	293.9	(7.3)
Expenses:			
Instruction	160.4	157.0	3.4
Supporting services:			
Students	8.4	7.7	0.7
Instructional staff	12.2	13.0	(0.8)
General district administration	2.1	2.3	(0.2)
School administration	15.0	13.9	1.1
Central	12.1	11.1	1.0
Operation and maintenance of school buildings	22.0	21.6	0.4
Student transportation	8.1	7.5	0.6
Nutrition services	12.6	12.2	0.4
Non K-12 programs	6.9	6.7	0.2
Interest on long-term liabilities	9.8	6.4	3.4
Total expenses	269.6	259.4	10.2
Increase in net assets	17.0	34.5	(17.5)
Net assets - beginning	317.5	264.2	53.3
Allocation from Jordan School District	-	18.8	(18.8)
Net assets - ending	<u>\$ 334.5</u>	<u>\$ 317.5</u>	<u>\$ 17.0</u>

**Canyons School District
Revenues by Source - Governmental Activities
Year Ended June 30, 2012**



**Canyons 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. At June 30, 2012, the District’s governmental funds reported a combined fund balance of \$165.8 million, or \$71.6 million less than the previous year. Most of this year’s change in the combined fund balance is due to a decrease of \$79.0 million in the Capital Outlay Fund as a result of the construction expense of the four major projects previously noted. The fund balance in the General Fund increased by \$5.2 million due to unspent tax revenues. However the revenues will be used to cover supporting positions at the new Corner Canyon High as well as increases in retirement and health insurance premiums for the fiscal year ending June 30, 2013 and beyond. In addition, the following information on revenues and expenditures should be noted:

- Property tax revenues totaled \$122.6 million or 43 percent of total revenues. The General Fund, the Debt Service Fund and the Capital Outlay Fund received \$74.7 million, \$24.8 million and \$20.7 million, respectively, of property taxes during the year.
- Federal and state revenues totaled \$141.9 million or 50 percent of total revenues. Most of the District’s federal and state funding is recorded in the General Fund.
- Expenditures for the General Fund totaled \$204.4 million. Instruction represents \$127.9 million or 63 percent of General Fund expenditures.
- General Fund salaries totaled \$127.0 million while the associated fringe benefits of retirement, social security, unemployment, industrial insurance, and health and accident insurance added \$47.2 million to arrive at 85 percent 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 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 \$165.8 million (\$2.3 million in nonspendable, \$95.3 million in restricted, \$40.2 million in committed, \$9.0 million in assigned and \$19.0 million in unassigned fund balances).

GENERAL FUND BUDGETARY HIGHLIGHTS

During the year, the Board revised the District’s budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$5.2 million or three percent in total General Fund budgeted expenditures. The increase was primarily due to the purchase of \$2.2 million of elementary school textbooks for the Common Core implementation.

Final budgeted revenues were greater than original budgetary estimates by \$3.6 million or two percent, the main reasons being increases in interest income and local revenues received from redevelopment agencies. Actual revenues were \$0.4 million less than final budgeted amounts.

With these adjustments, actual expenditures were \$6.8 million or three percent less than final budgeted amounts. The most significant variances were \$5.0 million in instruction and \$0.6 million each for student support services and school administration.

The variances primarily resulted from unfilled administrative, counseling, clerical, and custodial positions for the new Corner Canyon High. The positions were included in the budget for the fiscal year ending June 30, 2012 but will not begin to be filled until the 2012-13 school year.

The District maintains up to five percent of General Fund budgeted expenditures (as defined in Utah law as an “undistributed reserve”) as fund balance committed to economic stabilization. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). As defined by state law, the commitment is not to be used “in the negotiation or settlement of contract salaries for school district employees.”

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets – The Capital Outlay 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. The District has several major construction projects underway at June 30, 2012 with an anticipated total cost of \$188.0 million. Total additions to capital assets (sites, improvements, buildings, equipment, and vehicles) were \$86.8 million for the year.

Capital assets are outlined below:

Canyons School District's Capital Assets June 30, 2012 and 2011 (net of accumulated depreciation, in millions of dollars)

	Governmental Activities		
	2012	2011	Change 2012-2011
Sites and improvements	\$ 43.9	\$ 40.1	\$ 3.8
Construction in progress	86.5	6.8	79.7
Buildings	195.9	205.5	(9.6)
Equipment	6.8	13.8	(7.0)
Vehicles	6.6	7.1	(0.5)
Total capital assets	<u>\$ 339.7</u>	<u>\$ 273.3</u>	<u>\$ 66.4</u>

Additional information on the District’s capital assets can be found in Note 3 to the basic financial statements.

Debt administration – On June 22, 2010, a bond election was held and \$250.0 million of general obligation school building bonds were authorized. The bonds are to finance the building and renovation of schools, the purchase of building sites, and to equip schools. In April 2011, the District issued the first \$68.0 million of the bonds at a premium of \$1.4 million. In August 2012, the District issued an additional \$80.0 million of bonds at a premium of \$4.3 million. The bonds issuances received an underlying rating of “Aaa” from Moody’s Investors Service and “AA+” from Fitch Ratings. For the April 2011 issuance, the bond principal and interest payments for the next five years will be paid from restricted fund resources in the Capital Outlay Fund. While the August 2012 issuance payments will be financed by tax revenues from the Debt Service Fund.

General obligation bonds issued by the former Jordan School District prior to the creation of the District have an underlying rating of “Aaa” from Moody’s Investors Service and “AAA” from Fitch Ratings. The District is responsible for 58 percent of the debt service requirements of these bonds.

The general obligation bonded debt of the District is limited by state law to four percent of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2012 is about \$919.4 million. Net bonds payable at June 30, 2012 is \$186.0 million, resulting in a legal debt margin of about \$733.4 million.

Canyons School District's Outstanding General Obligation Debt
June 30, 2012 and 2011
(in millions of dollars)

	Governmental Activities		
	2012	2011	Change 2012-2011
General obligation bonds	\$ 183.6	\$ 203.1	\$ (19.5)
Deferred amounts	2.4	2.5	(0.1)
Net bonds payable	<u>\$ 186.0</u>	<u>\$ 205.6</u>	<u>\$ (19.6)</u>

Additional information on the District’s long-term debt can be found in Note 4 to the basic financial statements.

OTHER INFORMATION

The District anticipates moderate growth in student enrollment. The following enrollment information is based on the annual October 1 count:

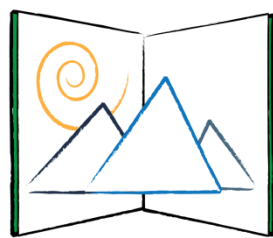
Canyons School District's Enrollment
October 1 Count

School Year	Enrollment	Change
2009-10	33,184	-
2010-11	33,469	0.9%
2011-12	33,490	0.1%
2012-13	33,528	0.1%

Enrollment is affected by migration into the District and charter schools.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances of Canyons School District 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 Business Administrator, Canyons School District, 9150 South 500 West, Sandy, Utah 84070, or call 801.826.5000.



CANYONS
School District

*"Celebrating the Highest
Standards of Educational Excellence"*

Basic Financial Statements

CANYONS SCHOOL DISTRICT
Statement of Net Assets
June 30, 2012

	Governmental Activities
Assets:	
Cash and investments	\$ 224,769,239
Accounts receivable:	
Property taxes	115,384,776
Other local	148,813
State of Utah	987,420
Federal government	4,945,685
Inventories	1,899,895
Prepaid expenses	400,000
Net retirement asset	4,657,138
Bond issuance costs, net of accumulated amortization	1,111,538
Capital assets:	
Sites and construction in progress	102,267,489
Buildings and other capital assets, net of accumulated depreciation	237,443,565
Total assets	<u>694,015,558</u>
Liabilities:	
Accounts payable	19,212,526
Accrued payroll and related benefits	20,239,012
Accrued interest	303,122
Unearned revenue:	
Property taxes	110,297,237
Other local	324,947
State of Utah	11,074,133
Federal government	2,763,187
Long-term liabilities:	
Due or payable within one year	22,719,554
Due or payable after one year	172,697,504
Total liabilities	<u>359,631,222</u>
Net Assets:	
Invested in capital assets, net of related debt	154,802,147
Restricted for:	
Debt service	28,696,562
Capital outlay	60,672,010
Nutrition services	2,770,367
Other purposes	5,121,562
Unrestricted	82,321,688
Total net assets	<u><u>\$ 334,384,336</u></u>

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

CANYONS SCHOOL DISTRICT
Statement of Activities
Fiscal Year Ended June 30, 2012

Fiscal Year Ended June 30, 2012					Net (Expense) Revenue and Changes in Net Assets
Activities and Functions	Expenses	Program Revenues			Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 160,383,775	\$ 8,514,991	\$ 37,305,618	\$ 415,632	\$ (114,147,534)
Supporting services:					
Students	8,433,794	-	2,628,778	-	(5,805,016)
Instructional staff	12,187,116	-	3,057,065	-	(9,130,051)
District administration	2,119,628	-	-	-	(2,119,628)
School administration	14,976,976	-	342,599	-	(14,634,377)
Central	12,124,999	-	-	-	(12,124,999)
Operation and maintenance of school buildings	21,957,201	238,807	2,542	-	(21,715,852)
Student transportation	8,139,130	467,916	3,534,161	-	(4,137,053)
Nutrition services	12,563,572	4,635,740	7,565,618	-	(362,214)
Non K-12 programs	6,905,505	410,402	4,980,443	-	(1,514,660)
Interest on long-term liabilities	9,762,920	-	-	-	(9,762,920)
Total school district	<u>\$ 269,554,616</u>	<u>\$ 14,267,856</u>	<u>\$ 59,416,824</u>	<u>\$ 415,632</u>	<u>(195,454,304)</u>
General revenues:					
Property taxes levied for:					
Basic state supported program for regular instruction					24,061,091
Voted leeway program for regular instruction					24,197,201
School board leeway program for class size reduction					6,140,040
School board leeway program for improvement of reading skills					1,829,913
Tort liability					1,512,325
Student transportation					4,536,975
Ten percent of basic for regular instruction and supporting services					11,251,698
Community recreation					2,359,227
Debt service of general obligation bonds					24,484,542
Capital outlay for buildings and other capital needs					23,108,327
Total property tax revenue					123,481,339
Federal and state revenue not restricted to specific purposes					82,029,925
Interest					3,027,413
Miscellaneous					3,949,683
Total general revenues					212,488,360
Change in net assets					17,034,056
Net assets - beginning					317,350,280
Net assets - ending					\$ 334,384,336

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

CANYONS SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2012

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Outlay	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 99,780,860	\$ 3,106,411	\$ 99,705,458	\$ 8,555,889	\$ 211,148,618
Accounts receivable:					
Property taxes	70,981,853	22,689,809	20,765,189	947,925	115,384,776
Other local	139,638	-	114	9,061	148,813
State of Utah	100,806	-	-	886,614	987,420
Federal government	4,348,914	-	-	596,771	4,945,685
Inventories	1,621,452	-	-	278,443	1,899,895
Prepaid expenditures	400,000	-	-	-	400,000
Total assets	<u>\$ 177,373,523</u>	<u>\$ 25,796,220</u>	<u>\$ 120,470,761</u>	<u>\$ 11,274,703</u>	<u>\$ 334,915,207</u>
Liabilities and fund balances:					
Liabilities:					
Accounts payable	\$ 3,371,459	\$ -	\$ 15,111,290	\$ 729,777	\$ 19,212,526
Accrued payroll and related benefits	19,721,635	-	-	517,377	20,239,012
Deferred revenue:					
Property taxes	71,025,136	22,788,251	20,708,579	931,701	115,453,667
Other local	-	-	-	324,947	324,947
State of Utah	10,844,314	-	-	229,819	11,074,133
Federal government	2,763,187	-	-	-	2,763,187
Total liabilities	<u>107,725,731</u>	<u>22,788,251</u>	<u>35,819,869</u>	<u>2,733,621</u>	<u>169,067,472</u>
Fund balances:					
Nonspendable:					
Inventories and prepaid expenditures	2,021,452	-	-	278,443	2,299,895
Restricted for:					
Reading achievement	1,074,908	-	-	-	1,074,908
Student transportation	1,912,468	-	-	-	1,912,468
Tort liability	826,298	-	-	-	826,298
Debt service	-	3,007,969	25,000,000	-	28,007,969
Capital outlay	-	-	59,650,892	-	59,650,892
Nutrition services	-	-	-	2,491,924	2,491,924
Non K-12 programs	-	-	-	1,307,888	1,307,888
Committed to:					
Economic stabilization	10,100,000	-	-	-	10,100,000
Employee benefit obligations	25,142,438	-	-	-	25,142,438
Contractual obligations	652,481	-	-	-	652,481
Schools	-	-	-	4,071,278	4,071,278
Foundation	-	-	-	391,549	391,549
Assigned to:					
Schools	3,965,251	-	-	-	3,965,251
Self-insurance	5,000,000	-	-	-	5,000,000
Unassigned	18,952,496	-	-	-	18,952,496
Total fund balances	<u>69,647,792</u>	<u>3,007,969</u>	<u>84,650,892</u>	<u>8,541,082</u>	<u>165,847,735</u>
Total liabilities and fund balances	<u>\$ 177,373,523</u>	<u>\$ 25,796,220</u>	<u>\$ 120,470,761</u>	<u>\$ 11,274,703</u>	<u>\$ 334,915,207</u>

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

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

Total fund balance - governmental funds	\$ 165,847,735
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Total net assets reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$616,413,303 and accumulated depreciation is \$276,702,249 (see Note 3).	339,711,054
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Property tax revenue is recognized when levied (claim to resources established) rather than when "available." The portion not available soon enough to pay for the current period's expenditures is deferred in the funds.	5,156,430
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Bond issuance costs are reported as expenditures in the governmental funds. The cost is \$1,948,414 and accumulated amortization is \$836,876.	1,111,538
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An internal service fund is used by District management to charge the costs of health and life insurance benefits to individual funds. The assets and liabilities of the internal service fund are included with governmental activities.	9,289,783
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Certain retirement benefit payments in excess of actuarially required amounts are recognized as expenditures in governmental funds.	4,657,138
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(303,122)
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Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

	General obligation bonds payable	\$ (183,612,700)	
	Deferred amounts for issuance premium	(2,969,254)	
	Deferred amounts on refundings	561,509	
	Compensated absence obligation	(4,745,707)	
	Net other post-employment benefit obligation	(320,068)	(191,086,220)
Total net assets - governmental activities			\$ 334,384,336

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

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

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Outlay	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 74,710,870	\$ 24,844,151	\$ 20,675,928	\$ 2,397,140	\$ 122,628,089
Interest earnings	826,496	104,305	1,917,847	112,850	2,961,498
Other local sources	5,589,296	-	25,741	12,562,011	18,177,048
State of Utah	115,282,496	-	415,632	6,133,256	121,831,384
Federal government	13,469,238	-	-	6,561,759	20,030,997
Total revenues	209,878,396	24,948,456	23,035,148	27,767,016	285,629,016
Expenditures:					
Current:					
Instruction	127,852,245	-	-	7,756,748	135,608,993
Supporting services:					
Students	8,347,281	-	-	-	8,347,281
Instructional staff	11,908,506	-	-	-	11,908,506
District administration	1,999,219	-	-	-	1,999,219
School administration	14,754,707	-	-	-	14,754,707
Central	11,210,661	-	-	-	11,210,661
Operation and maintenance of school buildings	21,550,141	-	-	-	21,550,141
Student transportation	6,768,574	-	-	-	6,768,574
Nutrition services	-	-	-	11,882,888	11,882,888
Non K-12 programs	-	-	-	6,817,804	6,817,804
Capital outlay	-	-	97,012,971	-	97,012,971
Debt service:					
Bond principal	-	19,544,700	-	-	19,544,700
Bond interest and fees	-	9,787,611	-	-	9,787,611
Total expenditures	204,391,334	29,332,311	97,012,971	26,457,440	357,194,056
Excess (deficiency) of revenues over (under) expenditures	5,487,062	(4,383,855)	(73,977,823)	1,309,576	(71,565,040)
Other financing sources (uses):					
Transfer in (out)	(255,112)	5,000,000	(5,000,000)	255,112	-
Total other financing sources (uses)	(255,112)	5,000,000	(5,000,000)	255,112	-
Net change in fund balances	5,231,950	616,145	(78,977,823)	1,564,688	(71,565,040)
Fund balances - beginning	64,415,842	2,391,824	163,628,715	6,976,394	237,412,775
Fund balances - ending	\$ 69,647,792	\$ 3,007,969	\$ 84,650,892	\$ 8,541,082	\$ 165,847,735

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

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

Net change in fund balances-total governmental funds \$ (71,565,040)

The change in net assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital outlays	\$ 85,644,327	
Depreciation expense	<u>(19,197,561)</u>	66,446,766

The governmental funds report bond proceeds as an other financing source, while repayment of bond principal is reported as an expenditure. 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, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Repayment of bond principal	19,544,700	
Bond interest expense	33,182	
Amortization of deferred amounts on refunding	(368,130)	
Amortization of bond issuance costs	(122,040)	
Amortization of bond premiums	<u>481,679</u>	19,569,391

Property taxes that are not collected for several months after the District's fiscal year end are not considered as available revenues in the governmental funds and are, instead, counted as deferred revenues. They are however, recorded as revenues in the statement of activities. 853,250

In the statement of activities, certain operating expenses (compensated absences and other post-employment benefits (OPEB)) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts paid). During this year, compensated absences obligation decreased by \$180,359, and the net OPEB obligation increased by \$109,872, and the net retirement asset increased by \$1,323,192. 1,393,679

An internal service fund is used by the District to charge the costs of health and life insurance benefits to individual funds. The change in net assets of the internal service fund is reported with governmental activities. 336,010

Change in net assets of governmental activities \$ 17,034,056

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

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

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property taxes	\$ 73,222,226	\$ 74,061,809	\$ 74,710,870	\$ 649,061
Interest earnings	400,000	775,000	826,496	51,496
Other local revenue	3,479,218	5,083,248	5,589,296	506,048
State of Utah	115,194,960	117,644,962	115,282,496	(2,362,466)
Federal government	14,312,021	12,664,557	13,469,238	804,681
Total revenues	206,608,425	210,229,576	209,878,396	(351,180)
Expenditures:				
Current:				
Instruction	127,530,839	132,806,592	127,852,245	4,954,347
Supporting services:				
Students	8,759,720	8,938,451	8,347,281	591,170
Instructional staff	11,506,251	11,787,816	11,908,506	(120,690)
District administration	2,076,024	2,146,299	1,999,219	147,080
School administration	15,327,511	15,310,442	14,754,707	555,735
Central	11,613,342	11,491,923	11,210,661	281,262
Operation and maintenance of school buildings	22,473,642	21,960,749	21,550,141	410,608
Student transportation	6,747,441	6,759,884	6,768,574	(8,690)
Total expenditures	206,034,770	211,202,156	204,391,334	6,810,822
Excess (deficiency) of revenues over (under) expenditures	573,655	(972,580)	5,487,062	6,459,642
Other financing sources (uses):				
Transfer out	(198,827)	(302,580)	(255,112)	47,468
Total other financing sources (uses)	(198,827)	(302,580)	(255,112)	47,468
Net change in fund balances	374,828	(1,275,160)	5,231,950	6,507,110
Fund balances - beginning	64,415,842	64,415,842	64,415,842	-
Fund balances - ending	\$ 64,790,670	\$ 63,140,682	\$ 69,647,792	\$ 6,507,110

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

CANYONS SCHOOL DISTRICT
Statement of Fund Net Assets
Proprietary Fund
June 30, 2012

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance</u>
Assets:	
Current assets:	
Cash and investments	\$ 13,620,621
Liabilities:	
Current liabilities:	
Claims payable	4,330,838
Net assets:	
Unrestricted	<u><u>\$ 9,289,783</u></u>

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

CANYONS SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Fund
Fiscal Year Ended June 30, 2012

	<u>Governmental Activities - Internal Service Fund Self-Insurance</u>
Operating revenues:	
Insurance premiums	<u>\$ 23,565,777</u>
Operating expenses:	
Medical claims	17,249,124
Prescription claims	5,098,815
Industrial insurance claims	562,937
Administration and other	<u>384,806</u>
Total operating expenses	<u>23,295,682</u>
Operating income	270,095
Nonoperating income:	
Interest	<u>65,915</u>
Change in net assets	336,010
Net assets - beginning	<u>8,953,773</u>
Net assets - ending	<u><u>\$ 9,289,783</u></u>

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

CANYONS SCHOOL DISTRICT
Statement of Fund Cash Flows
Proprietary Fund
Fiscal Year Ended June 30, 2012

	Governmental Activities - Internal Service Fund <u>Self-Insurance</u>
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 23,565,777
Payments to suppliers	(384,806)
Payments for medical fees and insurance claims	<u>(21,968,208)</u>
Net cash provided by operating activities	1,212,763
Cash flows from investing activities:	
Interest received	<u>65,915</u>
Net increase in cash and cash equivalents	1,278,678
Cash and cash equivalents - beginning	<u>12,341,943</u>
Cash and cash equivalents - ending	<u><u>\$ 13,620,621</u></u>
(Displayed on statements of fund net assets as <i>Cash and investments</i>)	
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 270,095
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in claims payable	<u>942,668</u>
Net cash provided by operating activities	<u><u>\$ 1,212,763</u></u>
 Noncash investing, capital, and financing activities:	 none

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

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Canyons School District (the District) are in conformity with accounting principles generally accepted in the United States of America applicable to local governmental units in general and Utah school districts in particular. The following is a summary of the more significant accounting policies applied by the District.

The Reporting Entity – The District was established by the citizens of Cottonwood Heights, Sandy, Draper, Midvale, and Alta in a November 2007 referendum vote. Effective July 1, 2009, the District formally began operations, providing elementary and secondary public education in southeastern Salt Lake County, Utah. The Board of Education, comprised of seven elected officials, is the primary governing authority for the District. The Board establishes District policies, approves the budget, appoints a superintendent with responsibilities for administering all educational activities of the District, and appoints a business administrator with responsibilities for fiscal matters. The Board is authorized to issue bonds, incur short-term debt, levy property taxes, and is independent of any other unit of local government.

These basic financial statements present the activities of the District and its component unit, the Canyons School District Education Foundation, 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 Canyons School District Education Foundation (the Foundation) is a nonprofit organization incorporated in the state of Utah and has received exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and is classified as a public charity under section 170(b)(1)(A)(vi) of the Code. The Foundation acts as a conduit for charitable contributions to the District. The Foundation's board is approved by the Board of Education. The Foundation exclusively serves the District. The District makes all personnel decisions for the Foundation and pays for all operating costs of the Foundation. Although a legally separate entity, a blended component unit is, in substance, part of the District's operations. The Foundation is presented as a special revenue fund of the District. Financial information specific to the Foundation may be obtained by writing the Foundation at 9150 South 500 West, Sandy, Utah 84170.

Government-wide Financial Statements – The *statement of net assets* and the *statement of activities* report information on all of the activities of the District and the Foundation. As a general rule, the effect of interfund activity is eliminated from the government-wide financial statements (e.g. internal service fund activity and indirect cost charges to programs).

The statement of activities presents the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Indirect expense allocations made in the funds are reversed for the statement of activities. Depreciation expense for capital assets specifically identified with a function is included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instruction, school administration, operation and maintenance of the building, and nutrition services) is ratably included in the direct expenses of the appropriate functions. Interest on long-term liabilities is considered an indirect expense and is presented as a separate line. Program revenues include: a) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and b) grants and contributions that are restricted to meeting the operating or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements – The fund financial statements provide information about the District's funds, including its blended component unit. Separate statements for each fund category – governmental and

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

proprietary – are presented. The emphasis of fund 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 insurance premiums, 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 interest, result from nonexchange transactions or ancillary activities. Operating expenses result from transactions directly associated with the fund's principal services.

The District reports the following major governmental funds:

- **General Fund.** The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.
- **Debt Service Fund.** The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on general obligation bonds payable.
- **Capital Outlay Fund.** The Capital Outlay Fund accounts for the resources accumulated and payments made for the acquisition of capital assets and construction of major capital projects.

Additionally, the District reports the following fund type:

- **Internal Service Fund.** The Self-Insurance Fund (a proprietary fund) is the only internal service fund used by the District and accounts for the activities associated with the District's self-insurance plan covering employee health and accident claims. Premiums are charged to the District's other funds to cover anticipated costs.

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:
 - a) Unspent tax revenues for specific purposes (capital outlays, debt service, reading achievement, student transportation, tort liability, and community recreation).
 - b) Remaining fund balances in the Nutrition Services Fund.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

- **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 (e.g. 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 to the following purposes:
 - a) Economic stabilization (\$10,100,000). 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."
 - b) Employee benefit obligations for other post-employment benefits representing the accrued actuarially liability (\$20,396,732) and for unpaid compensated absences (\$4,745,706).
 - c) Unfulfilled non-construction contractual obligations (\$652,481) at June 30, 2012 that are expected to be completed in 2013.
 - d) Resources held by the schools and the Foundation in other governmental funds committed for those purposes.
- **Assigned.** This category includes General Fund balance amounts that the District intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the District's administration comprised of superintendent, assistant superintendents, and business administrator. The District has assigned General Fund resources that are to be used for textbooks, supplies and other materials at the school level. The District has also assigned \$5,000,000 to cover potential deficits in its Self-Insurance Fund.
- **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.

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

Governmental funds 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 revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year end (or within thirty days after year end in the case of property tax

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

revenue). Property taxes and interest are considered to be susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; grants received in advance are recorded as deferred revenue until earned. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term liabilities, employee retirement and other post-employment benefits, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities and acquisitions under capital leases are reported as other financing sources.

Budgets and Budgetary Accounting – The District operates within budget requirements for school districts as specified by Utah law and as interpreted by the State Superintendent of Public Instruction. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America using the modified accrual basis of accounting for all governmental funds and on the accrual method for the Self-Insurance Fund (internal service fund). The budget for the Self-Insurance Fund is not legally required for budgetary control; this budget is for management purposes. All annual appropriations lapse at fiscal year-end. These financial reports reflect the following budgetary standards:

- For the fiscal year beginning July 1, the business administrator prepares a proposed budget for all funds which is presented to the Board of Education by the superintendent on or before June 1.
- After a public hearing is held, the Board of Education, by resolution, legally adopts the final budget no later than June 22.
- Once adopted, the budget can be amended by subsequent Board action. Reductions in appropriations can be approved by the Board upon recommendation of the superintendent; however, increases in appropriations at the overall fund level require a public hearing prior to amending the budget. In accordance with Utah State law and with Board policy, administration may make interim adjustments from one appropriation (at the program, function, or object level) to another within any given fund without seeking the immediate approval of the Board. The Board approves these changes later in the year.
- The total budgeted expenditures of a given fund may not exceed the expected revenues for the fiscal year plus the fund balance. Control of the budget is exercised at the overall fund level.
- Interim adjustments in estimated revenue and appropriations during the fiscal year ended June 30, 2012 are 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. Earnings on pooled funds are allocated to the funds based on the average balance of each participating fund.

Investments for the District and Foundation are reported at fair value.

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

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

Prepaid Expenditures – Prepaid expenditures accounted for in the governmental funds consists of a deposit with the third party administrator which pays the health and accident claims in the Self-Insurance Fund. The claims will be processed the following year and applied against appropriations of that year. The amount of the prepaid expenditure is reported as an unspendable portion of fund balance in the General Fund.

Capital Assets – Capital assets are recorded as expenditures in the governmental fund financial statements at the time of purchase or construction. All purchased furniture, equipment, or vehicles costing more than \$10,000 and constructed capital assets or improvements costing more than \$250,000 or which meet other criteria are capitalized and reported at cost or estimated historical cost in the government-wide financial statements. The cost of normal maintenance and repairs that do not add to the value of the asset or significantly extend assets' lives are not capitalized in the government-wide financial statements. Donated capital assets are recorded at their estimated fair value at the date of donation. Interest incurred during the construction of capital assets is not capitalized. The District does not purchase nor construct infrastructure (public domain) assets. Depreciation is provided on capital assets using the straight-line method over their estimated useful lives as follows:

Site improvements	40 years
Buildings.....	40 years
Vehicles	10 years
Furniture and equipment.....	5 years

Long-term Liabilities – In the government-wide financial statements and the Self Insurance Fund (internal service fund), long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activity or Self-Insurance Fund *statement of fund net assets*. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance and refunding costs are reported as deferred charges and amortized over the term of the related debt.

In the governmental fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized 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.

Statement of Fund Cash Flows – For the *statement of fund cash flows* for the proprietary fund, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. Investments in the Public Treasurers' Investment Fund are considered cash equivalents.

Variances between Budget and Actual Data – Expenditure-driven grants are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; unspent grant amounts are carried forward and included in the succeeding fiscal year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

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	\$ 6,924,405
Carrying amount of investments	217,844,834
Total cash and investments	<u>\$ 224,769,239</u>
Governmental funds cash and investments	\$ 211,148,618
Internal service fund cash and investments	13,620,621
Total cash and investments	<u>\$ 224,769,239</u>

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

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

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

Deposits – At June 30, 2012, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Canyons School District	\$ 6,752,629	\$ 7,488,495	\$ 3,305,697
Canyons Education Foundation	171,776	171,776	171,776
Total deposits	<u>\$ 6,924,405</u>	<u>\$ 7,660,271</u>	<u>\$ 3,477,473</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, \$4,182,798 of the District's bank deposits was 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 accounts separate from the District and invests some private funds through a broker.

The PTIF is an external local government investment pool managed by the Utah State Treasurer.

The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

State of Utah. Participants in the PTIF share proportionally in the income, costs, and gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which primarily consists of money market securities including certificates of deposit and top-rated domestic commercial paper held by the Utah State Treasurer. The portfolio has a weighted average life of 90 days or less. The PTIF is not rated. The reported value of the pool is the same as the fair value of the pool shares.

At June 30, 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	1-2
Canyons School District:			
Public Treasurers' Investment Fund (PTIF)	\$ 60,823,052	\$ 60,823,052	\$ -
Corporate bonds	<u>156,802,664</u>	<u>69,452,299</u>	<u>87,350,365</u>
	217,625,716	130,275,351	87,350,365
Canyons School District Education Foundation:			
Mutual funds	<u>219,118</u>	<u>219,118</u>	<u>-</u>
Total investments	\$ 217,844,834	\$ 130,494,469	\$ 87,350,365

- 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 does not have a formal investment policy for interest rate risk but manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and banker's 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 does not have a formal investment policy for credit risk but manages its exposure to credit risk by complying 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 or by Standard & Poor's at the time purchase.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

As of June 30, 2012, the District has the following investments subject to credit risk:

Investment Type	Fair Value	Credit Quality Ratings	
		A or Higher	Unrated
Canyons School District:			
Public Treasurers' Investment Fund (PTIF)	\$ 60,823,052	\$ -	\$ 60,823,052
Corporate bonds	156,802,664	156,802,664	-
	217,625,716	156,802,664	60,823,052
Canyons School District Education Foundation:			
Mutual funds	219,118	-	219,118
Total investments	\$ 217,844,834	\$ 156,802,664	\$ 61,042,170

- 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 does not have a formal investment policy for concentration of credit risk but manages this risk by complying with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to five percent of the District's total portfolio with a single issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than five percent of all funds are invested in any one issuer and no more than twenty-five percent of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than seventy-five percent may be invested in equity securities and no more than five percent 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 does not have a formal investment policy for custodial credit risk but manages this risk by complying with the Act and related rules. The Foundation's investments are held in a brokerage account which is covered by Securities Investor Protection Corporation up to \$500,000.

CANYONS SCHOOL DISTRICT
Notes to the Basic Financial Statements

3. CAPITAL ASSETS

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

	June 30, 2011 Balance	Increases	Decreases	June 30, 2012 Balance
Governmental activities:				
Capital assets, not being depreciated				
Sites	\$ 15,762,871	\$ -	\$ -	\$ 15,762,871
Construction in progress	6,768,782	80,888,275	(1,152,439)	86,504,618
Total capital assets, not being depreciated	<u>22,531,653</u>	<u>80,888,275</u>	<u>(1,152,439)</u>	<u>102,267,489</u>
Capital assets, being depreciated:				
Site improvements	35,503,070	4,744,731	-	40,247,801
Buildings	382,239,390	-	-	382,239,390
Equipment	72,605,803	293,436	(133,976)	72,765,263
Vehicles	18,146,117	870,324	(123,081)	18,893,360
Total capital assets, being depreciated	<u>508,494,380</u>	<u>5,908,491</u>	<u>(257,057)</u>	<u>514,145,814</u>
Accumulated depreciation for:				
Site Improvements	(11,196,403)	(971,902)	-	(12,168,305)
Buildings	(176,771,390)	(9,555,985)	-	(186,327,375)
Equipment	(58,781,034)	(7,297,531)	133,976	(65,944,589)
Vehicles	(11,012,918)	(1,372,143)	123,081	(12,261,980)
Total accumulated depreciation	<u>(257,761,745)</u>	<u>(19,197,561)</u>	<u>257,057</u>	<u>(276,702,249)</u>
Total capital assets, being depreciated, net	<u>250,732,635</u>	<u>(13,289,070)</u>	<u>-</u>	<u>237,443,565</u>
Governmental activity capital assets, net	<u>\$ 273,264,288</u>	<u>\$ 67,599,205</u>	<u>\$ (1,152,439)</u>	<u>\$ 339,711,054</u>

Depreciation expense for the year ended June 30, 2012 was charge to functions of the District as follows:

Governmental activities:	
Instruction	\$ 13,648,080
Supporting services:	
Students	96,615
Instructional staff	285,741
General district administration	121,651
School administration	239,285
Central	1,373,060
Operation and maintenance of school buildings	1,260,263
Student transportation	1,381,090
Nutrition services	693,568
Non K-12 programs	98,208
Total depreciation expense, governmental activities	<u>\$ 19,197,561</u>

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

The District is obligated at June 30, 2012 under construction commitments with remaining costs to complete totaling \$101,470,382 that will be financed from the Capital Outlay Fund as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Corner Canyon High (new school)	\$ 71,000,000	\$ 37,290,379	\$ 33,709,621
Crescent View Middle rebuild	35,000,000	1,164,417	33,835,583
Butler Middle rebuild	30,800,000	15,506,304	15,293,696
Midvale Elementary rebuild	16,250,000	13,888,690	2,361,310
Albion Middle renovation	15,800,000	13,933,436	1,866,564
Other projects	19,125,000	4,721,392	14,403,608
Total	<u>\$ 187,975,000</u>	<u>\$ 86,504,618</u>	<u>\$ 101,470,382</u>

4. LONG-TERM LIABILITIES

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

	June 30, 2011 Balance	Additions	Reductions	June 30, 2012 Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 203,157,400	\$ -	\$ (19,544,700)	\$ 183,612,700	\$ 17,220,300
Deferred amounts for issuance premium	3,450,933	-	(481,679)	2,969,254	-
Deferred amounts on refundings	(929,639)	-	368,130	(561,509)	-
Total bonds payable, net	<u>205,678,694</u>	<u>-</u>	<u>(19,658,249)</u>	<u>186,020,445</u>	<u>17,220,300</u>
Compensated absences	4,926,066	1,861,410	(2,041,769)	4,745,707	1,168,416
Claims payable	3,388,170	23,295,682	(22,353,014)	4,330,838	4,330,838
Net OPEB obligation	<u>210,196</u>	<u>260,896</u>	<u>(151,024)</u>	<u>320,068</u>	<u>-</u>
Total governmental activity long-term liabilities	<u>\$ 214,203,126</u>	<u>\$ 25,417,988</u>	<u>\$ (44,204,056)</u>	<u>\$ 195,417,058</u>	<u>\$ 22,719,554</u>

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

General Obligation Bonds Payable – Bonds payable at June 30, 2012 are comprised of the following general obligation issues and are serviced by property tax revenues received by the Debt Service Fund and resources in the Capital Outlay Fund:

Series	Purpose	Original Amount	Remaining Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Former Jordan School District Bonded Debt *					
September 15, 2001	School Building	\$ 10,000,000	4.25% to 4.55%	June 15, 2016	\$ 1,902,400
September 15, 2002	Bond Refunding	39,540,000	3.50% to 4.00%	June 15, 2015	6,307,500
May 15, 2003	School Building & Bond Refunding	20,200,000	3.00% to 4.00%	June 15, 2017	2,412,800
September 15, 2003	School Building	20,000,000	3.70% to 4.00%	June 15, 2018	5,408,500
October 1, 2004	School Building	15,000,000	3.25% to 4.00%	June 15, 2019	4,587,800
October 1, 2005	School Building	25,000,000	3.63% to 4.13%	June 15, 2020	9,338,000
October 1, 2006	School Building	15,000,000	4.00% to 4.13%	June 15, 2021	5,765,200
October 1, 2007	School Building	196,000,000	4.00% to 5.00%	June 15, 2022	81,910,500
Total former Jordan School District general obligation bonds payable as of June 30, 2012					117,632,700
Canyons School District Bonded Debt					
April 1, 2011	School Building	68,000,000	2.50% to 4.50%	June 15, 2031	65,980,000
Total general obligation bonds payable as of June 30, 2012					<u>\$ 183,612,700</u>

* On July 1, 2009, general obligation bonds were allocated to the newly formed Canyons School District from Jordan School District. The current outstanding balance represent 58% of the outstanding balances on the bonds.

The bonds issued by the former Jordan School District received an underlying rating of “AAA” by Fitch Ratings and “Aaa” by Moody’s Investors Service based on the guaranty provided by the Utah School Bond Guaranty Program. The bonds issued by the District received an underlying rating of “AA+” by Fitch Ratings and “Aaa” by Moody’s Investor Service. Debt service requirements to maturity, including interest for the general obligation bonds payable, are summarized as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 17,220,300	\$ 7,449,939	\$ 24,670,239
2014	15,087,100	6,792,088	21,879,188
2015	14,838,900	6,219,952	21,058,852
2016	14,655,000	5,682,149	20,337,149
2017	14,769,800	5,120,808	19,890,608
2018-2022	70,166,600	16,849,919	87,016,519
2023-2027	18,865,000	6,240,750	25,105,750
2028-2031	18,010,000	2,028,950	20,038,950
Total	<u>\$ 183,612,700</u>	<u>\$ 56,384,555</u>	<u>\$ 239,997,255</u>

Bond Election – On June 22, 2010, a bond election was held and \$250.0 million in general obligation school building bonds were authorized. The bonds are to finance the building and renovation of schools, the purchase of building sites, and to equip schools. At June 30, 2012, \$68.0 million of the bonds have been

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

issued under this authorization. In August 2012 an additional \$80.0 million was issued; see Note 12. The remaining amount will be issued in future years.

Compensated Absences – The District accrues vacation for twelve-month or full-year contract employees. Employees accrue between ten and twenty days each year depending upon length of service with the District, generally limited to a maximum number of days earned for one year. The District is liable to the employee for days earned but not taken. If an employee terminates, then payment is made; otherwise, scheduled vacation time off is allowed. Additionally, retiring employees, employed before June 30, 2006, are eligible to receive an unused sick leave bonus from the District. This bonus ranges from 25 percent to 30 percent of the value of the sick leave accumulation and is paid only upon retirement. Based on a present value calculation using the long-term composite U.S. Treasury rate of 2.35 percent, the District estimates these obligations at June 30, 2012 to be \$4,745,707. These obligations will be paid by the General Fund.

Claims Payable – The Self-Insurance Fund (an internal service fund) was established to pay self-insurance claims for health and accident coverage for participating District employees. The District carries commercial insurance, which covers catastrophic claims. Additionally, all District employees are covered for worker's compensation with resources accumulated within this fund. The fund collects premiums, as established by the District and the plan administrator, from other District funds. The District has recorded an estimate of claims liability (including claims incurred but not reported) of \$4,330,838 at June 30, 2012. This liability is based on experience and information provided by the plan administrator and includes costs to process the claims. The following table shows the activity of accrued claims payable for the years ended June 30, 2012 and 2011.

	2012	2011
Accrued claims payable (beginning of year)	\$ 3,388,170	\$ 3,418,156
Claims (including incurred but not reported)	23,295,682	24,344,661
Payments of claims	(22,353,014)	(24,374,647)
Accrued claims payable (end of year)	<u>\$ 4,330,838</u>	<u>\$ 3,388,170</u>

5. PROPERTY TAXES

The budgeting and accounting for property taxes are handled in the governmental funds on a modified accrual basis, with appropriate recognition of property taxes receivable at year-end. The District has recorded a property tax receivable for the delinquent property taxes due and for the taxes assessed January 1. The District has recorded a corresponding property tax deferral for taxes assessed January 1 but not due and collectible within thirty days of the end of the fiscal year. The property tax revenue of the District is collected and distributed by the Salt Lake County Treasurer as an agent for the District.

Utah statutes establish the process by which taxes are levied and collected. The County Assessor is required to assess real property as of January 1 and complete the tax rolls by May 22. By July 22, the County Auditor is to mail assessed value and tax notices to property owners. A taxpayer may petition the County Board of Equalization within 30 days of receipt of the tax notice for a revision of the assessed value. The County Auditor makes approved changes in assessed values by November 1. On this same date the 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 percent penalty of the property tax due, 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 a rate determined by the County; the interest period is from January 1 until the taxes are paid. If in May of the fifth year the taxes remain delinquent, the County advertises and sells the property at a tax sale.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

The District's property tax revenue is allocated to the funds based on the purpose of each tax levy and in proportion to each tax rate, except for the capital outlay equalization levy. The capital outlay equalization levy is allocated by the County to the District based on student enrollment and enrollment growth compared to other school districts within Salt Lake County; the District records property tax revenue from this levy in the Capital Outlay Fund.

6. STATE 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 (the URS) and Plans (the Systems):

- 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.

The contributions requirements of the Systems are authorized by statute and specified by the Utah State Retirement Board. The District's required contribution rates (actuarially determined) for the fiscal year ended June 30, 2012 and required contributions to the Systems for the fiscal years ended June 30, 2012, 2011, and 2010 are as follows:

- For employees participating in the Tier 1 State and School Noncontributory System, the District contributes 16.86 percent of annual covered salary. For employees participating in the Tier 2 State and School Noncontributory System, the District contributes 7.59 percent of annual covered salary.
- The District's contributions to the Tier 1 State and School Noncontributory Retirement System for the fiscal years ended June 30, 2012, 2011, and 2010 are \$19,191,394, \$18,462,265, and \$14,498,872, respectively. The District's contributions to the Tier 2 State and School Contributory System for the fiscal year ended June 30, 2012 are \$356,564. The contributions were equal to the required contributions for each year.

Defined Contribution Plans – The District also participates in a defined contribution plan under Internal Revenue Code Section 401(k) to supplement retirement benefits accrued by participants in the Systems. Employees covered by the Tier 1 State and School Noncontributory Retirement System have a contribution of 1.5 percent 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 fiscal years ended June 30, 2012, 2011 and 2010 are \$2,357,071, \$2,383,168, and \$2,278,760, respectively; the employee contributions for the fiscal years ended June 30, 2012, 2011 and 2010 are \$2,635,182, \$2,847,833, and \$2,339,420, respectively. The 401(k) plan funds are fully vested to the participants at the time of deposit. Plan assets are administered and

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

held by the 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 Sections 457. The plan, available to all full-time employees, permit 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 plans totaled \$240,547, \$269,268, and \$194,669 for the fiscal years ended June 30, 2012, 2011, and 2010, respectively. The assets of the plan are administered and held by the URS. The plan administrators have the authority to amend the plans.

In addition to the defined contribution and deferred compensation plans, the District offers its employees tax-advantaged savings plans authorized by Internal Revenue Service Code Section 408 (Traditional and Roth IRA Plans). Employees are eligible to participate from the date of employment and are vested immediately upon participation. For the fiscal years ended June 30, 2012, 2011, and 2010, employee contributions were \$60,672, \$30,576, and \$12,741, respectively. The assets of the plans are administered and held by the URS and the URS has the authority to amend the plans.

7. DISTRICT RETIREMENT PLANS

Plan Descriptions – Under the authority of the Board of Education, the District adopted the retirement plans and policies that were in effect under the former Jordan School District. The District self-administers the single-employer retirement plans described below.

The District offers a) retirement or cash stipends and b) post-employment health-care benefits to employees retiring under the guidelines of the Utah Retirement Systems. These benefits are based on the tenure and salary of the employees as of June 30, 2006, effectively eliminating the benefit over a period of time and “freezing” the total future liability of the District. The accounting for these benefits began in fiscal year 2006-07 under the former Jordan School District as new benefits and will continue under the District, effective July 1, 2010, when the District assumed the obligation to provide these benefits for eligible employees and retirees.

Funding Policy – The District pays for these benefits on a pay-as-you-go basis from the General Fund. Retirees are permitted to participate with the active employees in the health-care plan but retirees must pay all premiums assigned to them as described herein. Those employees retiring after June 30, 2006 may purchase health insurance at percentages of the total District premium as follows: first eighteen months at 102 percent, next six months at 110 percent, and to age 65 at a floating percentage to cover retiree health care costs as its own insured group. The number of participants who received post-employment health-care benefits was 73 in the month of June 2012.

Annual OPEB Cost and Net OPEB Obligation (Retirement Asset) – The District’s annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the District (ARC), an amount actuarially determined in accordance with governmental accounting standards. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excesses) over a period not to exceed thirty years. The following table shows the components of the District’s annual OPEB cost for the year, the amount actually contributed to the plans, and changes in the District’s net OPEB obligation (retirement asset).

CANYONS SCHOOL DISTRICT
Notes to the Basic Financial Statements

	<u>Cash Stipends</u>	<u>Health-Care</u>
Annual Required Contribution (ARC)	\$ 998,807	\$ 266,242
Interest on net OPEB obligation	8,335	(524)
Adjustment to ARC	<u>84,712</u>	<u>(4,822)</u>
Annual OPEB cost (expense)	1,091,854	260,896
Contributions made	<u>(2,415,046)</u>	<u>(151,024)</u>
Increase in net OPEB obligation (retirement asset)	(1,323,192)	109,872
Net OPEB obligation (retirement asset) - beginning of year	<u>(3,333,946)</u>	<u>210,196</u>
Net OPEB obligation (retirement asset) - end of year	<u><u>\$ (4,657,138)</u></u>	<u><u>\$ 320,068</u></u>

The District annual OPEB cost, the percentage of annual OPEB cost contributed to the plans and the net OPEB obligation (retirement asset) for the fiscal years ended June 30, 2012 and 2011 are based on the September 1, 2010 actuarial study, are summarized below.

Fiscal Year Ended June 30,	Annual Retirement Costs		Contributions as a Percentage of Annual Retirement Costs		Net OPEB Obligation (Retirement Asset)	
	Cash Stipends	Health-Care	Cash Stipends	Health-Care	Cash Stipends	Health-Care
2011	\$ 1,116,409	\$ 256,952	398.6%	18.2%	\$ (3,333,946)	\$ 210,196
2012	1,091,854	260,896	221.2%	57.9%	(4,657,138)	320,068

Funded Status – As of September 1, 2010, the most recent actuarial valuation date, the actuarial accrued liability (AAL) for the cash stipends was \$17,198,989 and for the health-care benefits was \$2,603,663 which is also the unfunded actuarial accrued liability (UAAL). The District has committed \$20,396,732, which is slightly more than the actuarial accrued liability, of General Fund resources to help cover future obligations of these benefits; however, this commitment does not qualify as “funding.” The required schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the accrued liabilities and assets. The funded status of these benefits as of June 30, 2012, based on the September 1, 2010 actuarial study, is summarized below.

	<u>Cash Stipends</u>	<u>Health-Care</u>
Acturial Accrued Libability (AAL)	\$ 17,198,989	\$ 2,603,663
Acturial Value of Plan Assets	<u>-</u>	<u>-</u>
Unfunded Acturial Accrued Liability (UAAL)	<u><u>\$ 17,198,989</u></u>	<u><u>\$ 2,603,663</u></u>
Funded Ratio (acturial value of plan assets / AAL)	0.0%	0.0%
Covered Payroll	\$ 91,358,057	\$ 113,262,548
UAAL as a Percentage of Covered Payroll	18.8%	2.3%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the District are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the nature of benefits provided under the plans at the time of the actuarial valuation and the pattern of cost sharing between the District and retirees to that point. Actuarial calculations are long-term in nature, and techniques are used to reduce the short-term volatility of actuarial accrued liabilities and the actuarial valuations of assets. In the September 1, 2010 actuarial valuation, the projected unit credit using full accrual at full eligibility age method and the level dollar closed amortization (30 years) was used. An interest rate assumption using the 30-year U.S. Treasury yield curve as of August 31, 2010 was used. The valuation assumes a health-care cost trend increase of 7.2 percent for fiscal year 2010-11, 6.8 percent for fiscal year 2011-12, 6.6 percent for fiscal year 2012-13 at which point it gradually grades down to a 4.7 percent increase for fiscal year 2079-80 and beyond with inflation at 2.75 percent. Cost of health-care was estimated using the District's past experience, level of coverage, and premiums with gender and age adjustments. Demographic and other assumptions include: 1) mortality rates, 2) public education retirement rates, and 3) termination rates by age, gender, and years employed.

8. RISK MANAGEMENT

The District also maintains insurance coverage for general, automobile, personal injury, errors and omission, employee dishonesty, and malpractice liability up to \$1.5 million per occurrence through policies administered by the Utah State Risk Management Fund (the Fund). The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Fund. Property physical damage is insured to replacement value with a \$1,000 deductible; automobile physical damage is insured to actual value with a \$500 deductible; other liability is limited to the lesser of \$10 million or the statutory limit. Settled claims have not exceeded the District's insurance coverage for the past three years. The Fund is a public entity risk pool operated by the state for the benefit of state and local governments. The District pays annual premiums to the Fund; the Fund obtains independent coverage for insured events, up to \$25 million per location.

9. GRANTS

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

10. TRANSFERS

During the year ended June 30, 2012, the District transferred \$255,112 from the General Fund to the Canyons School District Education Foundation Special Revenue Fund to cover the administration expenditures of the Foundation. The District also transferred \$5.0 million from the Capital Outlay Fund to the Debt Service Fund to cover the principal and interest payments for the Series 2011 general obligation bonds.

11. LITIGATION

At certain times, claims or lawsuits are pending in which the District is involved. The District's counsel and insurance carriers estimate that the District's potential obligations resulting from such claims or litigation would not significantly affect the financial statements of the District.

CANYONS SCHOOL DISTRICT
Notes to the Basic Financial Statements

12. SUBSEQUENT EVENT

Subsequent to the date of these financial statements, the Canyons School District issued \$80.0 million in General Obligation School Building Bonds from the \$250.0 million approved by the voters in June 2010; see Note 4. These bonds bear an interest rate of 2.95% and have a 20-year life and are backed by the Utah School Bond Guaranty Program. The bond proceeds from this issue will be used to finance the construction and improvement of new and existing school buildings and will be repaid from future tax revenues in the Debt Service Fund.

CANYONS SCHOOL DISTRICT
Required Supplementary Information
June 30, 2012

Schedule of Funding Progress
District Retirement Benefits

Cash Stipends

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
9/1/2010	\$ -	\$ 17,198,989	\$ 17,198,989	0.0%	\$ 81,378,942	21.1%

Health-Care

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
9/1/2010	\$ -	\$ 2,603,663	\$ 2,603,663	0.0%	\$ 100,608,156	2.6%

The September 1, 2010 actuarial study was the first to study these current benefits.
The next actuarial study will be September 1, 2012.

Current accounting rules and regulations only allow funds set aside in irrevocable trust funds to be included in the above schedule. The District has elected to not contribute resources to such irrevocable trust funds but rather commits a portion of the fund balance in the General Fund to help cover these obligations.

Effective July, 1 2010, the District assumed these retirement benefit obligations from Jordan School District (see Note 7 to the basic financial statements). These allocations have been committed for employee obligations (District retirement benefits and compensated absences).

Combining and Individual Fund Financial Statements and Schedules

Major Governmental Funds

General Fund

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

Debt Service Fund

Debt Service Fund - The purpose of this fund is to account for the accumulation of resources for, and payment of, principal, interest, and related costs of general obligation bonds.

Capital Outlay Fund

Capital Outlay Fund - The purpose of this fund is to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing quality education programs for all students within the District.

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
General Fund
A Major Governmental Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	\$ 99,780,860	\$ 90,349,149
Accounts receivable:		
Property taxes	70,981,853	67,000,999
Other local	139,638	300,436
State of Utah	100,806	99,120
Federal government	4,348,914	7,415,201
Inventories	1,621,452	1,492,362
Prepaid expenditures	400,000	400,000
Total assets	<u>\$ 177,373,523</u>	<u>\$ 167,057,267</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 3,371,459	\$ 1,828,526
Accrued payroll and related benefits	19,721,635	19,049,430
Deferred revenue:		
Property taxes	71,025,136	66,998,977
State of Utah	10,844,314	11,788,476
Federal government	2,763,187	2,976,016
Total liabilities	<u>107,725,731</u>	<u>102,641,425</u>
Fund balances:		
Nonspendable:		
Inventories and prepaid expenditures	2,021,452	1,892,362
Restricted for:		
Reading achievement	1,074,908	1,719,855
Student transportation	1,912,468	-
Tort liability	826,298	-
Committed to:		
Economic stabilization	10,100,000	10,000,000
Employee benefit obligations	25,142,438	24,728,718
Contractual obligations	652,481	1,186,520
Assigned to:		
Schools	3,965,251	2,444,933
Self insurance	5,000,000	3,000,000
Unassigned	18,952,496	19,443,454
Total fund balances	<u>69,647,792</u>	<u>64,415,842</u>
Total liabilities and fund balances	<u>\$ 177,373,523</u>	<u>\$ 167,057,267</u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
A Major Governmental Fund
Fiscal 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	\$ 74,061,809	\$ 74,710,870	\$ 649,061	\$ 66,652,969
Interest earnings	775,000	826,496	51,496	396,624
Other local	5,083,248	5,589,296	506,048	5,063,892
State of Utah	117,644,962	115,282,496	(2,362,466)	116,189,088
Federal government	12,664,557	13,469,238	804,681	19,322,016
Total revenues	210,229,576	209,878,396	(351,180)	207,624,589
Expenditures:				
Current:				
Salaries	126,934,776	126,997,385	(62,609)	123,037,608
Employee benefits	51,967,294	47,165,634	4,801,660	44,826,991
Purchased professional services	3,676,815	3,480,726	196,089	3,903,585
Purchased property services	883,500	646,338	237,162	671,048
Other purchased services	4,674,444	4,115,534	558,910	3,797,073
Supplies	21,208,506	19,934,473	1,274,033	18,282,152
Property	1,632,365	1,858,198	(225,833)	2,458,235
Other	224,456	193,046	31,410	214,412
Total expenditures	211,202,156	204,391,334	6,810,822	197,191,104
Excess (deficiency) of revenues over (under) expenditures	(972,580)	5,487,062	6,459,642	10,433,485
Other financing sources (uses):				
Transfer out	(302,580)	(255,112)	47,468	(169,505)
Total other financing sources (uses)	(302,580)	(255,112)	47,468	(169,505)
Net change in fund balances	(1,275,160)	5,231,950	6,507,110	10,263,980
Fund balances - beginning	64,415,842	64,415,842	-	39,541,827
Allocation from Jordan School District	-	-	-	14,610,035
Fund balances - ending	<u>\$ 63,140,682</u>	<u>\$ 69,647,792</u>	<u>\$ 6,507,110</u>	<u>\$ 64,415,842</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Debt Service Fund
A Major Governmental Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	\$ 3,106,411	\$ 2,493,601
Accounts receivable:		
Property taxes	<u>22,689,809</u>	<u>22,380,764</u>
Total assets	<u><u>\$ 25,796,220</u></u>	<u><u>\$ 24,874,365</u></u>
 Liabilities and fund balances:		
Liabilities:		
Deferred revenue, property taxes	\$ 22,788,251	\$ 22,482,541
 Fund balances:		
Restricted for:		
Debt service	<u>3,007,969</u>	<u>2,391,824</u>
Total liabilities and fund balances	<u><u>\$ 25,796,220</u></u>	<u><u>\$ 24,874,365</u></u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service Fund
A Major Governmental Fund
Fiscal 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	\$ 24,661,883	\$ 24,844,151	\$ 182,268	\$ 23,687,761
Interest earnings	75,000	104,305	29,305	58,492
Total revenues	24,736,883	24,948,456	211,573	23,746,253
Expenditures:				
Debt service:				
Bond principal	19,544,700	19,544,700	-	16,837,400
Bond interest	8,701,803	8,701,803	-	6,335,448
Paying agent fees and other	1,091,700	1,085,808	5,892	2,755
Total expenditures	29,338,203	29,332,311	5,892	23,175,603
Excess (deficiency) of revenues over (under) expenditures/Net change in fund balance	(4,601,320)	(4,383,855)	217,465	570,650
Other financing sources (uses):				
Transfer in	5,000,000	5,000,000	-	-
Total other financing sources (uses)	5,000,000	5,000,000	-	-
Net change in fund balances	398,680	616,145	217,465	570,650
Fund balances - beginning	2,391,824	2,391,824	-	1,821,174
Fund balances - ending	<u>\$ 2,790,504</u>	<u>\$ 3,007,969</u>	<u>\$ 217,465</u>	<u>\$ 2,391,824</u>

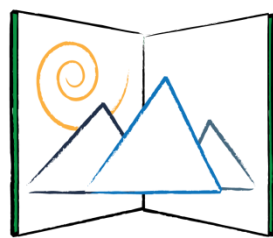
CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Capital Outlay Fund
A Major Governmental Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	\$ 99,705,458	\$ 166,625,656
Accounts receivable:		
Property taxes	20,765,189	13,350,508
Other local	114	41,491
State of Utah	-	217,263
Total assets	<u>\$ 120,470,761</u>	<u>\$ 180,234,918</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 15,111,290	\$ 3,398,515
Deferred revenue, property taxes	<u>20,708,579</u>	<u>13,207,688</u>
Total liabilities	35,819,869	16,606,203
Fund balances:		
Restricted for:		
Debt service	25,000,000	25,153,185
Capital outlay	<u>59,650,892</u>	<u>138,475,530</u>
Total fund balances	<u>84,650,892</u>	<u>163,628,715</u>
Total liabilities and fund balances	<u>\$ 120,470,761</u>	<u>\$ 180,234,918</u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Outlay Fund
A Major Governmental Fund

Fiscal 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:				
Property taxes	\$ 20,489,558	\$ 20,675,928	\$ 186,370	\$ 32,100,837
Interest earnings	1,500,000	1,917,847	417,847	661,204
Other local	-	25,741	25,741	1,424
Total local sources	21,989,558	22,619,516	629,958	32,763,465
State sources:				
State energy grant	39,000	415,632	376,632	555,363
Federal sources:				
Special education, recovery act	-	-	-	257,532
Total revenues	22,028,558	23,035,148	1,006,590	33,576,360
Expenditures:				
Capital outlay:				
Sites and improvements	3,201,522	3,574,790	(373,268)	3,025,646
Buildings and improvements	84,823,087	81,189,806	3,633,281	6,147,475
Equipment and vehicles	9,149,410	6,998,050	2,151,360	8,506,244
Other capital outlay	6,832,621	5,250,325	1,582,296	6,601,193
Total expenditures	104,006,640	97,012,971	6,993,669	24,280,558
Excess (deficiency) of revenues over (under) expenditures	(81,978,082)	(73,977,823)	8,000,259	9,295,802
Other financing sources (uses):				
General obligation bonds issued	-	-	-	68,000,000
Premiums on bonds issued	-	-	-	1,418,562
Transfer out	(5,000,000)	(5,000,000)	-	-
Total other financing sources (uses)	(5,000,000)	(5,000,000)	-	69,418,562
Net change in fund balances	(86,978,082)	(78,977,823)	8,000,259	78,714,364
Fund balances - beginning	163,628,715	163,628,715	-	80,813,430
Allocation from Jordan School District	-	-	-	4,100,921
Fund balances - ending	<u>\$ 76,650,633</u>	<u>\$ 84,650,892</u>	<u>\$ 8,000,259</u>	<u>\$ 163,628,715</u>



CANYONS
School District

*"Celebrating the Highest
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Nonmajor Governmental Funds

Special Revenue Funds

Nutrition Services Fund - The purpose of this fund is to account for the food services activities of the District as required by state and federal law. Financing is provided by local sales along with substantial subsidies from the State of Utah and the U.S. Department of Agriculture.

Student Activity Fund - The purpose of this fund is to account for the co-curricular and extra-curricular activities in the schools. This fund includes all monies that flow through the individual school checking accounts including athletic programs, class fees, vending receipts, etc. The monies in this fund are owned by the District.

Non K-12 Programs Fund - The purpose of this fund is to account for the costs of programs that are not part of the basic educational program of kindergarten through twelfth grade. Included in this fund are preschool, adult education, community education, and others. Costs associated with providing recreational programs within the District are also included in this fund.

Canyons School District Education Foundation Fund - The purpose of this fund is to account for donations received from the private sector which are used to enhance public education programs within the District.

CANYONS SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Special Revenue				Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Non K-12 Programs	Education Foundation	
Assets:					
Cash and investments	\$ 2,119,106	\$ 4,833,170	\$ 1,212,719	\$ 390,894	\$ 8,555,889
Accounts receivable:					
Property taxes	-	-	947,925	-	947,925
Other local	378	-	113	8,570	9,061
State of Utah	683,379	-	203,235	-	886,614
Federal government	128,453	-	468,318	-	596,771
Inventories	278,443	-	-	-	278,443
Total assets	<u>\$ 3,209,759</u>	<u>\$ 4,833,170</u>	<u>\$ 2,832,310</u>	<u>\$ 399,464</u>	<u>\$ 11,274,703</u>
Liabilities:					
Accounts payable	\$ 16,185	\$ 647,067	\$ 58,610	\$ 7,915	\$ 729,777
Accrued payroll and related benefits	213,085	-	304,292	-	517,377
Deferred revenue:					
Property taxes	-	-	931,701	-	931,701
Other local	210,122	114,825	-	-	324,947
State of Utah	-	-	229,819	-	229,819
Total liabilities	<u>439,392</u>	<u>761,892</u>	<u>1,524,422</u>	<u>7,915</u>	<u>2,733,621</u>
Fund balances:					
Nonspendable:					
Inventories	278,443	-	-	-	278,443
Restricted for:					
Nutrition services	2,491,924	-	-	-	2,491,924
Community recreation	-	-	1,307,888	-	1,307,888
Committed to:					
Schools	-	4,071,278	-	-	4,071,278
Foundation	-	-	-	391,549	391,549
Total fund balances	<u>2,770,367</u>	<u>4,071,278</u>	<u>1,307,888</u>	<u>391,549</u>	<u>8,541,082</u>
Total liabilities and fund balances	<u>\$ 3,209,759</u>	<u>\$ 4,833,170</u>	<u>\$ 2,832,310</u>	<u>\$ 399,464</u>	<u>\$ 11,274,703</u>

CANYONS SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Year Ended June 30, 2012

	Special Revenue				Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Non K-12 Programs	Education Foundation	
Revenues:					
Property taxes	\$ -	\$ -	\$ 2,397,140	\$ -	\$ 2,397,140
Tuitions, fees, and admissions	-	2,384,207	410,402	-	2,794,609
Lunch sales	4,579,781	-	-	-	4,579,781
Interest earnings	61,036	23,383	27,742	689	112,850
Other local sources	55,959	4,849,310	-	282,352	5,187,621
State of Utah	1,814,595	-	4,318,661	-	6,133,256
Federal government	5,751,023	-	810,736	-	6,561,759
Total revenues	<u>12,262,394</u>	<u>7,256,900</u>	<u>7,964,681</u>	<u>283,041</u>	<u>27,767,016</u>
Expenditures:					
Current:					
Instruction	-	7,245,964	-	510,784	7,756,748
Nutrition services	11,882,888	-	-	-	11,882,888
Non K-12 programs	-	-	6,817,804	-	6,817,804
Total expenditures	<u>11,882,888</u>	<u>7,245,964</u>	<u>6,817,804</u>	<u>510,784</u>	<u>26,457,440</u>
Excess (deficiency) of revenues over (under) expenditures	379,506	10,936	1,146,877	(227,743)	1,309,576
Other financing sources:					
Transfer in	-	-	-	255,112	255,112
Net change in fund balances	379,506	10,936	1,146,877	27,369	1,564,688
Fund balances - beginning	<u>2,390,861</u>	<u>4,060,342</u>	<u>161,011</u>	<u>364,180</u>	<u>6,976,394</u>
Fund balances - ending	<u>\$ 2,770,367</u>	<u>\$ 4,071,278</u>	<u>\$ 1,307,888</u>	<u>\$ 391,549</u>	<u>\$ 8,541,082</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Nutrition Services Fund
A Nonmajor Special Revenue Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	\$ 2,119,106	\$ 1,619,220
Accounts receivable:		
Other local	378	48,299
State of Utah	683,379	568,333
Federal government	128,453	154,736
Inventories	278,443	416,288
Total assets	<u>\$ 3,209,759</u>	<u>\$ 2,806,876</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 16,185	\$ 17,671
Accrued payroll and related benefits	213,085	215,708
Deferred revenue, other local	210,122	182,636
Total liabilities	<u>439,392</u>	<u>416,015</u>
Fund balances:		
Nonspendable:		
Inventories	278,443	416,288
Restricted for:		
Nutrition services	2,491,924	1,974,573
Total fund balances	<u>2,770,367</u>	<u>2,390,861</u>
Total liabilities and fund balances	<u>\$ 3,209,759</u>	<u>\$ 2,806,876</u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nutrition Services Fund
A Nonmajor Special Revenue Fund
Fiscal 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:				
Lunch sales - students	\$ 4,531,211	\$ 4,427,392	\$ (103,819)	\$ 4,478,474
Lunch sales - adult	153,777	152,389	(1,388)	152,254
Interest earnings	45,315	61,036	15,721	46,732
Other	48,455	55,959	7,504	47,956
Total local sources	4,778,758	4,696,776	(81,982)	4,725,416
State sources:				
State lunch program	1,605,006	1,814,595	209,589	1,621,218
Federal sources:				
Lunch program	851,450	867,979	16,529	847,213
Free and reduced meals reimbursement	3,042,311	3,297,519	255,208	3,012,189
Breakfast program	460,637	528,525	67,888	458,345
Other food programs	96,000	165,367	69,367	97,091
Commodity program	847,243	891,633	44,390	848,941
Total federal sources	5,297,641	5,751,023	453,382	5,263,779
Total revenues	11,681,405	12,262,394	580,989	11,610,413
Expenditures:				
Current:				
Salaries	4,260,010	4,235,711	24,299	4,303,492
Employee benefits	1,469,107	1,479,533	(10,426)	1,438,838
Purchased services	96,900	72,680	24,220	86,193
Supplies	208,088	155,497	52,591	174,345
Food	5,376,530	4,958,815	417,715	4,575,646
Property	139,674	80,818	58,856	116,403
Other	907,000	899,834	7,166	745,556
Total expenditures	12,457,309	11,882,888	574,421	11,440,473
Net change in fund balances	(775,904)	379,506	1,155,410	169,940
Fund balances - beginning	2,390,861	2,390,861	-	2,220,921
Fund balances - ending	<u>\$ 1,614,957</u>	<u>\$ 2,770,367</u>	<u>\$ 1,155,410</u>	<u>\$ 2,390,861</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Student Activities Fund
A Nonmajor Special Revenue Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	<u>\$ 4,833,170</u>	<u>\$ 4,695,435</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 647,067	\$ 591,195
Deferred revenue, local	<u>114,825</u>	<u>43,898</u>
Total liabilities	<u>761,892</u>	<u>635,093</u>
Fund balances:		
Committed to:		
Schools	<u>4,071,278</u>	<u>4,060,342</u>
Total liabilities and fund balances	<u>\$ 4,833,170</u>	<u>\$ 4,695,435</u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Student Activities Fund
A Nonmajor Special Revenue Fund
Fiscal 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:				
Student fees	\$ 2,741,228	\$ 2,384,207	\$ (357,021)	\$ 2,610,693
Vending commissions	163,434	114,871	(48,563)	155,651
Fundraisers and donations	4,858,278	4,734,439	(123,839)	4,626,931
Interest earnings	33,000	23,383	(9,617)	29,121
Total revenues	<u>7,795,940</u>	<u>7,256,900</u>	<u>(539,040)</u>	<u>7,422,396</u>
Expenditures:				
Current:				
Purchased services	2,446,435	3,084,442	(638,007)	2,224,032
Supplies and materials	4,686,319	3,744,832	941,487	4,233,154
Property and equipment	222,083	202,754	19,329	201,894
Other	349,889	213,936	135,953	318,081
Total expenditures	<u>7,704,726</u>	<u>7,245,964</u>	<u>458,762</u>	<u>6,977,161</u>
Net change in fund balances	91,214	10,936	(80,278)	445,235
Fund balances - beginning	<u>4,060,342</u>	<u>4,060,342</u>	<u>-</u>	<u>3,615,107</u>
Fund balances - ending	<u>\$ 4,151,556</u>	<u>\$ 4,071,278</u>	<u>\$ (80,278)</u>	<u>\$ 4,060,342</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Non K-12 Programs Fund
A Nonmajor Special Revenue Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	\$ 1,212,719	\$ 603,527
Accounts receivable:		
Property taxes	947,925	2,106,447
Other local	113	3,520
State of Utah	203,235	407,649
Federal government	468,318	173,691
Total assets	<u>\$ 2,832,310</u>	<u>\$ 3,294,834</u>
Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 58,610	\$ 57,676
Accrued payroll and related benefits	304,292	387,737
Deferred revenue:		
Property taxes	931,701	2,117,357
State of Utah	229,819	571,053
Total liabilities	<u>1,524,422</u>	<u>3,133,823</u>
Fund balances:		
Restricted for:		
Community recreation	<u>1,307,888</u>	<u>161,011</u>
Total liabilities and fund balances	<u>\$ 2,832,310</u>	<u>\$ 3,294,834</u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Non K-12 Programs Fund
A Nonmajor Special Revenue Fund
Fiscal 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:				
Property taxes	\$ 2,376,314	\$ 2,397,140	\$ 20,826	\$ 1,215,560
Tuitions, sales, and other	401,500	410,402	8,902	419,125
Interest earnings	20,000	27,742	7,742	21,307
Total local sources	2,797,814	2,835,284	37,470	1,655,992
State sources:				
Special education - preschool & corrections	1,425,412	1,436,360	10,948	1,274,633
Adult & corrections education	2,585,026	2,604,397	19,371	2,517,208
Other	201,185	277,904	76,719	113,351
Total state sources	4,211,623	4,318,661	107,038	3,905,192
Federal sources:				
Special education - preschool & regular	717,046	543,335	(173,711)	775,010
Adult education	119,334	119,334	-	141,932
No child left behind	103,778	148,067	44,289	122,317
Total federal sources	940,158	810,736	(129,422)	1,039,259
Total revenues	7,949,595	7,964,681	15,086	6,600,443
Expenditures:				
Current:				
Salaries	4,155,915	4,222,182	(66,267)	4,097,689
Employee benefits	1,444,792	1,320,481	124,311	1,319,578
Purchased services	565,000	536,645	28,355	458,327
Supplies and materials	284,400	282,943	1,457	215,488
Property	46,000	70,452	(24,452)	109,990
Other	386,250	385,101	1,149	302,248
Total expenditures	6,882,357	6,817,804	64,553	6,503,320
Net change in fund balances	1,067,238	1,146,877	79,639	97,123
Fund balances - beginning	161,011	161,011	-	63,888
Fund balances - ending	<u>\$ 1,228,249</u>	<u>\$ 1,307,888</u>	<u>\$ 79,639</u>	<u>\$ 161,011</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Canyons School District Education Foundation Fund
A Nonmajor Special Revenue Fund
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Cash and investments	\$ 390,894	\$ 363,234
Accounts receivable, other local	8,570	
Total assets	<u><u>\$ 399,464</u></u>	<u><u>\$ 363,234</u></u>
 Liabilities and fund balances:		
Liabilities:		
Accounts payable	\$ 7,915	\$ 54
 Fund balances:		
Committed to:		
Foundation	391,549	364,180
Total liabilities and fund balances	<u><u>\$ 399,464</u></u>	<u><u>\$ 364,234</u></u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Canyons School District Education Foundation
A Nonmajor Special Revenue Fund
Fiscal 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:				
Contributions	\$ 230,000	\$ 282,352	\$ 52,352	\$ 119,027
Interest earnings	13,000	689	(12,311)	39,388
Total revenues	243,000	283,041	40,041	158,415
Expenditures:				
Current:				
Salaries	205,892	188,912	16,980	134,397
Employee benefits	69,538	63,270	6,268	35,108
Purchased services	13,650	14,137	(487)	1,380
Supplies donated to schools	248,500	244,465	4,035	79,536
Total expenditures	537,580	510,784	26,796	250,421
Excess (deficiency) of revenues over (under) expenditures	(294,580)	(227,743)	66,837	(92,006)
Other financing sources:				
Transfer in	302,580	255,112	(47,468)	169,505
Net change in fund balance	8,000	27,369	19,369	77,499
Fund balances - beginning	364,180	364,180	-	286,681
Fund balances - ending	<u>\$ 372,180</u>	<u>\$ 391,549</u>	<u>\$ 19,369</u>	<u>\$ 364,180</u>

Proprietary Fund

Internal Service Fund

Self-Insurance Fund - The purpose of this fund is to account for the costs of the District's self-insured plans for medical insurance and industrial insurance. Annual premiums are charged to the other funds based upon total projected expenditures. Benefit payments plus an administrative charge are made to third-party administrators who approve and process all claims.

CANYONS SCHOOL DISTRICT
Comparative Statements of Fund Net Assets
Self-Insurance Fund
An Internal Service Fund
June 30, 2012 and 2011

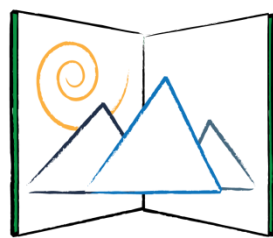
	<u>2012</u>	<u>2011</u>
Assets:		
Current assets:		
Cash and investments	\$ 13,620,621	\$ 12,341,943
Liabilities:		
Current liabilities:		
Claims payable	<u>4,330,838</u>	<u>3,388,170</u>
Net assets:		
Unrestricted	<u><u>\$ 9,289,783</u></u>	<u><u>\$ 8,953,773</u></u>

CANYONS SCHOOL DISTRICT
Comparative Statements of Revenues, Expenses, and Changes in Fund Net Assets
Self-Insurance Fund
An Internal Service Fund
Fiscal Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating revenues:		
Insurance premiums	\$ 23,565,777	\$ 23,036,084
Operating expenses:		
Medical claims	17,249,124	18,457,800
Prescription claims	5,098,815	4,992,651
Industrial insurance claims	562,937	525,767
Administration and other	384,806	368,443
Total operating expenses	<u>23,295,682</u>	<u>24,344,661</u>
Operating income (loss)	270,095	(1,308,577)
Nonoperating income:		
Interest	<u>65,915</u>	<u>43,954</u>
Change in net assets	336,010	(1,264,623)
Net assets - beginning	<u>8,953,773</u>	<u>10,218,396</u>
Net assets - ending	<u><u>\$ 9,289,783</u></u>	<u><u>\$ 8,953,773</u></u>

CANYONS SCHOOL DISTRICT
Comparative Statements of Fund Cash Flows
Self-Insurance Fund
An Internal Service Fund
Fiscal Years Ended June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 23,565,777	\$ 23,036,261
Payments to suppliers	(384,806)	(368,443)
Payments for medical fees and insurance claims	<u>(21,968,208)</u>	<u>(24,006,204)</u>
Net cash provided (used) by operating activities	1,212,763	(1,338,386)
Cash flows from investing activities:		
Interest received	<u>65,915</u>	<u>43,954</u>
Net increase (decrease) in cash and cash equivalents	1,278,678	(1,294,432)
Cash and cash equivalents - beginning	<u>12,341,943</u>	<u>13,636,375</u>
Cash and cash equivalents - ending	<u><u>\$ 13,620,621</u></u>	<u><u>\$ 12,341,943</u></u>
(Displayed on statements of fund net assets as <i>Cash and investments</i>)		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 270,095	\$ (1,308,577)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Increase (decrease) in claims payable	<u>942,668</u>	<u>(29,809)</u>
Net cash provided (used) by operating activities	<u><u>\$ 1,212,763</u></u>	<u><u>\$ (1,338,386)</u></u>
Noncash investing, capital, and financing activities:	none	none



CANYONS
School District

*"Celebrating the Highest
Standards of Educational Excellence"*

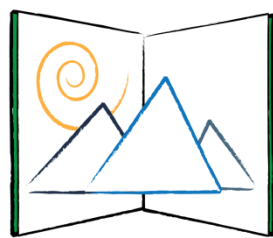
CANYONS SCHOOL DISTRICT
Statistical Section
Table of Contents

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.

Contents	Pages
Financial Trends.....	79-85
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity.....	86-90
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
Debt Capacity.....	91-96
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.	
Demographic and Economic Information.....	97-98
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information.....	99-109
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.	

Sources:

Unless otherwise noted, the information in these schedules is derived from the District's comprehensive annual financial reports. Since 2010 was the District's first year of operations, most schedules will show only data for three years. However, some schedules do show data for the former Jordan School District prior to the creation of Canyons School District on July 1, 2009, wherein the data was deemed relevant for comparative purposes.



CANYONS
School District

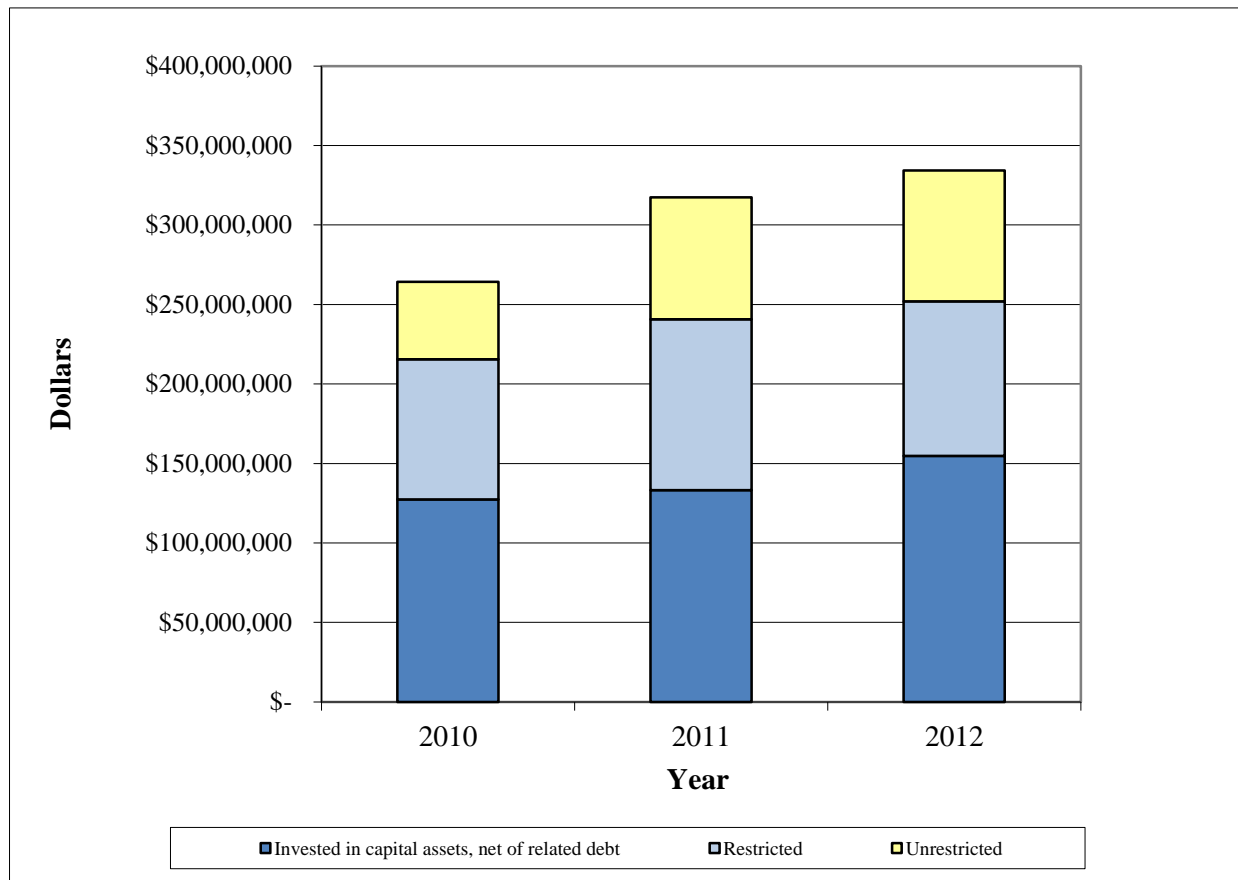
*"Celebrating the Highest
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CANYONS SCHOOL DISTRICT
Comparative Statements of Net Assets
Last Three Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assets:			
Cash and investments	\$ 163,563,149	\$ 279,091,765	\$ 224,769,239
Accounts receivable:			
Property taxes	108,420,842	104,838,718	115,384,776
Other local	2,456,810	394,746	148,813
State of Utah	301,764	1,292,365	987,420
Federal government	10,230,693	7,743,628	4,945,685
Inventories	2,276,203	1,908,650	1,899,895
Prepaid expenses	354,440	400,000	400,000
Net retirement asset	-	3,333,946	4,657,138
Bond issuance costs, net of accumulated amortization	677,081	1,233,578	1,111,538
Capital assets:			
Sites and construction in progress	16,233,014	22,531,653	102,267,489
Other capital assets, net of accumulated depreciation	<u>263,568,577</u>	<u>250,732,635</u>	<u>237,443,565</u>
Total assets	<u>568,082,573</u>	<u>673,501,684</u>	<u>694,015,558</u>
Liabilities:			
Accounts payable	3,704,011	5,893,637	19,212,526
Accrued payroll and related benefits	19,213,874	19,652,875	20,239,012
Accrued interest	267,574	336,304	303,122
Unearned revenue:			
Property taxes	104,800,669	100,503,383	110,297,237
Other local	499,463	226,534	324,947
State of Utah	13,103,802	12,359,529	11,074,133
Federal government	749,756	2,976,016	2,763,187
Long-term liabilities:			
Due or payable within one year	21,487,049	24,374,559	22,719,554
Due or payable after one year	<u>140,071,038</u>	<u>189,828,567</u>	<u>172,697,504</u>
Total liabilities	<u>303,897,236</u>	<u>356,151,404</u>	<u>359,631,222</u>
Net Assets:			
Invested in capital assets, net of related debt	127,320,788	133,261,196	154,802,147
Restricted for:			
Debt service	2,276,557	2,908,778	28,696,562
Capital projects	81,667,998	99,991,989	60,672,010
Nutrition services	2,220,921	2,390,861	2,770,367
Other purposes	2,010,980	2,237,663	5,121,562
Unrestricted	<u>48,688,093</u>	<u>76,559,793</u>	<u>82,321,688</u>
Total net assets	<u>\$ 264,185,337</u>	<u>\$ 317,350,280</u>	<u>\$ 334,384,336</u>

CANYONS SCHOOL DISTRICT
Net Assets by Component
 Last Three Fiscal Years
 (Accrual basis of accounting)

Year	Invested in capital assets, net of related debt	Restricted	Unrestricted	Total net assets
2010	\$ 127,320,788	\$ 88,176,456	\$ 48,688,093	\$ 264,185,337
2011	133,261,196	107,529,291	76,559,793	317,350,280
2012	154,802,147	97,260,501	82,321,688	334,384,336



CANYONS SCHOOL DISTRICT

Changes in Net Assets

Last Three Fiscal Years

(Accrual basis of accounting)

	2010	2011	2012
Expenses:			
Instruction	\$ 148,539,711	\$ 156,986,377	\$ 160,383,775
Supporting services:			
Students	7,390,809	7,723,388	8,433,794
Instructional staff	11,709,415	12,969,300	12,187,116
District administration	2,334,128	2,254,582	2,119,628
School administration	13,773,164	13,944,188	14,976,976
Central	11,304,689	11,154,831	12,124,999
Operation and maintenance of school buildings	20,325,380	21,586,479	21,957,201
Student transportation	7,138,925	7,475,764	8,139,130
Nutrition services	12,408,460	12,204,115	12,563,572
Non K-12 programs	6,301,400	6,652,431	6,905,505
Interest on long-term liabilities	7,080,186	6,444,095	9,762,920
Total expenses	<u>248,306,267</u>	<u>259,395,550</u>	<u>269,554,616</u>
Program revenues:			
Charges for services:			
Instruction	6,991,020	8,843,122	8,514,991
Supporting services	697,772	627,137	706,723
Nutrition services	5,194,035	4,678,684	4,635,740
Non K-12 programs	393,013	419,126	410,402
Operating grants and contributions	54,165,131	57,062,966	59,416,824
Capital grants and contributions	100,000	555,363	415,632
Total program revenues	<u>67,540,971</u>	<u>72,186,398</u>	<u>74,100,312</u>
Net (Expense) Revenue and Changes in Net Assets	<u>(180,765,296)</u>	<u>(187,209,152)</u>	<u>(195,454,304)</u>
General revenues and other changes in net assets:			
Property taxes	115,559,235	124,427,561	123,481,339
Federal and state revenue not restricted to specific purposes	88,910,292	90,654,095	82,029,925
Interest	1,077,243	1,296,822	3,027,413
Miscellaneous	1,457,306	5,284,661	3,949,683
Total general revenue and other changes in net assets	<u>207,004,076</u>	<u>221,663,139</u>	<u>212,488,360</u>
Change in net assets	26,238,780	34,453,987	17,034,056
Net assets - beginning	-	264,185,337	317,350,280
Allocation from Jordan School District	<u>237,946,557</u>	<u>18,710,956</u>	<u>-</u>
Net assets - ending	<u><u>\$ 264,185,337</u></u>	<u><u>\$ 317,350,280</u></u>	<u><u>\$ 334,384,336</u></u>

CANYONS SCHOOL DISTRICT
Fund Balances - Governmental Funds
 Last Three Fiscal Years
 (modified accrual basis of accounting)

	<u>2010</u>	<u>2011</u>	<u>2012</u>
General fund balances:			
Nonspendable	\$ 2,052,440	\$ 1,892,362	\$ 2,021,452
Restricted	1,625,392	1,719,855	3,813,674
Committed	21,833,913	35,915,238	35,894,919
Assigned	2,781,172	5,444,933	8,965,251
Unassigned	11,248,910	19,443,454	18,952,496
Total	<u>39,541,827</u>	<u>64,415,842</u>	<u>69,647,792</u>
Debt service fund balances:			
Restricted	<u>1,821,174</u>	<u>2,391,824</u>	<u>3,007,969</u>
Capital outlay fund balances:			
Restricted	<u>80,813,430</u>	<u>163,628,715</u>	<u>84,650,892</u>
All other governmental fund balances:			
Nonspendable	578,203	416,288	278,443
Restricted	1,993,287	2,135,584	3,799,812
Committed	3,615,107	4,424,522	4,462,827
Total	<u>6,186,597</u>	<u>6,976,394</u>	<u>8,541,082</u>
Total governmental fund balances	<u><u>\$ 128,363,028</u></u>	<u><u>\$ 237,412,775</u></u>	<u><u>\$ 165,847,735</u></u>

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 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.

CANYONS SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
 Last Three Fiscal Years
 (modified accrual basis of accounting)

	2010	2011	2012
Revenues:			
Property taxes	\$ 116,066,380	\$ 123,657,127	\$ 122,628,089
Interest earnings	1,031,376	1,252,868	2,961,498
Other local sources	15,794,825	17,675,427	18,177,048
State of Utah	120,194,081	122,270,861	121,831,384
Federal government	22,907,479	25,882,586	20,030,997
Total revenues	<u>275,994,141</u>	<u>290,738,869</u>	<u>285,629,016</u>
Expenditures:			
Current:			
Instruction	125,196,555	131,257,175	135,608,993
Supporting services:			
Students	7,336,484	7,575,667	8,347,281
Instructional staff	11,483,579	12,649,687	11,908,506
District administration	2,272,323	2,086,863	1,999,219
School administration	13,618,836	13,615,074	14,754,707
Central	10,503,447	10,146,693	11,210,661
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141
Student transportation	6,027,206	6,175,797	6,768,574
Nutrition services	11,822,097	11,440,473	11,882,888
Non K-12 programs	6,243,956	6,503,320	6,817,804
Capital outlay	11,972,731	24,280,558	97,012,971
Debt service:			
Bond principal	17,953,900	16,837,400	19,544,700
Bond interest and fees	7,065,886	6,338,203	9,787,611
Total expenditures	<u>251,316,997</u>	<u>269,818,640</u>	<u>357,194,056</u>
Excess (deficiency) of revenues over (under) expenditures	24,677,144	20,920,229	(71,565,040)
Other financing sources (uses):			
General obligation bonds issued	-	68,000,000	-
Premiums on bonds issued	-	1,418,562	-
Total other financing sources (uses)	<u>-</u>	<u>69,418,562</u>	<u>-</u>
Net change in fund balances	24,677,144	90,338,791	(71,565,040)
Fund balances - beginning	-	128,363,028	237,412,775
Allocation from Jordan School District	<u>103,685,884</u>	<u>18,710,956</u>	<u>-</u>
Fund balances - ending	<u>\$ 128,363,028</u>	<u>\$ 237,412,775</u>	<u>\$ 165,847,735</u>
Debt service as a percentage of noncapital expenditures	10.1%	9.0%	10.8%

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets - General Fund
Last Three Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assets:			
Cash and investments	\$ 60,702,097	\$ 90,349,149	\$ 99,780,860
Accounts receivable:			
Property taxes	56,510,799	67,000,999	70,981,853
Other local	592,958	300,436	139,638
State of Utah	89,289	99,120	100,806
Federal government	9,936,195	7,415,201	4,348,914
Inventories	1,698,000	1,492,362	1,621,452
Prepaid expenditures	354,440	400,000	400,000
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 129,883,778</u>	<u>\$ 167,057,267</u>	<u>\$ 177,373,523</u>
Liabilities and fund balances:			
Liabilities:			
Accounts payable	\$ 1,765,915	\$ 1,828,526	\$ 3,371,459
Accrued payroll and related benefits	18,689,413	19,049,430	19,721,635
Deferred revenue:			
Property taxes	56,411,138	66,998,977	71,025,136
State of Utah	12,725,729	11,788,476	10,844,314
Federal government	749,756	2,976,016	2,763,187
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>90,341,951</u>	<u>102,641,425</u>	<u>107,725,731</u>
Fund balance:			
Nonspendable	2,052,440	1,892,362	2,021,452
Restricted	1,625,392	1,719,855	3,813,674
Committed	21,833,913	35,915,238	35,894,919
Assigned	2,781,172	5,444,933	8,965,251
Unassigned	11,248,910	19,443,454	18,952,496
	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>39,541,827</u>	<u>64,415,842</u>	<u>69,647,792</u>
	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$ 129,883,778</u>	<u>\$ 167,057,267</u>	<u>\$ 177,373,523</u>

CANYONS SCHOOL DISTRICT
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances -
General Fund
Last Three Fiscal Years and Proposed Budget for 2013

	2010	2011	2012	Proposed Budget 2013
Revenues:				
Property taxes	\$ 58,555,843	\$ 66,652,969	\$ 74,710,870	\$ 74,924,911
Interest earnings	374,360	396,624	826,496	750,000
Other local	3,802,365	5,063,892	5,589,296	4,995,800
State of Utah	114,154,861	116,189,088	115,282,496	120,749,220
Federal government	17,688,416	19,322,016	13,469,238	13,164,584
Total revenues	194,575,845	207,624,589	209,878,396	214,584,515
Expenditures:				
Current:				
Instruction	118,816,244	124,029,593	127,852,245	137,415,306
Supporting services:				
Students	7,336,484	7,575,667	8,347,281	9,492,082
Instructional staff	11,483,579	12,649,687	11,908,506	10,699,746
District administration	2,272,323	2,086,863	1,999,219	2,060,886
School administration	13,618,836	13,615,074	14,754,707	15,840,440
Central	10,503,447	10,146,693	11,210,661	11,334,816
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141	23,266,055
Student transportation	6,027,206	6,175,797	6,768,574	7,228,477
Total expenditures	189,878,116	197,191,104	204,391,334	217,337,808
Excess (deficiency) of revenues over (under) expenditures	4,697,729	10,433,485	5,487,062	(2,753,293)
Other financing sources (uses):				
Transfers out	-	(169,505)	(255,112)	(313,007)
Net change in fund balances	4,697,729	10,263,980	5,231,950	(3,066,300)
Fund balances - beginning	-	39,541,827	64,415,842	63,140,682
Allocation from Jordan School District	34,844,098	14,610,035	-	-
Fund balances - ending	<u>\$ 39,541,827</u>	<u>\$ 64,415,842</u>	<u>\$ 69,647,792</u>	<u>\$ 60,074,382</u>

CANYONS SCHOOL DISTRICT
Historical Summaries of Taxable Values of Property
Last Three Tax Years

	<u>Tax Year 2009</u>	<u>Tax Year 2010</u>	<u>Tax Year 2011</u>
Set by State Tax Commission:			
Centrally assessed	<u>\$ 338,631,746</u>	<u>\$ 366,135,845</u>	<u>\$ 371,176,002</u>
Set by County Assessor:			
Locally assessed			
Real property:			
Residential - primary use	9,981,595,507	9,749,578,181	9,317,687,375
Residential - not primary use	1,126,227,610	992,921,370	949,725,290
Commercial and industrial	4,062,614,430	4,013,081,600	4,036,937,230
Agriculture and Farm Assessment Act (FAA)	1,345,120	1,263,820	1,165,820
Unimproved non FAA - vacant	<u>8,309,820</u>	<u>6,685,550</u>	<u>8,526,650</u>
Total real property	<u>15,180,092,487</u>	<u>14,763,530,521</u>	<u>14,314,042,365</u>
Personal property:			
Fee in lieu property	459,879,455	460,097,588	426,523,415
Mobile home - primary residential use	8,950,292	8,322,805	7,993,397
Mobile home - other use	447,978	560,203	399,872
Other personal property	<u>782,423,532</u>	<u>691,828,448</u>	<u>660,777,105</u>
Total personal property	<u>1,251,701,257</u>	<u>1,160,809,044</u>	<u>1,095,693,789</u>
Total locally assessed	<u>16,431,793,744</u>	<u>15,924,339,565</u>	<u>15,409,736,154</u>
Total taxable property	<u><u>\$ 16,770,425,490</u></u>	<u><u>\$ 16,290,475,410</u></u>	<u><u>\$ 15,780,912,156</u></u>

Source: Property Tax Division of the Utah State Tax Commission - List of Final Values by Year

CANYONS SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
 Last Three Tax Years

Tax Year	Taxable Assessed Value			Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
	Residential	Industrial & Commercial	Agriculture & Unimproved	Personal	Total	
2009	\$ 11,117,221,387	\$ 4,401,246,176	\$ 9,654,940	\$ 1,242,302,987	\$ 16,770,425,490	68.49%
2010	10,751,382,559	4,379,217,445	7,949,370	1,151,926,036	16,290,475,410	68.41%
2011	10,275,805,934	4,408,113,232	9,692,470	1,087,300,520	15,780,912,156	68.66%

Source: Property Tax Division of the Utah State Tax Commission - List of Final Values by Year

CANYONS SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Three Tax Years
(rate per \$1 of assessed value)

	Tax Year 2009	Tax Year 2010	Tax Year 2011
Canyons School District rates:			
General fund:			
Basic state supported program (1)	0.001433	0.001495	0.001591
Voted leeway program (2)	0.001600	0.001600	0.001600
School board leeway program (3)	0.000400	0.000400	0.000406
Board K-3 reading program (4)	0.000121	0.000121	0.000121
Tort liability (5)	0.000022	0.000024	0.000100
Special transportation (6)	0.000020	0.000078	0.000300
10% of basic (7)	-	0.000559	0.000744
Total general fund	0.003596	0.004277	0.004862
Capital projects fund:			
Capital outlay (8)	0.001514	0.001585	0.000928
County-wide equalization (9)	0.000600	0.000600	0.000600
Total capital projects fund	0.002114	0.002185	0.001528
Other:			
Community recreation (10)	0.000070	0.000078	0.000156
Debt service (11)	0.001400	0.001520	0.001619
Total direct rate	0.007180	0.008060	0.008165
Overlapping rates:			
Salt Lake County	0.002278	0.002593	0.002696
Alta	0.000980	0.001114	0.001084
Cottonwood Heights	0.002399	0.002517	0.002586
Draper	0.001818	0.001896	0.001996
Midvale	0.002262	0.002669	0.002701
Sandy	0.001356	0.001402	0.001481
Salt Lake County Library	0.000564	0.000583	0.000604
Central Utah Water Conservancy District	0.000400	0.000421	0.000436
Other special districts	0 - 0.002635	0 - 0.003171	0 - 0.003803

Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature
- (2) Maximum rate is 0.001600
- (3) Maximum rate based on formula and changes annually
- (4) Maximum rate is 0.000121
- (5) Maximum rate is 0.000100
- (6) Maximum rate is 0.000300
- (7) Maximum rate based on formula and changes annually
- (8) Maximum rate is 0.002400
- (9) Rate established by state law for districts located in first-class counties
- (10) Maximum rate based on formula and changes annually
- (11) No maximum rate, but must have voter approval for bonds issued

Source: Property Tax Division of the Utah State Tax Commission - Approved Property Tax Rates by Year

CANYONS SCHOOL DISTRICT
Principal Property Tax Payers
Current Calendar Year and Two Years Ago

Taxpayer	2011			2009		
	Taxable Value	Rank	Percent of Total Taxable Value	Taxable Value	Rank	Percent of Total Taxable Value
Larry H. Miller Companies	\$ 144,946,600	1	1.01 %	\$ 147,351,265	1	0.97 %
Macerich St. Marketplace (South Towne Center)	137,707,878	2	0.96 %	130,146,230	3	0.86 %
Rocky Mountain Power	120,384,076	3	0.84 %	133,778,785	2	0.88 %
Becton Dickinson	116,202,881	4	0.81 %	116,801,369	4	0.77 %
NOP Cottonwood Holdings (Real Estate Holdings)	77,288,100	5	0.54 %	79,472,300	6	0.52 %
DDR Corp.	74,771,230	6	0.52 %	71,558,820	8	0.47 %
Snowbird Ltd	64,967,406	7	0.45 %	76,230,539	7	0.50 %
Inland Diversified Draper Crossing, LLC	60,311,200	8	0.42 %	-		- %
Utah Soccer LLC	60,008,054	9	0.42 %	-		- %
CenturyLink, Inc. (Qwest Communications)	59,750,540	10	0.42 %	66,673,288	9	0.44 %
Redevelopment Agency of Midvale	-		- %	103,194,600	5	0.68 %
Old Mill Corporate Center	-		- %	59,297,900	10	0.39 %
	<u>\$ 916,337,965</u>		<u>6.39 %</u>	<u>\$ 984,505,096</u>		<u>6.48 %</u>
Total taxable value	\$ 14,314,042,365			\$ 15,180,092,487		

Taxable value as used in this table excludes all tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the state.

Source: Property Tax Division of the Utah State Tax Commission and Salt Lake County Assessor's Office

CANYONS SCHOOL DISTRICT
Property Tax Levies and Collections
Last Three Tax Years

Tax Year	Taxes Levied	Collections			Total Collections to Date	
		In the Year of Levy	Percentage of Levy	In Subsequent Years	Amount	Percentage of Levy
2009	\$ 123,870,539	\$ 116,066,380	93.70%	\$ 3,187,168	\$ 119,253,548	96.27%
2010	128,270,889	123,657,127	96.40%	2,531,904	126,189,031	98.38%
2011	125,220,579	120,535,487	96.26%	-	120,535,487	96.26%

Taxes are due by November 30.

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.

Source: Salt Lake County Treasurer's Office

CANYONS SCHOOL DISTRICT
Ratios of Outstanding Debt
 Last Three Fiscal Years

<u>Fiscal Year</u>	<u>Outstanding General Obligation Bonds</u>	<u>Net General Bonded Debt As Percentage of Taxable Value</u>	<u>Net Bonded Debt Per Capita</u>	<u>Net Bonded Debt Per Student *</u>
2010	\$ 151,994,800	0.91%	\$ 800.93	\$ 4,577.88
2011	203,157,400	1.25%	1,065.01	6,092.96
2012	183,612,700	1.16%	949.71	5,483.76

* Based on average daily membership

Source: District records

CANYONS SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds Shared with the Jordan School District

As of June 30, 2012

		2013	2014	2015	2016
Series 2001	Principal	\$ 765,000	\$ 800,000	\$ 840,000	\$ 875,000
\$ 10,000,000	Interest	144,868	111,972	76,772	39,812
Series 2002	Principal	7,075,000	2,550,000	1,250,000	-
\$ 39,540,000	Interest	435,000	152,000	50,000	-
Series 2003	Principal	765,000	800,000	830,000	865,000
\$ 20,200,000	Interest	158,575	131,800	103,800	70,600
Series 2003A	Principal	1,400,000	1,450,000	1,525,000	1,575,000
\$ 20,000,000	Interest	370,875	317,675	262,575	203,100
Series 2004A	Principal	1,000,000	1,035,000	1,075,000	1,120,000
\$ 15,000,000	Interest	300,850	265,850	229,625	192,000
Series 2005	Principal	1,755,000	1,820,000	1,885,000	1,965,000
\$ 25,000,000	Interest	646,875	576,675	503,875	428,475
Series 2006	Principal	925,000	965,000	1,000,000	1,050,000
\$ 15,000,000	Interest	399,225	362,225	323,625	283,625
Series 2007	Principal	11,600,000	12,075,000	12,550,000	13,050,000
\$ 196,000,000	Interest	6,110,438	5,646,438	5,163,438	4,661,438
Total		<u>\$ 33,851,706</u>	<u>\$ 29,059,635</u>	<u>\$ 27,668,710</u>	<u>\$ 26,379,050</u>
Total principal		\$ 25,285,000	\$ 21,495,000	\$ 20,955,000	\$ 20,500,000
Total interest		<u>8,566,706</u>	<u>7,564,635</u>	<u>6,713,710</u>	<u>5,879,050</u>
Total		<u>\$ 33,851,706</u>	<u>\$ 29,059,635</u>	<u>\$ 27,668,710</u>	<u>\$ 26,379,050</u>
*Canyons School District principal		\$ 14,665,300	\$ 12,467,100	\$ 12,153,900	\$ 11,890,000
*Canyons School District interest		4,968,689	4,387,488	3,893,952	3,409,849
*Jordan School District principal		10,619,700	9,027,900	8,801,100	8,610,000
*Jordan School District interest		<u>3,598,017</u>	<u>3,177,147</u>	<u>2,819,758</u>	<u>2,469,201</u>
Total		<u>\$ 33,851,706</u>	<u>\$ 29,059,635</u>	<u>\$ 27,668,710</u>	<u>\$ 26,379,050</u>
			Principal	Interest	Total
Bonds Payable Summary:					
Bonds payable, June 30, 2012			\$ 202,815,000	\$ 46,418,890	\$ 249,233,890
Reported by Jordan School District			<u>(85,182,300)</u>	<u>(19,495,935)</u>	<u>(104,678,235)</u>
Reported by Canyons School District			<u>\$ 117,632,700</u>	<u>\$ 26,922,955</u>	<u>\$ 144,555,655</u>

* The debt presented on this schedule represents general obligation bonds issued by the Jordan School District prior to the creation of the Canyons School District. The Jordan School District is responsible for 42% of the outstanding debt and the Canyons School District is responsible for 58%.

Source: District records

2017	2018	2019	2020	2021	2022	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,280,000
-	-	-	-	-	-	373,424
-	-	-	-	-	-	10,875,000
-	-	-	-	-	-	637,000
900,000	-	-	-	-	-	4,160,000
36,000	-	-	-	-	-	500,775
1,650,000	1,725,000	-	-	-	-	9,325,000
140,100	72,450	-	-	-	-	1,366,775
1,170,000	1,225,000	1,285,000	-	-	-	7,910,000
147,200	100,400	51,400	-	-	-	1,287,325
2,040,000	2,125,000	2,210,000	2,300,000	-	-	16,100,000
349,875	268,275	183,275	94,875	-	-	3,052,200
1,100,000	1,150,000	1,200,000	1,250,000	1,300,000	-	9,940,000
241,625	197,625	151,625	103,625	53,625	-	2,116,825
13,700,000	14,400,000	14,975,000	15,600,000	16,225,000	17,050,000	141,225,000
4,139,438	3,557,188	2,963,188	2,326,750	1,663,750	852,500	37,084,566
<u>\$ 25,614,238</u>	<u>\$ 24,820,938</u>	<u>\$ 23,019,488</u>	<u>\$ 21,675,250</u>	<u>\$ 19,242,375</u>	<u>\$ 17,902,500</u>	<u>\$ 249,233,890</u>
\$ 20,560,000	\$ 20,625,000	\$ 19,670,000	\$ 19,150,000	\$ 17,525,000	\$ 17,050,000	\$ 202,815,000
5,054,238	4,195,938	3,349,488	2,525,250	1,717,375	852,500	46,418,890
<u>\$ 25,614,238</u>	<u>\$ 24,820,938</u>	<u>\$ 23,019,488</u>	<u>\$ 21,675,250</u>	<u>\$ 19,242,375</u>	<u>\$ 17,902,500</u>	<u>\$ 249,233,890</u>
\$ 11,924,800	\$ 11,962,500	\$ 11,408,600	\$ 11,107,000	\$ 10,164,500	\$ 9,889,000	\$ 117,632,700
2,931,458	2,433,644	1,942,703	1,464,645	996,077	494,450	26,922,955
8,635,200	8,662,500	8,261,400	8,043,000	7,360,500	7,161,000	85,182,300
2,122,780	1,762,294	1,406,785	1,060,605	721,298	358,050	19,495,935
<u>\$ 25,614,238</u>	<u>\$ 24,820,938</u>	<u>\$ 23,019,488</u>	<u>\$ 21,675,250</u>	<u>\$ 19,242,375</u>	<u>\$ 17,902,500</u>	<u>\$ 249,233,890</u>

CANYONS SCHOOL DISTRICT
Debt Service Schedule of Outstanding General Obligation Bonds
As of June 30, 2012

Year Ending June 30,	Series 2011		Total
	Principal	Interest	
2013	\$ 2,555,000	\$ 2,481,250	\$ 5,036,250
2014	2,620,000	2,404,600	5,024,600
2015	2,685,000	2,326,000	5,011,000
2016	2,765,000	2,272,300	5,037,300
2017	2,845,000	2,189,350	5,034,350
2018	2,935,000	2,104,000	5,039,000
2019	3,020,000	2,015,950	5,035,950
2020	3,110,000	1,925,350	5,035,350
2021	3,220,000	1,800,950	5,020,950
2022	3,350,000	1,672,150	5,022,150
2023	3,485,000	1,538,150	5,023,150
2024	3,620,000	1,398,750	5,018,750
2025	3,765,000	1,253,950	5,018,950
2026	3,920,000	1,103,350	5,023,350
2027	4,075,000	946,550	5,021,550
2028	4,240,000	783,550	5,023,550
2029	4,400,000	608,650	5,008,650
2030	4,590,000	421,650	5,011,650
2031	4,780,000	215,100	4,995,100
	<u>\$ 65,980,000</u>	<u>\$ 29,461,600</u>	<u>\$ 95,441,600</u>

Source: District records

CANYONS SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
June 30, 2012

<u>Taxing Entity (1)</u>	<u>2011 Taxable Value (3)</u>	<u>Canyons School District's Portion of Taxable Value</u>	<u>Canyons School District's Percentage (4)</u>	<u>Entity's General Obligation Debt</u>	<u>Canyons School District's Portion of G.O. Debt</u>
Overlapping:					
CUWCD (2)	\$ 112,913,112,627	\$ 15,469,096,430	13.7%	\$ 275,060,000	\$ 37,683,220
Salt Lake County	72,720,023,026	15,343,924,858	21.1%	255,420,000	53,893,620
Draper City	3,517,533,065	3,517,533,065	100.0%	5,385,000	5,385,000
Midvale City	1,592,302,497	1,592,302,497	100.0%	2,705,000	2,705,000
Cottonwood Heights Parks and Recreation Service Area	1,833,855,390	1,833,855,390	100.0%	7,705,000	7,705,000
Sandy Suburban Improvement District	2,921,245,444	2,921,245,444	100.0%	11,390,000	11,390,000
				Total overlapping general obligation debt	118,761,840
				Canyons School District direct general obligation debt	183,612,700
				Total direct and overlapping general obligation debt	<u>\$ 302,374,540</u>

Notes:

- (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) Central Utah Water Conservancy District's (CUWCD) outstanding general obligation bonds are limited to ad valorem tax bonds. These bonds are the only limited ad valorem tax bonds in the State issued under the Water Conservancy Act. By law, CUWCD may levy a tax rate of up to 0.000400 to pay operation and maintenance expenses and any outstanding limited ad valorem tax bonds.
- (3) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the District's boundaries and dividing it by each unit's total taxable assessed value.

Source: Salt Lake County-Comprehensive Annual Financial Report for 2011

CANYONS SCHOOL DISTRICT
Legal Debt Margin Information
Last Three Tax Years

<u>Tax Year</u>	<u>Estimated Fair Market Value</u>	<u>Debt Limit *</u>	<u>Less Net General Obligation Debt</u>	<u>Legal Debt Margin*</u>	<u>Percentage of Debt to Debt Limit</u>
2009	\$ 24,484,628,961	\$ 979,385,158	\$ 153,157,884	\$ 826,227,274	15.64%
2010	23,814,114,992	952,564,600	205,678,694	746,885,906	21.59%
2011	22,984,491,191	919,379,648	186,020,445	733,359,203	20.23%

* The general obligation indebtedness (net of deferred amounts) 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.

Source: District records

CANYONS SCHOOL DISTRICT **Demographic and Economic Statistics**

Last Three Fiscal Years

Fiscal Year	Canyons School District Estimated Population *	Salt Lake County Estimated Population **	Salt Lake County Total Personal Income (in thousands) **	Salt Lake County Per Capita Income **	Salt Lake County Unemployment Rate **	Salt Lake County Estimated New Construction **	Number of Students of Minority of Ancestry
2010	189,773	1,029,655	\$ 38,580,658	\$ 37,276	6.8%	\$ 1,545,119,400	5,049
2011	190,756	1,034,989	39,083,765	37,827	7.8%	1,042,645,900	5,092
2012	193,336	1,048,985	N/A	N/A	6.5%	1,560,324,400	5,096

* Based on District estimates and U.S. Census Bureau data available to District personnel.

** The District covers the southeast section of Salt Lake County, which encompasses several municipalities and unincorporated areas making statistics for the District impractical to obtain. These statistics for Salt Lake County are given since those are representative of the District. These statistics were obtained from the County's year-end financial reports. The actual per capita income as provided by the Bureau of Economic Analysis lags one year behind. Therefore, it is not available for 2012.

Source: Salt Lake County - Comprehensive Annual Financial Report by year, District records

CANYONS SCHOOL DISTRICT
Principal Employers
Current Calendar Year and Two Years Ago

Employer *	2011				2009			
	Number of Employees	Rank	Percent of District's Total Estimated Population	Percent of District's Total Estimated Workforce	Number of Employees	Rank	Percent of District's Total Estimated Population	Percent of District's Total Estimated Workforce
Intermountain Healthcare	5,000	1	2.6%	3.7%	5,000	1	2.6%	3.8%
Canyons School District	5,000	2	2.6%	3.7%	5,000	2	2.6%	3.8%
Wal-Mart Stores	2,000	3	1.0%	1.5%	2,000	3	1.1%	1.5%
Smith's Food Stores	1,500	4	0.8%	1.1%	1,500	4	0.8%	1.1%
Utah State Prison	1,500	5	0.8%	1.1%	1,500	5	0.8%	1.1%
eBay	1,500	6	0.8%	1.1%	1,500	6	0.8%	1.1%
ACS Business Solutions	1,500	7	0.8%	1.1%	1,500	7	0.8%	1.1%
Coca-Cola	1,000	8	0.5%	0.7%	1,000	8	0.5%	0.8%
1-800 Contacts	1,000	9	0.5%	0.7%	1,000	9	0.5%	0.8%
Becton Dickinson	1,000	10	0.5%	0.7%	1,000	10	0.5%	0.8%
Totals	21,000		10.9%	15.5%	21,000		11.1%	15.8%

* The number of employees within the District's boundaries for these employers is unavailable. Therefore, the number of employees listed represents an approximate range of the number of employees per the Salt Lake County, Sandy, and Draper comprehensive annual financial reports by year.

CANYONS SCHOOL DISTRICT
Full-Time Equivalents by Functional Category
Last Three Fiscal Years

Function:	2010	2011	2012
Instruction	1,671.90	1,667.19	1,674.05
Supporting services:			
Students	96.90	98.30	106.68
Instructional staff	65.38	70.30	70.00
District administration	15.00	15.00	10.10
School administration	163.00	165.50	173.75
Central	96.00	92.00	99.00
Operation and maintenance of school buildings	180.00	179.00	189.50
Student transportation	102.31	102.53	109.44
Nutrition services	130.44	124.31	119.23
Non K-12 programs	76.98	101.18	65.03
Capital outlay	12.00	10.00	11.00
Total full-time equivalents	<u>2,609.91</u>	<u>2,625.31</u>	<u>2,627.78</u>

Source: District records - contract employees only

CANYONS SCHOOL DISTRICT
Expenses by Function - Statement of Activities
Last Three Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Function:			
Instruction	\$ 148,539,711 59.82%	\$ 156,986,377 60.52%	\$ 160,383,775 59.50%
Support services:			
Students	7,390,809 2.98%	7,723,388 2.98%	8,433,794 3.13%
Instructional staff	11,709,415 4.72%	12,969,300 5.00%	12,187,116 4.52%
District administration	2,334,128 0.94%	2,254,582 0.87%	2,119,628 0.79%
School administration	13,773,164 5.55%	13,944,188 5.38%	14,976,976 5.56%
Central	11,304,689 4.55%	11,154,831 4.30%	12,124,999 4.50%
Operation and maintenance of school buildings	20,325,380 8.19%	21,586,479 8.32%	21,957,201 8.15%
Student transportation	7,138,925 2.88%	7,475,764 2.88%	8,139,130 3.02%
Nutrition services	12,408,460 5.00%	12,204,115 4.70%	12,563,572 4.66%
Non K-12 programs	6,301,400 2.54%	6,652,431 2.56%	6,905,505 2.56%
Interest on long-term liabilities	7,080,186 2.85%	6,444,095 2.48%	9,762,920 3.62%
Total expenses	<u>\$ 248,306,267</u>	<u>\$ 259,395,550</u>	<u>\$ 269,554,616</u>
Average Daily Membership	33,202	33,343	33,483
Average Expenses Per Pupil	\$ 7,479	\$ 7,780	\$ 8,050

CANYONS SCHOOL DISTRICT
Expenses by Function Per Pupil - Statement of Activities
Last Three Fiscal Years

Function:	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction	\$ 4,474 59.82%	\$ 4,708 60.52%	\$ 4,790 59.50%
Support services:			
Students	223 2.98%	232 2.98%	\$ 252 3.13%
Instructional staff	353 4.72%	389 5.00%	\$ 364 4.52%
District administration	70 0.94%	68 0.87%	\$ 63 0.79%
School administration	415 5.55%	419 5.38%	\$ 447 5.56%
Central	340 4.55%	335 4.30%	\$ 362 4.50%
Operation and maintenance of school buildings	613 8.19%	647 8.32%	\$ 656 8.15%
Student transportation	215 2.88%	224 2.88%	\$ 243 3.02%
Nutrition services	374 5.00%	366 4.70%	\$ 375 4.66%
Non K-12 programs	190 2.54%	199 2.56%	\$ 206 2.56%
Interest on long-term liabilities	212 2.85%	194 2.48%	\$ 292 3.62%
Total expenses	<u>\$ 7,479</u>	<u>\$ 7,780</u>	<u>\$ 8,050</u>
Average Daily Membership	33,202	33,343	33,483

CANYONS SCHOOL DISTRICT
Expenditures by Function - General Fund
Last Three Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Function:			
Instruction	\$ 118,816,244 62.58%	\$ 124,029,593 62.90%	\$ 127,852,245 62.55%
Support services:			
Students	7,336,484 3.86%	7,575,667 3.84%	8,347,281 4.08%
Instructional staff	11,483,579 6.05%	12,649,687 6.41%	11,908,506 5.83%
District administration	2,272,323 1.20%	2,086,863 1.06%	1,999,219 0.98%
School administration	13,618,836 7.17%	13,615,074 6.90%	14,754,707 7.22%
Central	10,503,447 5.53%	10,146,693 5.15%	11,210,661 5.48%
Operation and maintenance of school buildings	19,819,997 10.44%	20,911,730 10.60%	21,550,141 10.54%
Student transportation	6,027,206 3.17%	6,175,797 3.13%	6,768,574 3.31%
Total expenditures	<u>\$ 189,878,116</u>	<u>\$ 197,191,104</u>	<u>\$ 204,391,334</u>
Average Daily Membership	189,878,116 33,202	197,191,104 33,343	204,391,334 33,483
Average Expenditures Per Pupil	\$ 5,719	\$ 5,914	\$ 6,104

CANYONS SCHOOL DISTRICT
Expenditures by Function Per Pupil - General Fund
Last Three Fiscal Years

Function:	<u>2010</u>	<u>2011</u>	<u>2012</u>
Instruction	\$ 3,579 62.58%	\$ 3,599 62.90%	\$ 3,818 62.55%
Support services:			
Students	221 3.86%	220 3.84%	249 4.08%
Instructional staff	346 6.05%	367 6.41%	356 5.83%
District administration	69 1.20%	61 1.06%	60 0.98%
School administration	410 7.17%	395 6.90%	441 7.22%
Central	316 5.53%	295 5.15%	335 5.48%
Operation and maintenance of school buildings	597 10.44%	606 10.60%	644 10.54%
Student transportation	181 3.17%	179 3.13%	202 3.31%
Total expenditures	<u>\$ 5,719</u>	<u>\$ 5,914</u>	<u>\$ 6,104</u>
Average Daily Membership	33,202	33,343	33,483

CANYONS SCHOOL DISTRICT
Average Daily Membership vs. Average Daily Attendance
 Last Three Fiscal Years

<u>Fiscal Year Ended June 30</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>	<u>Ratio of ADA to ADM</u>	<u>Official State October 1 Enrollment Count</u>
2010	33,202	31,756	95.64%	33,184
2011	33,343	31,931	95.77%	33,469
2012	33,483	32,106	95.89%	33,490

Source: District records

CANYONS SCHOOL DISTRICT
History of High School Graduates
Last Ten Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Alta*	736	795	730	706	711	716	753	815	721	787
Brighton*	627	695	613	657	581	622	645	570	613	565
Hillcrest*	407	453	463	395	399	405	386	435	422	368
Jordan*	609	578	606	514	539	523	527	478	478	507
Entrada**	-	-	-	-	-	-	-	254	145	104
South Park**	-	-	-	-	-	-	-	331	378	338
Total	<u>2,379</u>	<u>2,521</u>	<u>2,412</u>	<u>2,272</u>	<u>2,230</u>	<u>2,266</u>	<u>2,311</u>	<u>2,883</u>	<u>2,757</u>	<u>2,669</u>

*Graduates for these traditional schools are comparable to when these schools were in the former Jordan School District (JSD).

**Entrada and South Park are adult high schools. Graduation rates prior to 2010 are not comparable when they existed under JSD.

Source: District records

CANYONS SCHOOL DISTRICT
Capital Asset Information
Last Three Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Buildings:			
Elementary:			
Number	29	29	29
Square feet	1,805,833	1,805,833	1,805,833
Capacity	19,509	19,509	19,509
Enrollment	17,958	18,108	18,208
Middle Schools:			
Number	8	8	8
Square feet	1,267,103	1,267,103	1,267,103
Capacity	10,565	10,565	10,565
Enrollment	7,499	7,403	7,441
High Schools:			
Number	4	4	4
Square feet	1,372,991	1,372,991	1,372,991
Capacity	9,321	9,321	9,321
Enrollment	7,592	7,725	7,624
Special Schools:			
Number	3	3	3
Square feet	148,569	148,569	147,719
Capacity *			
Enrollment	135	233	217
Total School Buildings:	44	44	44
Square feet	4,594,496	4,594,496	4,593,646
Capacity	39,395	39,395	39,395
Enrollment	33,184	33,469	33,490
Other Buildings:			
Number	7	6	6
Square feet	397,990	336,950	336,950
Acres of Land	822	822	822
Number of Portables	82	82	88
Number of Vehicles	289	329	346

* Information for special school varies depending on needs of students.

Source: District records

CANYONS SCHOOL DISTRICT
Teacher Compensation Data
Last Ten Fiscal Years

<u>Year Ending June 30</u>	<u>Bachelor Degree 1st Year Teacher Wage</u>	<u>Doctorate Degree Veteran 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	\$ 25,614	\$ 51,493	\$ 38,016	\$ 14,580	\$ 52,596	\$ 53,268
2004	25,614	51,493	37,514	14,940	52,454	53,395
2005	25,614	51,744	38,237	16,676	54,913	54,774
2006	26,382	53,260	38,149	19,057	57,206	55,941
2007	27,859	56,175	39,933	19,809	59,742	62,223
2008	30,139	58,794	42,299	20,256	62,555	66,397
2009	34,168	65,457	44,921	21,713	62,555	69,757
2010	33,640	65,464	45,230	19,195	64,425	63,857
2011	32,759	63,808	45,230	19,008	64,238	62,880
2012	34,157	66,437	N/A	N/A	N/A	N/A

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

** Includes all benefits including State retirement, but does not include District retirement benefits.

N/A - The 2012 numbers were not available when this schedule was prepared.

Note 1 - Data from 2002-2009 is from Jordan School District. The numbers will be used for comparability purposes.

Note 2 - The 2011 teacher compensation data for the District is shown net of a decrease due to 5 furlough days

CANYONS SCHOOL DISTRICT
Students Per Teacher
Last Ten Fiscal Years

Grade	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Kindergarten	46.2	46.2	46.2	46.2	46.2	44.0	44.0	44.0	44.0	44.0
1	22.5	22.5	22.5	22.0	22.0	22.3	22.3	22.3	22.3	22.3
2	22.8	22.8	22.8	22.8	22.3	22.3	22.3	22.3	22.3	22.3
3	24.3	24.3	24.3	24.3	23.8	22.3	22.3	22.3	22.3	22.3
4	26.4	26.4	26.4	26.4	26.4	26.3	26.3	26.3	26.3	26.3
5	26.4	26.4	26.4	26.4	26.4	26.3	26.3	26.3	26.3	26.3
6	26.4	26.4	26.4	26.4	26.4	26.3	26.3	26.3	26.3	26.3
7	26.8	26.8	26.8	26.8	26.8	27.3	27.3	27.3	27.3	27.3
8	26.8	26.8	26.8	26.8	26.8	27.3	27.3	27.3	27.3	27.3
9	27.5	27.5	27.5	27.5	27.0	28.3	28.3	28.3	28.3	28.3
10	27.0	27.0	27.0	27.0	27.0	28.3	28.3	28.3	28.3	28.3
11	27.0	27.0	27.0	27.0	27.0	28.3	28.3	28.3	28.3	28.3
12	27.0	27.0	27.0	27.0	27.0	28.3	28.3	28.3	28.3	28.3

Note - Data from 2002-2009 is from Jordan School District. The numbers will be used for comparability purposes.

Source: District Records

CANYONS SCHOOL DISTRICT
Nutrition Services - Facts and Figures
Last Three Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Participating schools:			
Lunch	43	43	43
Breakfast	25	25	25
Student lunches served:			
Free	944,856	1,028,671	1,129,915
Reduced	217,170	211,707	219,019
Fully paid	<u>2,179,799</u>	<u>1,999,634</u>	<u>1,990,611</u>
Total	<u><u>3,341,825</u></u>	<u><u>3,240,012</u></u>	<u><u>3,339,545</u></u>
Student breakfasts served:			
Free	230,401	243,532	275,848
Reduced	27,922	24,960	26,102
Fully paid	<u>74,021</u>	<u>63,926</u>	<u>67,336</u>
Total	<u><u>332,344</u></u>	<u><u>332,418</u></u>	<u><u>369,286</u></u>
Percentage of free/reduced/fully paid lunch:			
Free	28.27%	31.75%	33.83%
Reduced	6.50%	6.53%	6.56%
Fully paid	65.23%	61.72%	59.61%
Percentage of free/reduced fully paid breakfast:			
Free	69.33%	73.26%	74.70%
Reduced	8.40%	7.51%	7.07%
Fully paid	22.27%	19.23%	18.23%
Average daily participation:			
Lunch	18,774	18,514	18,761
Breakfast	1,867	1,900	2,075
Average daily membership	33,202	33,343	33,483
Percentage participating in school lunch/breakfast			
Lunch	56.55%	55.53%	56.03%
Breakfast	5.62%	5.70%	6.20%

Source: District records