

CANYONS SCHOOL DISTRICT

**9361 South 300 East
Sandy, Utah 84070
www.canyonsdistrict.org**

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015

**Sherril Taylor, President of the Board
James Briscoe, Ph.D., Superintendent
Leon Wilcox, CPA, Business Administrator**

**Prepared by
Leon Wilcox, CPA, Business Administrator
and Gary Warwood, CPA, Director of Accounting**

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**Leon Wilcox, CPA, Business Administration, Business Administrator/
Chief Financial Officer**
9150 S. 500 W. Sandy, UT 84070
T: 801-826-5000 | F: 801-826-5053 | www.canyonsdistrict.org

November 23, 2015

To the Honorable 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 financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. This report is published to fulfill that requirement for the fiscal year ended June 30, 2015.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free from any material misstatements.

Squire & Company, PC, a firm of licensed certified public accountants, has issued an unmodified (“clean”) opinion on Canyons School District’s financial statements for the year ended June 30, 2015. The independent auditor’s report is located at the front 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. MD&A complements this letter of transmittal and should be read in conjunction with it.

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 sixth year of operations, the District’s student population stood at 33,676. To accomplish its purpose the District operates 29 elementary schools, 8 middle schools, 5 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.

Based on information from the U.S. Department of Education, National Center for Education Statistics, there are more than 17,000 school districts in the nation. Canyons School District is in the range of the 200th – 220th largest district in the nation based on student enrollment.

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. The growth of the State's economy has lead to recent increases in education funding. 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 value of the WPU from \$2,899 to \$2,972 for the fiscal year ended June 30, 2015. The WPU will increase to \$3,092 (or 4.0%) for the fiscal year ending June 30, 2016. The economic outlook calls for continued expansion in 2016 with the hope for additional growth in 2017 and beyond. The unemployment rate for Salt Lake County was 3.7% at December 31, 2014 which is an improvement from the 4.2% rate at December 31, 2013. Assessed valuation has increased by 5% in each of 2013 and 2014 calendar years and a similar increase is anticipated for the upcoming year. This is welcomed news; however further increases in assessed valuation are needed in order to provide financial stability for future budgets.

There will be considerable political pressure on the Legislature to increase funding for public education as it deals with multiple issues statewide. Nonetheless, the resources available may make that difficult to accomplish. The District has grown accustomed to dealing with strained budgets; however it 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.

Examples of efforts made to achieve these initiatives during the most recent fiscal year include:

- 72% of the 2015 traditional high school graduates earned an advanced or honors diploma, an increase from 65% from three years ago.
- Five students were Sterling Scholar winners.
- Two National Merit Scholarship winners.
- The Hillcrest High School theater teams were the State 5A champions and received the first perfect scores in State history

Another high priority for the Board 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 latest completed project, the rebuild of Mount Jordan Middle School, was finished and opened to students in August 2015.

The 2010 bond funded thirteen scheduled projects, nine of which have been completed. The remaining bond projects include rebuilding Midvale Middle School (to open fall 2017), renovating Indian Hills Middle School (to open fall 2018), rebuilding Butler Elementary (to open fall 2016), and rebuilding Alta View Elementary (to open fall 2017).

Long-term financial planning

Although the State's population is projected to grow from 2.8 million in 2010 to 3.7 million by 2020, the District's student population is expected to remain stable. A stable population is a benefit for the District as it will not be pressured to add new school buildings and incur related annual operational and facility expenses. However, the District has many aging schools. The average age of the 42 traditional school buildings is 37.5 years. The District conducts ongoing assessments of all buildings. Information from these assessments is analyzed to determine which buildings need to be replaced or renovated and if future bonding is necessary.

In an uncertain economic environment, other unforeseen events can have a dramatic impact on available resources. In spite of the recent state and national recession, the District has been able to strengthen its unassigned general fund balance from \$11.2 million in 2010 to \$20.3 million in 2015. The District has maintained resources set aside for economic stabilization at \$12.0 million (the 5% maximum allowed per State statute) and increased its assigned general fund balance from \$2.7 million in 2010 to \$14.7 million in 2015. Furthermore, when many governments nationwide are struggling to fund their retirement plans, the Board has committed general fund resources at 105% of the accrued actuarial liability from the most recent actuarial study to fund its retirement benefit plan.

Relevant Financial Policies

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.

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, 2014. This was the fifth 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, 2014. This was the fifth 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 accounting 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.

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

Respectfully submitted,



James Briscoe, Ph.D.
Superintendent of Schools



Leon Wilcox, CPA
Business Administrator

CANYONS SCHOOL DISTRICT
List of Elected and Appointed Officials
June 30, 2015

Elected Officials

	Initial Appointment	Present Term Began	Present Term Expires
Sherril Taylor, President Precinct VI	January, 2005	January, 2015	December, 2018
Steve Wrigley, First Vice-President Precinct V	January, 2011	January, 2015	December, 2018
Nancy Tingey, Second Vice-President Precinct III	January, 2013	January, 2013	December, 2016
Robert Green, Member Precinct I	January, 2013	January, 2013	December, 2016
Amber Shill, Member Precinct II	January, 2015	January, 2015	December, 2018
Clareen Arnold Precinct IV	January, 2015	January, 2015	December, 2018
Chad Iverson Precinct VII	January, 2013	January, 2013	December, 2016

Appointed Officials

	Initial Appointment	Present Term Began	Present Term Expires
Dr. James Briscoe, Superintendent	July, 2014	July, 2014	June, 2016
Leon Wilcox, Business Administrator	September, 2013	July, 2014	June, 2016

The map displays the Jordan Valley area with school district boundaries numbered 1 through 7. Major roads and geographical features are shown in blue. Schools are marked with dots and labeled. A legend in the bottom right corner identifies the district representatives. A north arrow is located in the top right corner.

Schools and Locations:

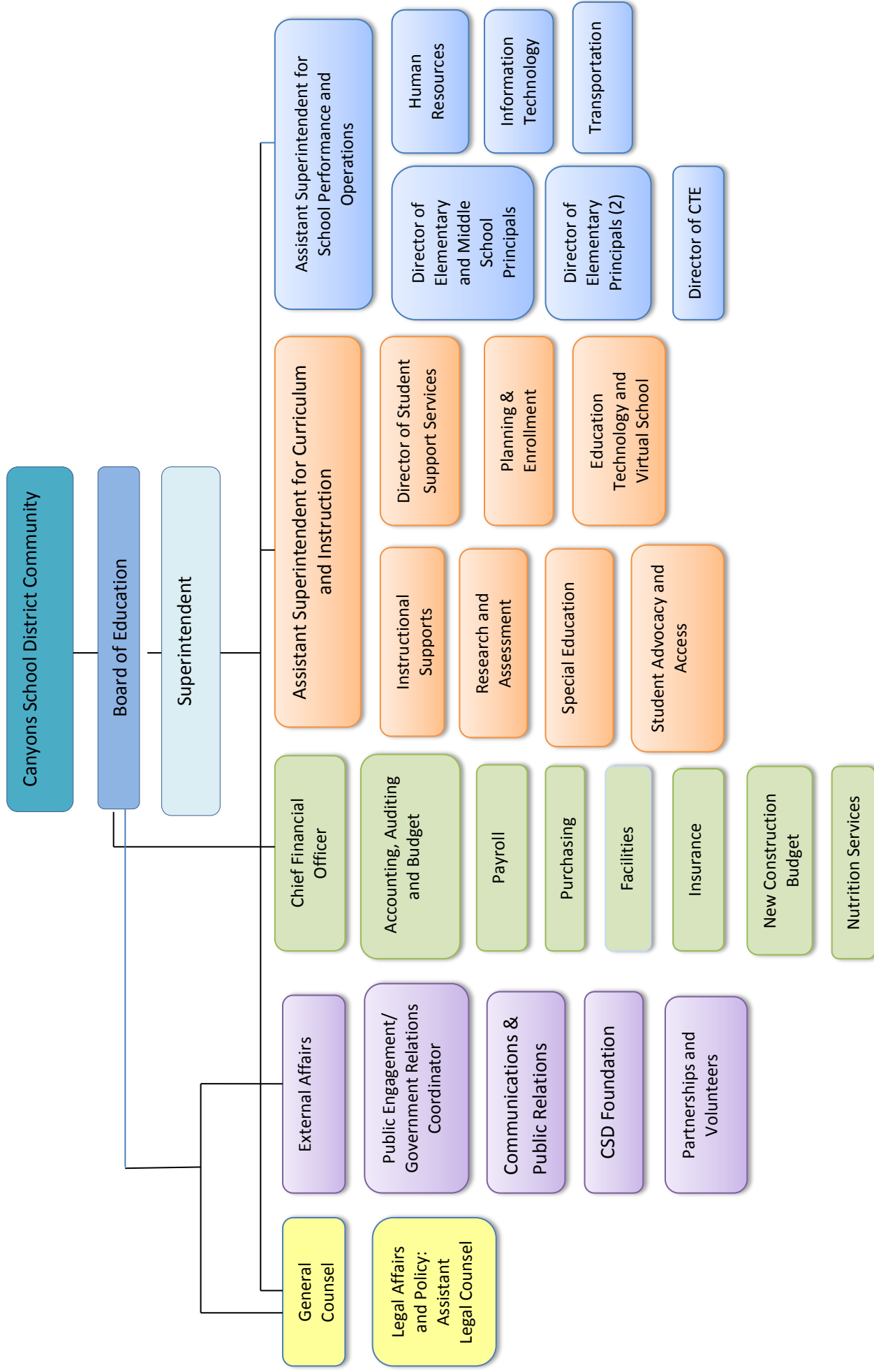
- East Midvale
- Midvale
- Copperview
- Sandy
- CTEC
- Mt Jordan Middle
- Jordan High
- Bell View
- Edgemont
- Alta View
- Crescent
- Midvale Middle
- Alta High
- Draper
- Corner Canyon High
- Willow Springs
- Oak Hollow
- Hillcrest High
- JORDAN VALLEY
- Ridgecrest
- Bella Vista
- Butler
- Brighton High
- Butler Middle
- Canyon View
- Oakdale
- Parkway Park
- Brookwood
- Silver Mesa
- Quail Hollow
- Albion Middle
- Willow Canyon
- Park Lane
- Granite
- Eastmont Middle
- Alta High
- Sunrise
- Lone Peak
- Indian Hills Middle
- Sprucewood
- Draper Park Middle

District Representatives:

1. Robert Green
2. Amber Shill
3. Nancy Tingey
4. Clareen Arnold
5. Steve Wrigley
6. Sherril Taylor
7. Chad Iverson

**Valid for 2015_16 School Year
Print Date: June 20, 2015**

- Valid for 2015_16 School Year
Print Date: June 20, 2015



*This organizational chart is established with a clear understanding that communication will take place both vertically and horizontally. Board members have the right and authority to contact any administrator holding a position on this chart.



Government Finance Officers Association

**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, 2014

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

Executive Director/CEO

Association of School Business Officials International



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

Canyons School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



Mark C. Pepera, MBA, RSBO, SFO
President

John D. Musso, CAE, RSBA
Executive Director



Independent Auditor's Report

Board of Education
Canyons School District

Report on the Basic Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Canyons School District (the District) as of and for the year ended June 30, 2015, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining

fund information of Canyons School District as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 12 to the basic financial statements, in 2015, the District adopted Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—An Amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of funding progress – District retirement benefits, the schedules of the District's proportionate share of the net pension liability (asset) – Utah Retirement Systems, and the schedules of District contributions – Utah Retirement Systems be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2015, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Agui & Company, PC". The signature is written in a cursive, flowing style.

Orem, Utah
November 20, 2015

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, 2015. 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 southeast Salt Lake County, Utah) was formed 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, 2015 was the District's sixth fiscal year. The District has 33,676 students and operates 42 traditional schools and 4 special program schools.
- The District issued \$42.0 million of general obligation school building bonds during 2015.
- As of the close of the current year, the District's governmental funds reported combined ending fund balances of \$211.0 million, an increase of \$15.8 million. Most of this year's change is due to an increase of \$15.6 million in the Capital Outlay Fund due to the issuance of \$42.0 million in general obligation bonds plus \$6.2 million bond issuance premium. The bonds will be used to finance the rebuild of Midvale Middle School as well as other planned projects.
- At the end of the current year, unassigned fund balance for the General Fund was \$20.3 million or 9.1% of General Fund expenditures.
- Actual revenues were \$2.1 million less than budgeted for the General Fund and actual expenditures were \$6.7 million less than the amount budgeted for the fund.
- The District implemented new accounting and reporting standards for pensions resulting in a restatement of net position in the government-wide financial statements. The District now recognizes a liability for its proportionate share of unfunded obligations of defined pension plans administered by the Utah Retirement Systems (URS).

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis provided here are 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 information in addition to the basic financial statements themselves.

Government-wide financial statements – The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements include not only the District itself (known as *the primary government*), but also the legally separate Canyons Education Foundation for which the District is financially accountable. The Foundation functions for all practical purposes as a department of the District, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 26 and 27 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 eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, 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 62 through 67 of this report. Data from the other five 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 70 through 81 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 28 through 32 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 33 through 35 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 36 through 56 of this report.

Additional information – In addition to the basic financial statements and related notes, this report also presents *required supplementary information* concerning the District’s progress in funding its obligation to provide benefits to its retirees and the District’s proportionate share of the net pension liability. Required supplementary information can be found on pages 57-59 of this report.

The combining statements and individual fund statements and schedules referred to earlier in connection with governmental and proprietary funds are presented on pages 60 to 81 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$263.9 million at the close of the most recent fiscal year, which is an increase of \$19.9 million from the prior year.

Canyons School District's Net Position June 30, 2015 and 2014 (in millions of dollars)

	Governmental Activities		
	2015	2014	Change 2015-2014
Current and other assets	\$ 410.9	\$ 370.6	\$ 40.3
Capital assets	<u>455.4</u>	<u>426.9</u>	<u>28.5</u>
Total assets	<u>866.3</u>	<u>797.5</u>	<u>68.8</u>
Total deferred outflows of resources	<u>18.9</u>	<u>16.9</u>	<u>2.0</u>
Other liabilities	40.4	39.3	1.1
Long-term liabilities outstanding	<u>432.4</u>	<u>416.2</u>	<u>16.2</u>
Total liabilities	<u>472.8</u>	<u>455.5</u>	<u>17.3</u>
Total deferred inflows of resources	<u>148.5</u>	<u>114.9</u>	<u>33.6</u>
Net position:			
Net investment in capital assets	169.3	154.7	14.6
Restricted	91.1	93.4	(2.3)
Unrestricted	<u>3.5</u>	<u>(4.1)</u>	<u>7.6</u>
Total net position	<u>\$ 263.9</u>	<u>\$ 244.0</u>	<u>\$ 19.9</u>

The largest portion of the District’s net position (64.2%) 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 position (34.5%) 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 position balance is unrestricted (1.3%) 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 position.

Net investment in capital assets increased by \$14.6 million during the year ended June 30, 2015, due to the construction of Mount Jordan Middle School.

Restricted net position decreased by \$2.3 million during the year ended June 30, 2015. The decrease is due to less of the Capital Outlay Fund balance being required for future debt service.

The remaining net position is unrestricted. This balance includes the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by URS. Unrestricted net position increased by \$7.6 million during the year ended June 30, 2015. The District's proportionate share of the unfunded obligation decreased, which resulted in this increase.

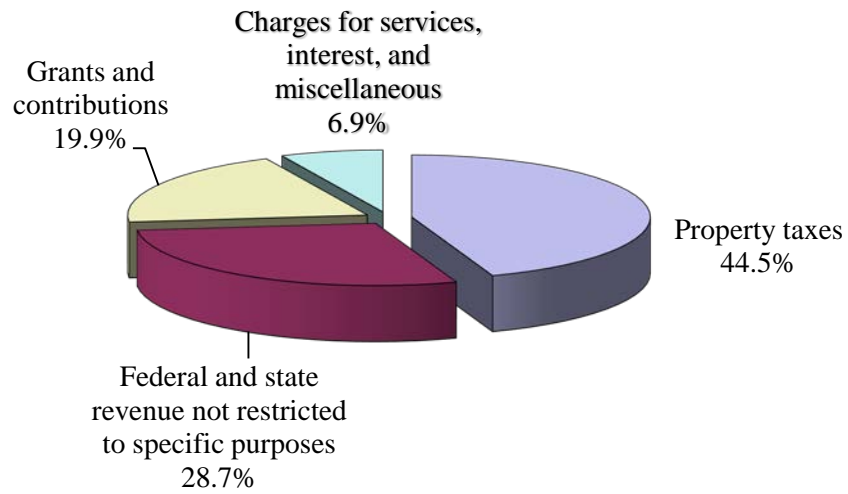
Governmental activities – The key elements of the increase of the District's net position for the year ended June 30, 2015 are as follows:

- Revenues totaled \$313.0 million for the fiscal year ended June 30, 2015. Also, total expenses were \$293.1 million during the same period. The increase in the District's net position for the year ended June 30, 2015 was \$19.9 million.
- Property taxes comprise 44.5% of the District's revenue. The District's tax rate for the 2014 calendar year of 0.007823 was applied to taxable value of property totaling \$17.2 billion.
- Revenues from the state of Utah comprise 41.4% of the District's revenue. State revenue is based primarily on weighted pupil units (WPUs) 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 \$2,972 for 2015. Student enrollment based on the October 1, 2014 count was 33,676.
- Revenues from federal awards comprise 6.9% 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 represent 58.2% of District expenses for the year.

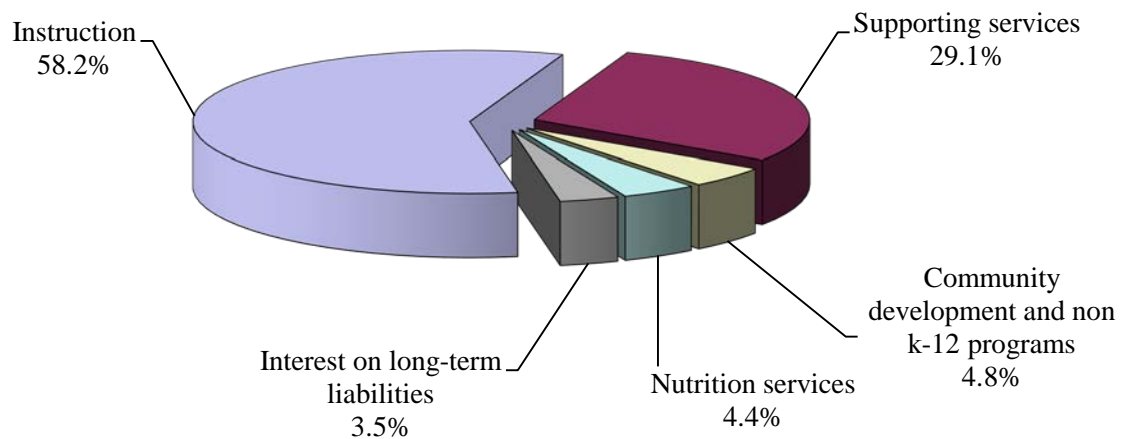
Canyons School District's Changes in Net Position
Fiscal Years Ended June 30, 2015 and 2014
(in millions of dollars)

	Governmental Activities		
	2015	2014	Change 2015-2014
Revenues:			
Program revenues:			
Charges for services	\$ 16.5	\$ 16.9	\$ (0.4)
Operating grants and contributions	62.2	62.4	(0.2)
Capital grants and contributions	0.1	0.5	(0.4)
General revenues:			
Property taxes	139.4	124.0	15.4
Federal and state revenue not restricted to specific purposes	89.7	86.1	3.6
Interest	2.5	2.5	-
Miscellaneous	2.6	4.2	(1.6)
Total revenues	313.0	296.6	16.4
Expenses:			
Instruction	170.7	176.8	(6.1)
Supporting services:			
Students	10.0	9.7	0.3
Instructional staff	11.5	12.2	(0.7)
General district administration	2.8	2.4	0.4
School administration	16.6	16.9	(0.3)
Central	12.3	12.1	0.2
Operation and maintenance of school buildings	23.4	24.7	(1.3)
Student transportation	8.7	9.1	(0.4)
Nutrition services	12.9	12.9	-
Community development	8.8	-	8.8
Non K-12 programs	5.3	7.1	(1.8)
Interest on long-term liabilities	10.1	10.6	(0.5)
Total expenses	293.1	294.5	(1.4)
Increase in net position	19.9	2.1	17.8
Net position - beginning	244.0	339.9	(95.9)
Net effect of prior period restatement	-	(98.0)	98.0
Net position - ending, as restated	\$ 263.9	\$ 244.0	\$ (78.1)

**Canyons School District
Revenues by Source - Governmental Activities
Year Ended June 30, 2015**



**Canyons School District
Expenses by Function - Governmental Activities
Year Ended June 30, 2015**



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. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the District's Board of Education.

At June 30, 2015, the District's governmental funds reported a combined fund balance of \$211.0 million, or \$15.8 million more than the previous year. About \$20.3 million or 9.6% of the combined fund balance amount constitutes *unassigned* fund balance which is available for spending at the District's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not spendable in form (\$2.2 million or 1.0 %), 2) legally required to be maintained intact (\$130.8 million or 62.0%), 3) committed by the District's Board of Education for particular purposes (\$43.0 million or 20.4%), or 4) assigned by the District's management for particular purposes (\$14.7 million or 7.0%).

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$20.3 million, while total fund balance increased by \$0.2 million to \$75.0 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 9.1% of total General Fund expenditures, while total fund balance represents approximately 33.7% of that same amount.

The following expenditures or balances in the General Fund for 2015 should be noted:

- Expenditures for the General Fund totaled \$222.5 million, an increase of \$2.6 million from the prior fiscal year. Instruction represents \$138.4 million or 62.2% of General Fund expenditures.
- General Fund salaries totaled \$133.0 million while the associated fringe benefits of retirement, social security, unemployment, industrial insurance, and health and accident insurance added \$57.5 million to arrive at 85.7% of total General Fund expenditures.
- The District has committed to economic stabilization \$12.0 million of fund balance or 5.0% of 2016 General Fund budgeted expenditures. As allowed by state law, the District has established an undistributed reserve within the General Fund; this amount is set aside for contingencies or possible reductions in state funding and is not to be used in the negotiation or settlement of contract salaries. The maintenance of a sufficient reserve is a key credit consideration in the District's excellent bond ratings of Aaa and AAA given Moody's Investor Service and Fitch Ratings, respectively.
- The District's Board of Education has committed \$23.0 million of fund balance to fund other post-employment benefits for retirees. This amount represents 105.0% of the accrued actuarial liability.

The Debt Service Fund, a major fund, had a \$2.0 million ending fund balance which is \$0.3 million less than previous year. The fund balance was intentionally reduced so the ending fund balance was sufficiently less than the 1/12 of the annual fund expenditure allotted under statute. Tax revenues plus a budgeted transfer from the Capital Outlay fund equaled the principal and interest payments for the current period less the \$0.3 million planned reduction.

The Capital Outlay Fund, the remaining major governmental fund, had an increase of \$15.6 million in fund balance during the current fiscal year which put the overall fund balance at \$125.3 million. The increase was primarily caused by the issuance of \$42.0 million of bonds and the collection of property taxes levied for capital outlay that will be spent in future years. Capital Outlay Fund expenditures totaled \$60.5 million with \$43.6 million being spent on new construction and other building improvements. The remainder was spent on purchases for land improvements, equipment, and vehicles.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During 2015, 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 a decrease of \$0.8 million or 0.4% in total General Fund revenues and an increase of \$0.5 million or 0.2% in total General Fund budgeted expenditures.

Final budget compared to actual results. Even with these adjustments, actual expenditures were \$6.7 million or 2.9% less than final budgeted amounts. The most significant variance was \$4.9 million in instruction due to employee benefit costs being less than anticipated as well as schools not spending their full budgeted amounts for supplies and textbooks. Conversely, actual revenues were \$2.1 million or 0.9% less than final budgeted amounts which primarily resulted from expenditure-driven federal and state grants that are included in the budgets at their full amounts. Such grants are recognized when the qualifying expenditures are incurred and all other grant requirements are met; unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than amounts budgeted.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2015 amounts to \$455.4 million (net of accumulated depreciation). This investment in capital assets includes sites, construction in progress, site improvements and buildings, equipment, and vehicles. The total increase in capital assets for the current year was \$28.5 million or 6.7%.

Canyons School District's Capital Assets

June 30, 2015 and 2014

(net of accumulated depreciation, in millions of dollars)

	Governmental Activities		
	2015	2014	Change 2015-2014
Sites and improvements	\$ 67.2	\$ 65.0	\$ 2.2
Construction in progress	43.0	9.8	33.2
Buildings	336.4	343.9	(7.5)
Equipment	0.8	0.7	0.1
Vehicles	8.0	7.5	0.5
Total capital assets	<u>\$ 455.4</u>	<u>\$ 426.9</u>	<u>\$ 28.5</u>

The cost of various construction projects underway at June 30, 2015 are projected at a total cost of \$109.1 million. The largest projects are the rebuilds of Mount Jordan and Midvale Middle Schools with an estimated cost of \$41.5 million and \$43.0 million, respectively. Mount Jordan Middle School opened to students in August 2015. Midvale Middle School is scheduled to open in the fall of 2017. Construction is underway for the rebuild of Butler Elementary, which will open in the fall of 2016. Planning and engineering for the rebuild of Alta View Elementary has been ongoing. Construction will commence in April 2016 and the school will open

in the fall of 2017. Planning for the renovation of Indian Hills Middle School will begin in 2016. Construction will begin in June 2017 and the school will re-open in the fall of 2018.

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

Long-term debt. At the end of the current fiscal year, the District had total bonded debt outstanding of \$330.8 million (net of unamortized amounts for bond issuance premiums). Payment of the debt is backed by the full faith and credit of the District as well as the state of Utah under provisions of The Guaranty Act. The District's total debt increased by \$30.3 million, or about 10.1%, during the current year. The increase was the result of issuing \$42.0 million of general obligation bonds with a \$6.2 million issuance premium and paying \$17.9 million of bond principal.

Canyons School District's Outstanding General Obligation Debt
June 30, 2015 and 2014
(in millions of dollars)

	Governmental Activities		
	2015	2014	Change 2015-2014
General obligation bonds	\$ 306.9	\$ 280.6	\$ 26.3
Unamortized bond issuance premiums	23.9	19.9	4.0
Net bonds payable	<u>\$ 330.8</u>	<u>\$ 300.5</u>	<u>\$ 30.3</u>

In June 2010, voters approved a \$250 million bond for new school construction, renovation of existing school facilities, and related equipment and seismic improvements that will allow the District to meet its future capital and academic plans. General obligation bonds were subsequently issued in accordance with the debt authorization as follows:

- April 2011 issued \$68.0 million
- August 2012 issued \$80.0 million
- October 2013 issued \$60.0 million
- April 2015 issued \$42.0 million

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in the District. The District's legal debt limit at June 30, 2015 is estimated at \$1,026.8 million. Net general obligation debt at June 30, 2015 is \$330.8 million resulting in an estimated additional debt-incurring capacity of \$696.0 million.

All debt was issued on a 20-year (or shorter) repayment timetable and the District is scheduled to retire all of its general obligation bonds by 2033.

The bonds issuances received an underlying rating of "Aaa" from Moody's Investors Service and a "AAA" from Fitch Ratings, respectively. For the April 2011 issuance, a small portion of the bond principal and interest payments for the next 2-3 years will be from restricted fund resources in the Capital Outlay Fund. While the remainder of the April 2011 issuance payments as well as the August 2012, October 2013, and April 2015 issuances 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 districts collaborated together to refund these bonds in 2014 with Canyons being responsible for 58% of the refunded

amount. The refunding will save the District \$4.5 million in debt service payments from 2015 to 2022, when the bonds will be retired.

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:

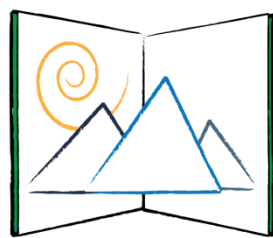
Canyons School District's Enrollment October 1 Count

<u>School Year</u>	<u>Enrollment</u>	<u>Change</u>
2015-16	33,899	0.7%
2014-15	33,676	0.0%
2013-14	33,677	0.4%
2012-13	33,528	0.1%
2011-12	33,490	0.1%
2010-11	33,469	0.9%
2009-10	33,184	

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of Canyons School District's finances for all those with an interest in the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Administrator, Canyons School District, 9361 South 300 East, 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 Position

June 30, 2015

	Governmental Activities
Assets:	
Cash and investments	\$ 252,371,030
Accounts receivable:	
Property taxes	142,161,580
Other local	436,458
State of Utah	1,383,664
Federal government	3,811,301
Inventories	2,203,118
Net retirement/OPEB asset - district retirement plans	8,408,571
Net pension asset - state retirement plans	121,439
Capital assets:	
Sites and construction in progress	69,638,678
Buildings and other capital assets, net of accumulated depreciation	385,749,788
Total assets	<u>866,285,627</u>
Deferred outflows of resources:	
Related to pensions	14,755,533
Deferred charges on refunding	4,154,909
Total deferred outflows of resources	<u>18,910,442</u>
Liabilities:	
Accounts and contracts payable	9,633,835
Accrued payroll and related benefits	21,966,727
Accrued interest	498,282
Unearned revenue:	
Local	449,502
State of Utah	6,443,325
Federal government	1,411,939
Long-term liabilities:	
Due or payable within one year	20,969,340
Due or payable after one year	411,452,474
Total liabilities	<u>472,825,424</u>
Deferred inflows of resources:	
Unavailable property tax revenue	194,358
Related to pensions	9,118,674
Property taxes levied for future year	139,175,988
Total deferred inflows of resources	<u>148,489,020</u>
Net position:	
Net investment in capital assets	169,255,695
Restricted for:	
Debt service	3,552,266
Capital outlay	83,756,195
Nutrition services	2,756,886
Other purposes	1,009,322
Unrestricted	3,551,261
Total net position	<u>\$ 263,881,625</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, 2015

Activities and Functions	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Position
					Total
					Governmental
					Activities
Governmental activities:					
Instruction	\$ 170,720,170	\$ 11,614,454	\$ 38,267,250	\$ 125,000	\$ (120,713,466)
Supporting services:					
Students	9,986,468	-	2,973,280	-	(7,013,188)
Instructional staff	11,499,804	-	2,655,775	-	(8,844,029)
District administration	2,760,688	-	-	-	(2,760,688)
School administration	16,610,365	-	1,001,792	-	(15,608,573)
Central	12,325,943	-	480,917	-	(11,845,026)
Operation and maintenance					
of school buildings	23,415,762	55,767	4,620	-	(23,355,375)
Student transportation	8,673,079	525,414	3,832,412	-	(4,315,253)
Nutrition services	12,910,906	4,083,205	8,069,800	-	(757,901)
Community development	8,764,277	-	-	-	(8,764,277)
Non K-12 programs	5,296,554	236,260	4,786,796	-	(273,498)
Interest on long-term liabilities	10,091,030	-	-	-	(10,091,030)
Total school district	<u>\$ 293,055,046</u>	<u>\$ 16,515,100</u>	<u>\$ 62,072,642</u>	<u>\$ 125,000</u>	<u>\$ (214,342,304)</u>
General revenues:					
Property taxes levied for:					
Basic state supported program					23,694,847
Voted local program					26,717,234
School board local program					26,951,011
Debt service of general obligation bonds					27,034,501
Capital local for buildings and other capital needs					26,232,985
Incremental taxes					<u>8,764,277</u>
Total property tax revenue					139,394,855
Federal and state revenue not restricted to specific purposes					89,739,018
Interest earnings					2,449,996
Miscellaneous					<u>2,649,455</u>
Total general revenues					<u>234,233,324</u>
Change in net position					19,891,020
Net position - beginning, as restated					<u>243,990,605</u>
Net position - ending					<u>\$ 263,881,625</u>

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

CANYONS SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2015

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Outlay	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 101,168,190	\$ 2,005,906	\$ 130,527,538	\$ 9,243,566	\$ 242,945,200
Accounts receivable:					
Property taxes	79,813,939	27,796,842	23,846,468	10,704,331	142,161,580
Other local	252,416	-	103,611	4,068	360,095
State of Utah	310,166	-	-	1,073,498	1,383,664
Federal government	3,372,724	-	125,000	313,577	3,811,301
Due from other funds	222,322	-	-	-	222,322
Inventories	1,956,774	-	-	246,344	2,203,118
Total assets	<u>\$ 187,096,531</u>	<u>\$ 29,802,748</u>	<u>\$ 154,602,617</u>	<u>\$ 21,585,384</u>	<u>\$ 393,087,280</u>
Liabilities, deferred inflows of resources, and fund balances:					
Liabilities:					
Accounts and contracts payable	\$ 3,152,215	\$ -	\$ 5,659,698	\$ 821,922	\$ 9,633,835
Accrued payroll and related benefits	21,371,818	-	-	594,909	21,966,727
Due to other funds	-	-	-	222,322	222,322
Unearned revenue:					
Local	-	-	-	449,502	449,502
State of Utah	6,355,341	-	-	87,984	6,443,325
Federal government	1,411,939	-	-	-	1,411,939
Total liabilities	<u>32,291,313</u>	<u>-</u>	<u>5,659,698</u>	<u>2,176,639</u>	<u>40,127,650</u>
Deferred inflows of resources:					
Unavailable property tax revenue	1,563,069	525,786	463,432	194,358	2,746,645
Property taxes levied for future year	78,206,068	27,252,200	23,207,747	10,509,973	139,175,988
Total deferred inflows of resources	<u>79,769,137</u>	<u>27,777,986</u>	<u>23,671,179</u>	<u>10,704,331</u>	<u>141,922,633</u>
Fund balances:					
Nonspendable:					
Inventories	1,956,774	-	-	246,344	2,203,118
Restricted for:					
Reading achievement	970,026	-	-	-	970,026
Debt service	-	2,024,762	1,500,000	-	3,524,762
Capital outlay	-	-	123,771,740	-	123,771,740
Nutrition services	-	-	-	2,510,542	2,510,542
Committed to:					
Economic stabilization	12,000,000	-	-	-	12,000,000
Employee benefit obligations	24,227,997	-	-	-	24,227,997
Contractual obligations	861,391	-	-	-	861,391
Schools	-	-	-	5,464,944	5,464,944
Foundation	-	-	-	482,584	482,584
Assigned to:					
Schools and programs	6,739,542	-	-	-	6,739,542
Self-insurance	8,000,000	-	-	-	8,000,000
Unassigned	20,280,351	-	-	-	20,280,351
Total fund balances	<u>75,036,081</u>	<u>2,024,762</u>	<u>125,271,740</u>	<u>8,704,414</u>	<u>211,036,997</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 187,096,531</u>	<u>\$ 29,802,748</u>	<u>\$ 154,602,617</u>	<u>\$ 21,585,384</u>	<u>\$ 393,087,280</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 Position
June 30, 2015

Total fund balances for governmental funds	\$ 211,036,997
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$756,776,296 and accumulated depreciation is \$301,387,830 (see Note 3).	455,388,466
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Some of the District's property taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable revenue in the funds.	2,552,287
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The net pension asset is not an available resource and therefore is not reported in the governmental funds.	121,439
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An internal service fund is used by 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.	4,944,044
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Certain retirement and other post employment benefit payments in excess of actuarially required amounts are recognized as expenditures in governmental funds.	8,408,571
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Long-term liabilities, including bonds payable and the net pension liability, are not due and payable in the current period and therefore are not reported in the governmental funds. These and related balances at year end are:

General obligation bonds payable	\$ (306,884,000)	
Deferred amounts for issuance premium	(23,882,657)	
Deferred charges on refunding	4,154,909	
Net pension liability	(95,857,436)	
Deferred outflows of resources related to pensions	14,755,533	
Deferred inflows of resources related to pensions	(9,118,674)	
Accrued interest	(498,282)	
Compensated absence obligation	(1,239,572)	(418,570,179)

Total net position of governmental activities	\$ 263,881,625
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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, 2015

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Outlay	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 77,396,259	\$ 26,583,217	\$ 27,100,048	\$ 8,764,277	\$ 139,843,801
Interest earnings	1,319,006	52,464	1,002,405	40,549	2,414,424
Other local sources	5,688,883	-	20,000	14,676,949	20,385,832
State of Utah	124,341,340	-	18,349	5,912,496	130,272,185
Federal government	14,345,265	-	125,000	7,194,210	21,664,475
Total revenues	223,090,753	26,635,681	28,265,802	36,588,481	314,580,717
Expenditures:					
Current:					
Instruction	138,398,131	-	-	10,191,269	148,589,400
Supporting services:					
Students	10,099,532	-	-	-	10,099,532
Instructional staff	11,536,564	-	-	-	11,536,564
District administration	2,377,553	-	-	-	2,377,553
School administration	16,654,114	-	-	-	16,654,114
Central	12,693,640	-	-	-	12,693,640
Operation and maintenance of school buildings	23,180,718	-	-	-	23,180,718
Student transportation	7,520,312	-	-	-	7,520,312
Nutrition services	-	-	-	12,242,509	12,242,509
Non K-12 programs	-	-	-	5,446,155	5,446,155
Community development	-	-	-	8,764,277	8,764,277
Capital outlay	-	-	60,504,410	-	60,504,410
Debt service:					
Bond principal	-	15,727,300	-	-	15,727,300
Bond interest and fees	-	11,656,416	-	-	11,656,416
Total expenditures	222,460,564	27,383,716	60,504,410	36,644,210	346,992,900
Excess (deficiency) of revenues over (under) expenditures	630,189	(748,035)	(32,238,608)	(55,729)	(32,412,183)
Other financing sources (uses):					
General obligation bonds issued	-	-	42,000,000	-	42,000,000
Premiums on bonds issued	-	-	6,220,563	-	6,220,563
Transfers in (out)	(387,054)	400,000	(400,000)	387,054	-
Total other financing sources (uses)	(387,054)	400,000	47,820,563	387,054	48,220,563
Net change in fund balances	243,135	(348,035)	15,581,955	331,325	15,808,380
Fund balances - beginning	74,792,946	2,372,797	109,689,785	8,373,089	195,228,617
Fund balances - ending	\$ 75,036,081	\$ 2,024,762	\$ 125,271,740	\$ 8,704,414	\$ 211,036,997

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, 2015

Net change in fund balances-total governmental funds **\$ 15,808,380**

The change in net position 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. The net effect of transactions involving capital assets increased net position in the current period.

Capital outlays	\$ 45,123,961	
Loss on disposal of capital assets	(17,390)	
Depreciation expense	<u>(16,624,524)</u>	28,482,047

The issuance of bonds provides current financial resource to governmental funds, while the repayment of the principal of bonds consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

General obligation bonds issued	(42,000,000)	
Premiums on bonds issued	(6,220,563)	
Repayment of bond principal	15,727,300	
Bond interest expense	(59,253)	
Amortization of deferred charges on refunding	(593,558)	
Amortization of bond premiums	<u>2,218,197</u>	(30,927,877)

Property tax revenue is recognized when levied (when a claim to resources is established) rather than when available. The portion not available soon enough to pay for the current period's expenditures is deferred in the funds. (448,946)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds; long-term employee benefit obligations are reported as expenditures in the governmental funds when paid.

OPEB expense	142,264	
Retirement expense	1,263,463	
Pension expense	7,992,017	
Compensated absences expense	<u>(217,767)</u>	9,179,977

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 position of the internal service fund is reported with governmental activities. (2,202,561)

Change in net position of governmental activities **\$ 19,891,020**

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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property taxes	\$ 76,349,341	\$ 76,907,555	\$ 77,396,259	\$ 488,704
Interest earnings	1,400,000	900,000	1,319,006	419,006
Other local revenue	6,714,510	6,704,515	5,688,883	(1,015,632)
State of Utah	127,338,662	127,682,207	124,341,340	(3,340,867)
Federal government	14,169,054	12,973,005	14,345,265	1,372,260
Total revenues	225,971,567	225,167,282	223,090,753	(2,076,529)
Expenditures:				
Current:				
Instruction	143,572,429	143,276,870	138,398,131	4,878,739
Supporting services:				
Students	9,867,219	10,322,606	10,099,532	223,074
Instructional staff	11,610,883	11,976,773	11,536,564	440,209
District administration	2,322,502	2,582,605	2,377,553	205,052
School administration	16,529,765	17,030,202	16,654,114	376,088
Central	12,632,826	12,888,194	12,693,640	194,554
Operation and maintenance of school buildings	24,623,664	23,592,546	23,180,718	411,828
Student transportation	7,461,460	7,487,162	7,520,312	(33,150)
Total expenditures	228,620,748	229,156,958	222,460,564	6,696,394
Excess (deficiency) of revenues over (under) expenditures	(2,649,181)	(3,989,676)	630,189	4,619,865
Other financing sources (uses):				
Transfer out	(456,401)	(399,778)	(387,054)	12,724
Total other financing sources (uses)	(456,401)	(399,778)	(387,054)	12,724
Net change in fund balances	(3,105,582)	(4,389,454)	243,135	4,632,589
Fund balances - beginning	70,741,938	74,792,946	74,792,946	-
Fund balances - ending	\$ 67,636,356	\$ 70,403,492	\$ 75,036,081	\$ 4,632,589

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

CANYONS SCHOOL DISTRICT
Statement of Fund Net Position
Proprietary Fund
June 30, 2015

	Governmental Activities - Internal Service Fund <u>Self-Insurance</u>
Assets:	
Current assets:	
Cash and investments	\$ 9,425,830
Accounts receivable, local	<u>76,363</u>
	<u>9,502,193</u>
Liabilities:	
Current liabilities:	
Claims payable	<u>4,558,149</u>
Net position:	
Unrestricted	<u><u>\$ 4,944,044</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 Position
Proprietary Fund
Fiscal Year Ended June 30, 2015

	Governmental Activities - Internal Service Fund
	<u>Self-Insurance</u>
Operating revenues:	
Insurance premiums charged to other funds	<u>\$ 24,713,833</u>
Operating expenses:	
Medical claims	18,805,151
Prescription claims	5,156,340
Industrial insurance claims	357,015
Administration and other	<u>2,633,460</u>
Total operating expenses	<u>26,951,966</u>
Operating loss	(2,238,133)
Nonoperating income:	
Interest earnings	<u>35,572</u>
Change in net position	(2,202,561)
Net position - beginning	<u>7,146,605</u>
Net position - ending	<u><u>\$ 4,944,044</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, 2015

	<u>Governmental Activities - Internal Service Fund Self-Insurance</u>
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 24,658,348
Payments to suppliers	(2,633,460)
Payments for medical fees and insurance claims	<u>(24,123,179)</u>
Net cash used by operating activities	(2,098,291)
Cash flows from investing activities:	
Interest received	<u>35,572</u>
Net decrease in cash and cash equivalents	(2,062,719)
Cash and cash equivalents - beginning	<u>11,488,549</u>
Cash and cash equivalents - ending	<u><u>\$ 9,425,830</u></u>
(Displayed on statements of fund net position as Cash and investments)	
 Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (2,238,133)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Increase in accounts receivable	(55,485)
Increase in claims payable	<u>195,327</u>
Net cash used by operating activities	<u><u>\$ (2,098,291)</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 financial statements of the Canyons School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The Reporting Entity – The Board of Education (the Board), 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.

As required by GAAP, these financial statements present the activities of the District and its component unit, 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. A blended component unit, although a legally separate entity, is in substance part of the District's operations.

- **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. 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 9361 South 300 East, Sandy, Utah 84070.

Government-wide and Fund Financial Statements – The *government-wide financial statements* (the statement of net position and the statement of activities) report on all of the activities of the primary government (the District) and its blended component unit. The effect of interfund activity is eliminated from the government-wide financial statements.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expense for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instructional, school administration, operation and maintenance of facilities, and school lunch services) are ratably included in the direct expenses of the appropriate functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Interest on general long-term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line item. Program revenues include: 1) fees and charges paid by students and other recipients of goods or services offered by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

a particular function. Revenues that are not classified as program revenues, including property 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 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 other governmental 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. Non-operating revenues, such as interest, result from non-exchange 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:

- The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Debt Service Fund* is used to account for the accumulation of resources that are restricted for the payment of principal and interest on long-term obligations of school building bonds.
- The *Capital Outlay Fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within the District.

Additionally, the District reports the following fund type:

- The *Self-Insurance Fund (a proprietary fund)* is the only internal service fund used by the District and accounts for the risk management services 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.

Measurement Focus and Basis of Accounting – The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

For this purpose, the District considers revenues to be available if they are collected within thirty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pension benefits, other postemployment benefits, retirement benefits, and compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as an other financing source.

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the District.

The proprietary (internal service) funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Budgetary information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds of the District. The budget for the Self-Insurance Fund is not legally required for budgetary control; this budget is for management purposes. 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, 2015 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.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is used to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (for which performance under the executory contract is expected in the

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

next year) are reappropriated and become part of the subsequent year's budget pursuant to state regulations.

Negative variances in total revenues and the positive variances in total expenditures are largely a result of federal and state program revenues and related expenditures that do not have a direct impact on the fund balance. Budgets generally assume the expenditure of all available resources. Therefore, when the budget is prepared, it is assumed these funds will not have a carryover of revenue to a subsequent year. Program revenue received but not spent is reported as unearned revenue. As a result, overall fund revenue variances will be negative, and overall fund expenditure variances will be positive.

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. Changes in the fair value of investments are recorded as interest earnings.

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 acquisition 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.

Capital Assets – Capital assets are recorded as expenditures in the governmental fund financial statements at the time of purchase or construction. All purchased 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 acquisition 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 in the government-wide financial statements using the straight-line method over their estimated useful lives as follows:

Site improvements	40 years
Buildings.....	40 years
Vehicles	10 years
Equipment.....	5 years

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

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

Long-term Obligations – In the government-wide financial statements and the Self-Insurance Fund (internal service fund), long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums are deferred and amortized over the life of the related bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premiums.

In the governmental fund financial statements, the face amount of debt issued as well as premiums received on debt issuances are recognized during the current period as other financing sources.

Deferred Outflows/Inflows of Resources – In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has two items that qualify for reporting in this category.

- Deferred charge on refunding – results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources related to pensions – includes a) net difference between projected and actual earnings on pension plan investments and b) District contributions subsequent to the measurement date of December 31, 2014.

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

The following item arises only under a modified accrual basis of accounting and is reported in the governmental funds balance sheet; this item is deferred and recognized as an inflow of resources in the period that the amounts become available:

- Unavailable property tax revenue – consists of uncollected, delinquent property taxes.

The following source is reported in both the statement of net position and the governmental funds balance sheet:

- Property taxes levied for future year – property taxes levied on January 1, 2015 for the following school year.

The following sources are reported in the statement of net position:

- Deferred inflows of resources related to pensions – includes a) differences between expected and actual experience and b) changes of assumptions in the measurement of the net pension liability/asset.

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

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*.

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

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

Fund balance classifications are summarized as follows:

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories 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 and debt service).
 - b) Local match for state reading achievement program.
 - c) Remaining fund balances in the Nutrition Services Fund.
- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the District's Board of Education. Fund balance commitments can only be removed or changed by the same type of action (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 (\$12,000,000). As defined in Utah law as an "undistributed reserve," the District maintains for economic stabilization up to 5% 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." Furthermore, the law states that the reserve cannot be used until the Board provides the State Board of Education with an adopted, written resolution setting forth the reasons for using the funds.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

- b) Employee benefit obligations for other post-employment benefits representing the accrued actuarially liability plus an additional 5% contingency (\$22,988,425) and for unpaid compensated absences (\$1,239,572).
- c) Unfulfilled non-construction contractual obligations (\$861,391) at June 30, 2015 that are expected to be completed in 2016.
- d) Resources held by the schools and the Foundation.
- **Assigned.** This category includes General Fund balance amounts that the District intends to be used for a specific purpose but are neither restricted nor committed. The Board of Education, by policy, has given the business administrator authority to assign General Fund balances. 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 \$8,000,000 to cover unforeseen costs in its Self-Insurance Fund.
- **Unassigned.** Residual balances in the General Fund are classified as unassigned.

Net Position Flow Assumption – Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted tax revenue or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's fund balance policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

Fund Balance Flow Assumption – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's fund balance policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2015, as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 9,320,093
Carrying amount of investments	<u>243,050,937</u>
Total cash and investments	<u>\$ 252,371,030</u>
Governmental funds cash and investments	\$ 242,945,200
Internal service fund cash and investments	<u>9,425,830</u>
Total cash and investments	<u>\$ 252,371,030</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

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

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, 2015, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Canyons School District	\$ 9,102,217	\$ 11,159,861	\$ 5,642,645
Canyons School District Education Foundation	217,876	321,912	250,000
Total deposits	<u>\$ 9,320,093</u>	<u>\$ 11,481,773</u>	<u>5,892,645</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, 2015, \$5,589,128 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 State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which primarily consists of money market securities held by the Utah State Treasurer, including corporate notes (88.9%), money market mutual funds (4.5%), top-rated commercial paper (4.3%), and certificates of deposit (2.3%). The portfolio has a weighted average maturity of 65 days. The PTIF is not rated. The reported value of the pool is the same as the fair value of the pool shares. The District's fair value of PTIF investments at June 30, 2015 was \$105,655,951.

At June 30, 2015, the District had purchased 21 investment-grade corporate bonds and federal agency notes through a broker at a fair value of \$137,083,804. Twenty of the bonds are rated A or higher and

CANYONS SCHOOL DISTRICT

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one is rated BBB+ by Moody's Investor Services or by Standard & Poor's. The weighted average to maturity is 17 months, with 49.7% of investments maturing within one year and all corporate notes maturing within three years and all agencies within four years. These investments are held in a safekeeping account and are reviewed regularly by the Council for compliance with the Act.

Also at June 30, 2015, the Foundation invested in mutual funds with a fair value of \$311,182. The mutual funds are not rated.

- **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 have a formal investment policy which complies with the Act for interest rate risk and manages its exposure to interest rate risk by complying with its policy and 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 three 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 have a formal investment policy which complies with the Act for credit risk and manages its exposure to credit risk by complying with its policy and 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.
- **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 have a formal investment policy for concentration of credit risk which complies with the Act and manages this risk by complying with its policy and the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5.0% 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 5.0% of all funds are invested in any one issuer and no more than 25.0% of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than 75.0% may be invested in equity securities and no more than 5.0% 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 have a formal investment policy for custodial credit risk and manages this risk by complying with its policy and 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, 2015 is as follows:

	June 30, 2014 Balance	Increases	Decreases	June 30, 2015 Balance
Governmental activities:				
Capital assets, not being depreciated				
Sites	\$ 26,427,218	\$ 220,622	\$ -	\$ 26,647,840
Construction in progress	9,802,006	42,581,216	(9,392,384)	42,990,838
Total capital assets, not being depreciated	36,229,224	42,801,838	(9,392,384)	69,638,678
Capital assets, being depreciated:				
Site improvements	52,361,215	3,383,474	-	55,744,689
Buildings	541,294,889	6,008,910	-	547,303,799
Equipment	61,294,763	479,097	(21,664)	61,752,196
Vehicles	21,299,310	1,843,026	(805,402)	22,336,934
Total capital assets, being depreciated	676,250,177	11,714,507	(827,066)	687,137,618
Accumulated depreciation for:				
Site improvements	(13,747,570)	(1,322,140)	-	(15,069,710)
Buildings	(197,434,764)	(13,517,632)	-	(210,952,396)
Equipment	(60,745,167)	(334,531)	5,055	(61,074,643)
Vehicles	(13,645,481)	(1,450,221)	804,621	(14,291,081)
Total accumulated depreciation	(285,572,982)	(16,624,524)	809,676	(301,387,830)
Total capital assets, being depreciated, net	390,677,195	(4,910,017)	(17,390)	385,749,788
Governmental activity capital assets, net	<u>\$ 426,906,419</u>	<u>\$ 37,891,821</u>	<u>\$ (9,409,774)</u>	<u>\$ 455,388,466</u>

Depreciation expense for the year ended June 30, 2015 was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 11,938,570
Supporting services:	
Students	139,933
Instructional staff	141,611
General district administration	79,318
School administration	329,905
Central	483,509
Operation and maintenance of school buildings	1,231,245
Student transportation	1,388,677
Nutrition services	891,756
Total depreciation expense, governmental activities	<u>\$ 16,624,524</u>

CANYONS SCHOOL DISTRICT

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The District is obligated at June 30, 2015 under construction commitments with remaining costs to complete totaling \$66,092,959 that will be financed from the Capital Outlay Fund as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Mount Jordan Middle School rebuild	\$ 41,500,000	\$ 38,967,311	\$ 2,532,689
Midvale Middle School rebuild	43,000,000	1,786,225	41,213,775
Butler Elementary rebuild	18,500,000	678,330	17,821,670
Jordan Valley Elementary remodel	1,500,000	477,019	1,022,981
Midvale Elementary classrooms	1,400,000	183,591	1,216,409
Other projects	3,183,797	898,362	2,285,435
Total	<u>\$ 109,083,797</u>	<u>\$ 42,990,838</u>	<u>\$ 66,092,959</u>

4. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2015 is as follows:

	June 30, 2014 Balance	Additions	Reductions	June 30, 2015 Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 280,611,300	\$ 42,000,000	\$ (15,727,300)	\$ 306,884,000	\$ 15,998,000
Deferred amounts for issuance premiums	19,880,291	6,220,563	(2,218,197)	23,882,657	-
Total bonds payable, net	<u>300,491,591</u>	<u>48,220,563</u>	<u>(17,945,497)</u>	<u>330,766,657</u>	<u>15,998,000</u>
Net pension liability	110,239,234	11,499,427	(25,881,225)	95,857,436	-
Compensated absences	1,021,805	1,879,366	(1,661,599)	1,239,572	413,191
Claims payable, insurance	4,362,822	26,951,966	(26,756,639)	4,558,149	4,558,149
Net OPEB obligation	<u>106,949</u>	<u>324,123</u>	<u>(431,072)</u>	<u>-</u>	<u>-</u>
Total governmental activity long-term liabilities	<u>\$ 416,222,401</u>	<u>\$ 88,875,445</u>	<u>\$ (72,676,032)</u>	<u>\$ 432,421,814</u>	<u>\$ 20,969,340</u>

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

General Obligation Bonds Payable – Bonds payable at June 30, 2015 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
Canyons School District Portion of Former Jordan School District Bonded Debt *					
2006	School building	\$ 8,700,000	4.00% to 4.13%	June 15, 2016	\$ 609,000
2007	School building	113,680,000	4.00% to 5.00%	June 15, 2017	15,515,000
2014	Refunding	59,970,000	5.00%	June 15, 2022	57,840,000
District's portion of total former Jordan School District general obligation bonds payable as of June 30, 2015					73,964,000
Canyons School District Bonded Debt					
2011	School building	68,000,000	2.50% to 4.50%	June 15, 2031	58,120,000
2012	School building	80,000,000	1.50% to 4.00%	June 15, 2032	74,900,000
2013	School building	60,000,000	3.00% to 5.00%	June 15, 2033	57,900,000
2015	School building	42,000,000	3.50% to 5.00%	June 15, 2033	42,000,000
Total general obligation bonds payable as of June 30, 2015					<u>\$ 306,884,000</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.

Debt service requirements to maturity, including interest for the general obligation bonds payable are summarized as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 15,998,000	\$ 12,916,769	\$ 28,914,769
2017	16,896,000	11,972,256	28,868,256
2018	17,565,000	11,304,126	28,869,126
2019	17,720,000	10,546,701	28,266,701
2020	17,765,000	9,785,476	27,550,476
2021-2025	81,085,000	37,149,080	118,234,080
2026-2030	91,225,000	20,160,180	111,385,180
2031-2033	48,630,000	3,285,915	51,915,915
Total	<u>\$ 306,884,000</u>	<u>\$ 117,120,503</u>	<u>\$ 424,004,503</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, 2015, the full \$250.0 million of the bonds have been issued under this authorization. In April 2015, the remaining \$42.0 million of bonds were issued. These bonds bear an interest rate of 2.9% and have an 18-year life and are backed by the Utah School Bond Guaranty Program. These bonds will be repaid from future tax revenues in the Debt Service Fund.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

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. 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 in excess of \$225,000. 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 \$4,558,149 at June 30, 2015. 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, 2015 and 2014.

	2015	2014
Accrued claims payable (beginning of year)	\$ 4,362,822	\$ 3,996,953
Claims (including incurred but not reported)	26,951,966	26,636,724
Payments of claims	<u>(26,756,639)</u>	<u>(26,270,855)</u>
Accrued claims payable (end of year)	<u>\$ 4,558,149</u>	<u>\$ 4,362,822</u>

5. PROPERTY TAXES

District property tax revenue –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% 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.

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

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

During the year ended June 30, 2015, incremental taxes levied by the District for the redevelopment agencies totaling \$8,764,277 were recorded as revenue with an equivalent amount of expenditure for community development in the other governmental funds (in the Community Development Special Revenue Fund).

As part of a mitigation agreement between the redevelopment agencies and the District, the redevelopment agencies paid the District \$2,636,263 during the year ended June 30, 2015.

6. STATE RETIREMENT PLANS

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

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

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

Defined Contribution Plans (individual account plans):

- 401(k) Plan
- 457 Plan and other individual plans

Title 49 of the *Utah Code* grants the authority to establish and amend the benefit terms to the Utah State Retirement Board, whose members are appointed by the Governor. The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at www.urs.org.

Benefits provided – The URS provides retirement, disability, and death benefits to participants in the defined benefit pension plans. Retirement benefits are determined from 1.5% to 2.0% of the

CANYONS SCHOOL DISTRICT

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employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan. Employees are eligible to retire based on years of service and age.

Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

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

Defined benefit pension plan contribution rates for the year ended December 31, 2014 were from 18.27% to 22.19%. Defined contribution plan contribution rates for the year ended December 31, 2014 were from 1.50% to 10.00%. Employees can make additional contributions to defined contribution plans subject to limitations.

For the year ended December 31, 2014, District and employee contributions to the plans were as follows:

	<u>District Contributions</u>	<u>Employee Contributions</u>
Tier 1 Noncontributory System	\$ 23,136,003	\$ -
Tier 2 Contributory System	1,653,303	-
401(k) Plan	2,611,815	2,742,343
457 Plan and other individual plans	-	387,214

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – At June 30, 2015, the District reported a net pension asset of \$121,439 and a net pension liability of \$95,857,436. The net pension asset and liability were measured as of December 31, 2014, and the total pension asset and liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2014. The District's proportion of the net pension asset and liability were based on a projection of the District's long-term share of contributions to the defined benefit pension plans relative to the projected contributions of all participating employers. At December 31, 2014, the District's proportionate shares in the defined benefit pension plans were as follows:

	<u>Proportionate Share</u>	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>
Tier 1 Noncontributory System	3.8151778%	\$ -	\$ 95,857,436
Tier 2 Contributory System	4.0072976%	121,439	-
Total		<u>\$ 121,439</u>	<u>\$ 95,857,436</u>

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the year ended December 31, 2014, the District recognized pension expense of \$17,889,208 for the defined benefit pension plans and of \$2,611,815 for the defined contribution plans. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 5,885,466
Changes of assumptions	-	3,233,208
Net difference between projected and actual earnings on pension plan investments	1,664,813	-
District contributions subsequent to the measurement date	13,090,720	-
Total	<u>\$ 14,755,533</u>	<u>\$ 9,118,674</u>

The \$13,090,720 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2016	\$ (1,910,981)
2017	(1,910,981)
2018	(1,910,981)
2019	(1,588,149)
2020	(21,243)
Thereafter	(111,526)

Actuarial assumptions – The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.50% to 10.50%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates for retired educators were developed from actual experience, based on gender, occupation, and age, as appropriate, with adjustments for mortality improvements based on Scale AA.

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Notes to the Basic Financial Statements

The actuarial assumptions used in the January 1, 2014 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2013.

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

Asset Class	Expected Return Arithmetic Basis		
	Target Allocation	Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity securities	40%	7.06%	2.82%
Debt securities	20%	0.80%	0.16%
Real assets	13%	5.10%	0.66%
Private equity	9%	11.30%	1.02%
Absolute return	18%	3.15%	0.57%
Cash and cash equivalents	0%	0.00%	0.00%
Total	100%		5.23%
Inflation			2.75%
Expected arithmetic nominal return			7.98%

The 7.50% assumed investment rate of return is comprised of an inflation rate of 2.75% and a real return of 4.75% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions all participating employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

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	<u>1% Decrease (6.50%)</u>	<u>Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
District's proportionate share of the net pension (asset) liability	\$ 191,873,226	\$ 95,735,997	\$ 15,305,583

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

Payables to the pension plans – At June 30, 2015, the District reported payables of \$2,847,475 for contributions to defined benefit pension plans and \$308,724 for contributions to defined contribution 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 ending June 30, 2007 under the former Jordan School District as new benefits and continued under the District, effective July 1, 2010, when the District assumed the obligation to provide these benefits for eligible employees and retirees. The plan does not issue its own financial report.

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 102.0%, next six months at 110.0%, 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 39 in the month of June 2015.

Annual Retirement/OPEB Cost and Net Retirement/OPEB Obligation (Asset) – The District's annual retirement/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 retirement/OPEB cost for the year, the amount actually contributed to the plans, and changes in the District's net retirement/OPEB obligation (asset).

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	<u>Cash Stipends</u>	<u>Health-Care</u>
Annual required contribution (ARC)	\$ 1,396,610	\$ 326,279
Interest on net retirement/OPEB obligation (asset)	(284,392)	4,278
Adjustment to ARC	<u>427,732</u>	<u>(6,434)</u>
Annual retirement/OPEB cost	1,539,950	324,123
Contributions made	<u>(2,803,413)</u>	<u>(466,387)</u>
Change in net retirement/OPEB obligation (asset)	(1,263,463)	(142,264)
Net retirement/OPEB obligation (asset) - beginning of year	<u>(7,109,793)</u>	<u>106,949</u>
Net retirement/OPEB obligation (asset) - end of year	<u><u>\$ (8,373,256)</u></u>	<u><u>\$ (35,315)</u></u>

The District annual OPEB cost, the percentage of annual OPEB cost contributed to the plans, and the net retirement/OPEB obligation (asset) for the fiscal years ended June 30, 2015, 2014, and 2013, based on the September 1, 2014 and 2012 actuarial studies, are summarized below.

Year Ended June 30,	<u>Annual Retirement/OPEB Costs</u>		<u>Contributions as a Percentage of Annual Retirement/OPEB Costs</u>		<u>Net Retirement/OPEB Obligation (Asset)</u>	
	<u>Cash Stipends</u>	<u>Health-Care</u>	<u>Cash Stipends</u>	<u>Health-Care</u>	<u>Cash Stipends</u>	<u>Health-Care</u>
2015	\$ 1,539,950	\$ 324,123	182.0%	143.9%	\$ (8,373,256)	\$ (35,315)
2014	1,630,365	231,355	192.7%	133.0%	(7,109,793)	106,949
2013	1,673,009	233,414	156.3%	158.6%	(5,598,718)	183,296

Funded Status – As of September 1, 2014, the most recent actuarial valuation date, the actuarial accrued liability (AAL) for the cash stipends was \$18,588,250 and for the health-care benefits was \$3,305,488 which is also the unfunded actuarial accrued liability (UAAL). The District has committed \$22,988,425, which is 5.0% more than the actuarial accrued liability (to cover any potential actuarial understatements) 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, 2015, based on the September 1, 2014 actuarial study, is summarized below.

	<u>Cash Stipends</u>	<u>Health-Care</u>
Actuarial accrued liability (AAL)	\$ 18,588,250	\$ 3,305,488
Actuarial value of plan assets	<u>-</u>	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	<u><u>\$ 18,588,250</u></u>	<u><u>\$ 3,305,488</u></u>
Funded ratio (actuarial value of plan assets/AAL)	0.0%	0.0%
Covered payroll	89,968,231	115,290,949
UAAL as a percentage of covered payroll	20.7%	2.9%

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

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.

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, 2014 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 of 4.0% was used. The valuation assumes a health-care cost trend increase of 5.8% for fiscal year 2014-15, 5.5% for fiscal year 2015-16, 5.6% for fiscal year 2016-17 at which point it gradually grades down to a 4.6% increase for fiscal year 2090 and beyond with inflation at 2.5%. 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 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, 2015, the District transferred \$212,573 from the General Fund to the Canyons School District Education Foundation Special Revenue Fund to cover the administration expenditures of the Foundation and \$174,481 to the Non K-12 Programs Fund to cover community education programs. The District also transferred \$400,000 from the Capital Outlay Fund to the Debt Service Fund to cover the principal and interest payments for the general obligation bonds.

CANYONS SCHOOL DISTRICT

Notes to the Basic Financial Statements

11. LITIGATION AND COMPLIANCE

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.

12. RESTATEMENT

In 2015, the District adopted Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions—An Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—An Amendment of GASB Statement No. 68*.

The new standards require the District to recognize a liability in its government-wide financial statements for its proportionate share of the net pension liability (of all employers for benefits provided through the pension plans as administered by the Utah Retirement Systems)—the collective net pension liability. The District is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions. District contributions to the pension plans subsequent to the measurement date (December 31) of the collective net pension liability also are required to be reported as deferred outflows of resources related to pensions.

The governmental fund financial statements of the District are not affected by these new standards. Pension expenditures in the governmental funds continue to be recognized equal to the total of a) amounts paid by the District to the pension plans and b) the change between the beginning and ending balances of amounts of contributions currently payable to the pensions.

The beginning net position reported in the government-wide financial statements of the District has been restated to reflect the new standards as follows:

Beginning net position, as previously stated	\$ 342,081,760
Net pension asset	-
Net pension liability	(110,239,234)
Deferred outflows of resources related to pensions	<u>12,148,079</u>
Beginning net position, as restated	<u><u>\$ 243,990,605</u></u>

The notes to the basic financial statements now include additional information about the defined benefit pension plans. Also, the District will be presenting in required supplementary information 10-year schedules containing a) the net pension liability and certain related ratios and b) information about statutorily required contributions, contributions to the pension plans, and related ratios. Because this is the first year such information is available, only one year of required supplementary information is presented with these financial statements; information for additional years will be presented in future reports as it becomes available.

CANYONS SCHOOL DISTRICT
Required Supplementary Information
June 30, 2015

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]
9/1/2014	\$ -	\$ 18,588,250	\$ 18,588,250	0.0%	\$ 97,644,495	19.0%
9/1/2012	-	20,740,297	20,740,297	0.0%	95,398,639	21.7%
9/1/2010	-	19,650,483	19,650,483	0.0%	81,378,942	24.1%

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]
9/1/2014	\$ -	\$ 3,305,488	\$ 3,305,488	0.0%	\$ 122,967,213	2.7%
9/1/2012	-	2,455,757	2,455,757	0.0%	118,968,560	2.1%
9/1/2010	-	2,603,663	2,603,663	0.0%	100,608,156	2.6%

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 and an allocation of resources from Jordan School District (see Note 7 to the basic financial statements). These allocations have been committed for employee benefit obligations.

CANYONS SCHOOL DISTRICT
Required Supplementary Information
June 30, 2015

Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)
Utah Retirement Systems
As of December 31, 2014

	Tier 1	Tier 2
	Noncontributory	Contributory
	System	System
District's proportion of the net pension liability (asset)	3.8151778%	4.0072976%
District's proportionate share of the net pension liability (asset)	\$ 95,857,436	\$ (121,439)
District's covered employee payroll	\$ 103,043,921	\$ 19,591,580
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	93.0%	-0.6%
Plan fiduciary net position as a percentage of the total pension liability	87.2%	103.5%

Note: These schedules only presents information for 2014; prior-year information is not available.

CANYONS SCHOOL DISTRICT
Required Supplementary Information
June 30, 2015

Schedules of District Contributions
Utah Retirement Systems
As of December 31, 2014

	Tier 1 Noncontributory System	Tier 2 Contributory System
Contractually required contribution	\$ 23,136,003	\$ 1,653,303
Contributions in relation to the contractually required contribution	<u>(23,136,003)</u>	<u>(1,653,303)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
District's covered-employee payroll	\$ 103,043,921	\$ 19,591,580
Contributions as a percentage of covered-employee payroll	22.5%	8.4%

Notes: These schedules only presents information for 2014; prior-year information is not available.
Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative issues.

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, 2015 and 2014

	2015	2014
Assets:		
Cash and investments	\$ 101,168,190	\$ 101,845,098
Accounts receivable:		
Property taxes	79,813,939	71,300,237
Other local	252,416	413,324
State of Utah	310,166	277,963
Federal government	3,372,724	3,184,270
Due from other funds	222,322	-
Inventories	1,956,774	1,611,467
Total assets	<u>\$ 187,096,531</u>	<u>\$ 178,632,359</u>
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts and contracts payable	\$ 3,152,215	\$ 1,835,756
Accrued payroll and related benefits	21,371,818	21,487,898
Unearned revenue:		
State of Utah	6,355,341	7,385,129
Federal government	1,411,939	1,694,778
Total liabilities	<u>32,291,313</u>	<u>32,403,561</u>
Deferred inflows of resources:		
Unavailable property tax revenue	1,563,069	1,838,011
Property taxes levied for future year	78,206,068	69,597,841
Total deferred inflows of resources	<u>79,769,137</u>	<u>71,435,852</u>
Fund balances:		
Nonspendable:		
Inventories and prepaid items	1,956,774	1,611,467
Restricted for:		
Reading achievement	970,026	1,225,228
Committed to:		
Economic stabilization	12,000,000	11,430,000
Employee benefit obligations	24,227,997	25,444,284
Contractual obligations	861,391	1,088,324
Assigned to:		
Schools and programs	6,739,542	6,888,194
Self insurance	8,000,000	8,000,000
Unassigned	20,280,351	19,105,449
Total fund balances	<u>75,036,081</u>	<u>74,792,946</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 187,096,531</u>	<u>\$ 178,632,359</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, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 76,907,555	\$ 77,396,259	\$ 488,704	\$ 77,051,730
Interest earnings	900,000	1,319,006	419,006	1,339,529
Other local	6,704,515	5,688,883	(1,015,632)	6,302,642
State of Utah	127,682,207	124,341,340	(3,340,867)	121,490,503
Federal government	12,973,005	14,345,265	1,372,260	14,151,578
Total revenues	<u>225,167,282</u>	<u>223,090,753</u>	<u>(2,076,529)</u>	<u>220,335,982</u>
Expenditures:				
Current:				
Salaries	133,187,162	133,046,171	140,991	133,339,963
Employee benefits	58,735,811	57,545,590	1,190,221	54,951,965
Purchased professional services	4,568,537	4,221,672	346,865	3,970,964
Purchased property services	2,807,907	2,497,505	310,402	2,357,496
Other purchased services	4,919,361	4,752,579	166,782	4,181,794
Supplies	22,046,201	17,821,367	4,224,834	17,948,231
Property	2,577,429	2,374,673	202,756	2,910,921
Other	314,550	201,007	113,543	248,685
Total expenditures	<u>229,156,958</u>	<u>222,460,564</u>	<u>6,696,394</u>	<u>219,910,019</u>
Excess (deficiency) of revenues over (under) expenditures	(3,989,676)	630,189	4,619,865	425,963
Other financing sources (uses):				
Transfer out	<u>(399,778)</u>	<u>(387,054)</u>	<u>12,724</u>	<u>(478,270)</u>
Total other financing sources (uses)	<u>(399,778)</u>	<u>(387,054)</u>	<u>12,724</u>	<u>(478,270)</u>
Net change in fund balances	(4,389,454)	243,135	4,632,589	(52,307)
Fund balances - beginning	<u>74,792,946</u>	<u>74,792,946</u>	<u>-</u>	<u>74,845,253</u>
Fund balances - ending	<u>\$ 70,403,492</u>	<u>\$ 75,036,081</u>	<u>\$ 4,632,589</u>	<u>\$ 74,792,946</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Debt Service Fund
A Major Governmental Fund
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and investments	\$ 2,005,906	\$ 2,457,112
Accounts receivable:		
Property taxes	<u>27,796,842</u>	<u>24,543,732</u>
Total assets	<u><u>\$ 29,802,748</u></u>	<u><u>\$ 27,000,844</u></u>
 Deferred inflows of resources and fund balances:		
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 525,786	\$ 618,272
Property taxes levied for future year	<u>27,252,200</u>	<u>24,009,775</u>
Total deferred inflows of resources	27,777,986	24,628,047
 Fund balances:		
Restricted for:		
Debt service	<u>2,024,762</u>	<u>2,372,797</u>
Total deferred inflows of resources and fund balances	<u><u>\$ 29,802,748</u></u>	<u><u>\$ 27,000,844</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, 2015 with Comparative Totals for 2014

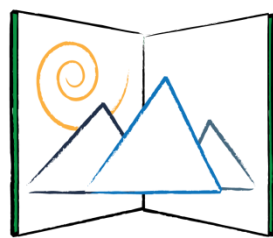
	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 26,358,841	\$ 26,583,217	\$ 224,376	\$ 25,081,786
Interest earnings	50,000	52,464	2,464	44,508
Total revenues	26,408,841	26,635,681	226,840	25,126,294
Expenditures:				
Debt service:				
Bond principal	15,727,300	15,727,300	-	17,802,100
Bond interest	11,652,836	11,652,834	2	10,928,180
Issuance costs on refunding	-	-	-	295,657
Paying agent fees and other	9,000	3,582	5,418	3,951
Total expenditures	27,389,136	27,383,716	5,420	29,029,888
Excess (deficiency) of revenues over (under) expenditures	(980,295)	(748,035)	232,260	(3,903,594)
Other financing sources (uses):				
Transfer in	800,000	400,000	(400,000)	3,000,000
Refunding bonds issued	-	-	-	59,970,000
Payment to refunded bond escrow agent	-	-	-	(70,817,525)
Premium on refunding bonds	-	-	-	11,143,182
Total other financing sources (uses)	800,000	400,000	(400,000)	3,295,657
Net change in fund balances	(180,295)	(348,035)	(167,740)	(607,937)
Fund balances - beginning	2,372,797	2,372,797	-	2,980,734
Fund balances - ending	\$ 2,192,502	\$ 2,024,762	\$ (167,740)	\$ 2,372,797

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Capital Outlay Fund
A Major Governmental Fund
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and investments	\$ 130,527,538	\$ 113,580,333
Accounts receivable:		
Property taxes	23,846,468	21,843,401
Other local	103,611	510,798
Federal government	125,000	-
Total assets	<u><u>\$ 154,602,617</u></u>	<u><u>\$ 135,934,532</u></u>
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts and contracts payable	\$ 5,659,698	\$ 4,446,294
Deferred inflows of resources:		
Unavailable property tax revenue	463,432	544,950
Property taxes levied for future year	23,207,747	21,253,503
Total deferred inflows of resources	23,671,179	21,798,453
Fund balances:		
Restricted for:		
Debt service	1,500,000	3,450,000
Capital outlay	123,771,740	106,239,785
Total fund balances	<u><u>125,271,740</u></u>	<u><u>109,689,785</u></u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 154,602,617</u></u>	<u><u>\$ 135,934,532</u></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, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 25,929,535	\$ 27,100,048	\$ 1,170,513	\$ 22,173,385
Interest earnings	950,000	1,002,405	52,405	1,036,367
Other local	-	20,000	20,000	518,992
Total local sources	26,879,535	28,122,453	1,242,918	23,728,744
State sources:				
State enrollment growth	18,349	18,349	-	-
State energy grant	-	-	-	480,557
Total state sources	18,349	18,349	-	480,557
Federal sources:				
Federal energy grant	-	125,000	125,000	-
Total revenues	26,897,884	28,265,802	1,367,918	24,209,301
Expenditures:				
Capital outlay:				
Sites and improvements	4,829,592	4,686,118	143,474	3,463,261
Buildings and improvements	53,536,210	43,610,520	9,925,690	22,124,748
Equipment and vehicles	10,423,437	7,577,805	2,845,632	10,533,763
Other capital outlay	4,784,865	4,629,967	154,898	2,456,293
Total expenditures	73,574,104	60,504,410	13,069,694	38,578,065
Excess (deficiency) of revenues over (under) expenditures	(46,676,220)	(32,238,608)	14,437,612	(14,368,764)
Other financing sources (uses):				
General obligation bonds issued	42,000,000	42,000,000	-	60,000,000
Premiums on bonds issued	6,220,563	6,220,563	-	3,370,164
Transfer out	(800,000)	(400,000)	400,000	(3,000,000)
Total other financing sources (uses)	47,420,563	47,820,563	400,000	60,370,164
Net change in fund balances	744,343	15,581,955	14,837,612	46,001,400
Fund balances - beginning	109,689,785	109,689,785	-	63,688,385
Fund balances - ending	<u>\$ 110,434,128</u>	<u>\$ 125,271,740</u>	<u>\$ 14,837,612</u>	<u>\$ 109,689,785</u>



CANYONS
School District

*"Celebrating the Highest
Standards of Educational Excellence"*

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 Activities 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.

Community Development Fund - Beginning in 2015 the District was required to report on the property taxes transferred to community and redevelopment agencies. The purpose of this fund is to account for the property taxes levied by the District, but are sent directly to these agencies. The intention of these taxes is to assist the municipalities in growing the infrastructure and thereby attract businesses, which in turn, will increase the District's tax base in future years. The fund balance will always be zero as the District does not possess these funds.

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. This is the last year this fund will be used. Program balances at June 30, 2015 were transferred to the General Fund. Transactions formerly recorded in this fund will be recorded in the General Fund starting in 2016.

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, 2015

	Special Revenue					Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Community Development	Non K-12 Programs	Education Foundation	
Assets:						
Cash and investments	\$ 2,312,833	\$ 6,401,675	\$ -	\$ -	\$ 529,058	\$ 9,243,566
Accounts receivable:						
Property taxes	-	-	10,704,331	-	-	10,704,331
Other local	840	-	-	2,728	500	4,068
State of Utah	556,923	-	-	516,575	-	1,073,498
Federal government	148,772	-	-	164,805	-	313,577
Inventories	246,344	-	-	-	-	246,344
Total assets	<u>\$ 3,265,712</u>	<u>\$ 6,401,675</u>	<u>\$ 10,704,331</u>	<u>\$ 684,108</u>	<u>\$ 529,558</u>	<u>\$ 21,585,384</u>
Liabilities, deferred inflows of resources, and fund balances:						
Liabilities:						
Accounts and contracts payable	\$ 18,013	\$ 749,401	\$ -	\$ 7,534	\$ 46,974	\$ 821,922
Accrued payroll and related benefits	228,641	-	-	366,268	-	594,909
Due to other funds	-	-	-	222,322	-	222,322
Unearned revenue:						
Local	262,172	187,330	-	-	-	449,502
State of Utah	-	-	-	87,984	-	87,984
Total liabilities	<u>508,826</u>	<u>936,731</u>	<u>-</u>	<u>684,108</u>	<u>46,974</u>	<u>2,176,639</u>
Deferred inflows of resources:						
Unavailable property tax revenue	-	-	194,358	-	-	194,358
Property taxes levied for future year	-	-	10,509,973	-	-	10,509,973
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>10,704,331</u>	<u>-</u>	<u>-</u>	<u>10,704,331</u>
Fund balances:						
Nonspendable:						
Inventories	246,344	-	-	-	-	246,344
Restricted for:						
Nutrition services	2,510,542	-	-	-	-	2,510,542
Committed to:						
Schools	-	5,464,944	-	-	-	5,464,944
Foundation	-	-	-	-	482,584	482,584
Total fund balances	<u>2,756,886</u>	<u>5,464,944</u>	<u>-</u>	<u>-</u>	<u>482,584</u>	<u>8,704,414</u>
 Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,265,712</u>	<u>\$ 6,401,675</u>	<u>\$ 10,704,331</u>	<u>\$ 684,108</u>	<u>\$ 529,558</u>	<u>\$ 21,585,384</u>

CANYONS SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Year Ended June 30, 2015

	Special Revenue					Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Community Development	Non K-12 Programs	Education Foundation	
Revenues:						
Property taxes	\$ -	\$ -	\$ 8,764,277	\$ -	\$ -	\$ 8,764,277
Tuitions, fees, and admissions	-	3,637,640	-	234,768	-	3,872,408
Lunch sales	4,021,577	-	-	-	-	4,021,577
Interest earnings	20,439	22,836	-	-	(2,726)	40,549
Other local sources	61,628	6,362,422	-	-	358,914	6,782,964
State of Utah	1,986,870	-	-	3,925,626	-	5,912,496
Federal government	6,082,930	-	-	1,111,280	-	7,194,210
Total revenues	12,173,444	10,022,898	8,764,277	5,271,674	356,188	36,588,481
Expenditures:						
Current:						
Instruction	-	9,510,832	-	-	680,437	10,191,269
Nutrition services	12,242,509	-	-	-	-	12,242,509
Non K-12 programs	-	-	-	5,446,155	-	5,446,155
Other	-	-	8,764,277	-	-	8,764,277
Total expenditures	12,242,509	9,510,832	8,764,277	5,446,155	680,437	36,644,210
Excess (deficiency) of revenues over (under) expenditures	(69,065)	512,066	-	(174,481)	(324,249)	(55,729)
Other financing sources:						
Transfer in	-	-	-	174,481	212,573	387,054
Net change in fund balances	(69,065)	512,066	-	-	(111,676)	331,325
Fund balances - beginning	2,825,951	4,952,878	-	-	594,260	8,373,089
Fund balances - ending	<u>\$ 2,756,886</u>	<u>\$ 5,464,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 482,584</u>	<u>\$ 8,704,414</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Nutrition Services Fund
A Nonmajor Special Revenue Fund
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and investments	\$ 2,312,833	\$ 1,418,033
Accounts receivable:		
Other local	840	14,356
State of Utah	556,923	948,114
Federal government	148,772	680,221
Inventories	246,344	293,334
Total assets	<u><u>\$ 3,265,712</u></u>	<u><u>\$ 3,354,058</u></u>
Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	\$ 18,013	\$ 22,265
Accrued payroll and related benefits	228,641	241,641
Unearned revenue, local	262,172	264,201
Total liabilities	<u>508,826</u>	<u>528,107</u>
Fund balances:		
Nonspendable:		
Inventories	246,344	293,334
Restricted for:		
Nutrition services	2,510,542	2,532,617
Total fund balances	<u>2,756,886</u>	<u>2,825,951</u>
Total liabilities and fund balances	<u><u>\$ 3,265,712</u></u>	<u><u>\$ 3,354,058</u></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, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Lunch sales - students	\$ 3,980,000	\$ 3,878,889	\$ (101,111)	\$ 4,000,125
Lunch sales - adult	115,000	142,688	27,688	114,293
Interest earnings	30,000	20,439	(9,561)	21,282
Other	75,000	61,628	(13,372)	64,169
Total local sources	4,200,000	4,103,644	(96,356)	4,199,869
State sources:				
Lunch program	2,150,000	1,986,870	(163,130)	1,812,326
Federal sources:				
Lunch program	975,000	989,522	14,522	964,655
Free and reduced meals reimbursement	3,180,000	3,332,490	152,490	3,167,996
Breakfast program	525,000	695,769	170,769	529,405
Other food programs	70,350	38,245	(32,105)	71,708
Commodity program	960,000	1,026,904	66,904	963,389
Total federal sources	5,710,350	6,082,930	372,580	5,697,153
Total revenues	12,060,350	12,173,444	113,094	11,709,348
Expenditures:				
Current:				
Salaries	4,305,507	4,085,647	219,860	4,240,222
Employee benefits	1,545,762	1,523,857	21,905	1,541,881
Purchased services	100,550	87,559	12,991	82,380
Supplies	225,800	173,271	52,529	205,116
Food	5,810,000	5,290,196	519,804	5,072,198
Property	220,000	198,586	21,414	84,416
Other	771,250	883,393	(112,143)	607,403
Total expenditures	12,978,869	12,242,509	736,360	11,833,616
Net change in fund balances	(918,519)	(69,065)	849,454	(124,268)
Fund balances - beginning	2,825,951	2,825,951	-	2,950,219
Fund balances - ending	<u>\$ 1,907,432</u>	<u>\$ 2,756,886</u>	<u>\$ 849,454</u>	<u>\$ 2,825,951</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Student Activities Fund
A Nonmajor Special Revenue Fund
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and investments	<u>\$ 6,401,675</u>	<u>\$ 5,933,010</u>
Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	\$ 749,401	\$ 972,359
Unearned revenue, local	<u>187,330</u>	<u>7,773</u>
Total liabilities	<u>936,731</u>	<u>980,132</u>
Fund balances:		
Committed to:		
Schools	<u>5,464,944</u>	<u>4,952,878</u>
Total liabilities and fund balances	<u>\$ 6,401,675</u>	<u>\$ 5,933,010</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, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Student fees	\$ 3,929,115	\$ 3,637,640	\$ (291,475)	\$ 3,539,744
Vending commissions	140,725	91,967	(48,758)	138,793
Fundraisers and donations	7,244,250	6,270,455	(973,795)	6,585,678
Interest earnings	12,000	22,836	10,836	11,296
Total revenues	<u>11,326,090</u>	<u>10,022,898</u>	<u>(1,303,192)</u>	<u>10,275,511</u>
Expenditures:				
Current:				
Purchased services	5,216,458	3,687,465	1,528,993	4,434,338
Supplies and materials	5,026,923	4,532,514	494,409	4,265,110
Property and equipment	253,528	364,515	(110,987)	226,364
Other	<u>794,235</u>	<u>926,338</u>	<u>(132,103)</u>	<u>715,528</u>
Total expenditures	<u>11,291,144</u>	<u>9,510,832</u>	<u>1,780,312</u>	<u>9,641,340</u>
Net change in fund balances	34,946	512,066	477,120	634,171
Fund balances - beginning	<u>4,952,878</u>	<u>4,952,878</u>	<u>-</u>	<u>4,318,707</u>
Fund balances - ending	<u><u>\$ 4,987,824</u></u>	<u><u>\$ 5,464,944</u></u>	<u><u>\$ 477,120</u></u>	<u><u>\$ 4,952,878</u></u>

CANYONS SCHOOL DISTRICT
Balance Sheet
Community Development Fund
A Nonmajor Special Revenue Fund
June 30, 2015

	<u>2015</u>
Assets:	
Accounts receivable:	
Property taxes	<u>\$ 10,704,331</u>
 Deferred inflows of resources and fund balances:	
Deferred inflows of resources:	
Unavailable property tax revenue	\$ 194,358
Property taxes levied for future year	<u>10,509,973</u>
Total deferred inflows of resources	<u>10,704,331</u>
Fund balances:	
Assigned to:	
Community development	<u>-</u>
Total deferred inflows of resources and fund balances	<u>\$ 10,704,331</u>

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Community Development Fund
A Nonmajor Special Revenue Fund
Fiscal Year Ended June 30, 2015

	2015		
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues:			
Local sources:			
Property taxes	\$ 8,851,919	\$ 8,764,277	\$ (87,642)
Total revenues	8,851,919	8,764,277	(87,642)
Expenditures:			
Current:			
Other	8,851,919	8,764,277	87,642
Total expenditures	8,851,919	8,764,277	87,642
Net change in fund balances	-	-	-
Fund balances - beginning	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Non K-12 Programs Fund
A Nonmajor Special Revenue Fund
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and investments	\$ -	\$ 35,279
Accounts receivable:		
Other local	2,728	33,848
State of Utah	516,575	366,487
Federal government	164,805	30,492
Total assets	<u>\$ 684,108</u>	<u>\$ 466,106</u>
Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	\$ 7,534	\$ 2,600
Accrued payroll and related benefits	366,268	341,939
Unearned revenue:		
State of Utah	87,984	121,567
Total liabilities	<u>461,786</u>	<u>466,106</u>
Fund balances:		
Committed to:		
Community recreation	-	-
Total fund balances	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 461,786</u>	<u>\$ 466,106</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, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Tuitons, sales, and other	\$ 335,000	\$ 234,768	\$ (100,232)	\$ 365,578
Interest earnings	5,000	-	(5,000)	6,382
Total local sources	340,000	234,768	(105,232)	371,960
State sources:				
Special education - preschool and corrections	1,559,447	1,427,925	(131,522)	1,392,316
Adult and corrections education	2,118,703	2,209,092	90,389	2,384,148
Other	387,710	288,609	(99,101)	352,952
Total state sources	4,065,860	3,925,626	(140,234)	4,129,416
Federal sources:				
Special education - preschool and regular	785,413	510,561	(274,852)	560,494
Adult education	155,081	158,082	3,001	103,583
No child left behind	509,676	442,637	(67,039)	514,628
Total federal sources	1,450,170	1,111,280	(338,890)	1,178,705
Total revenues	5,856,030	5,271,674	(584,356)	5,680,081
Expenditures:				
Current:				
Salaries	3,520,778	3,517,057	3,721	4,442,613
Employee benefits	1,632,859	1,346,457	286,402	1,501,362
Purchased services	219,100	113,578	105,522	558,962
Supplies and materials	211,481	106,028	105,453	206,578
Property	32,000	20,915	11,085	31,024
Other	424,010	342,120	81,890	372,376
Total expenditures	6,040,228	5,446,155	594,073	7,112,915
Excess (deficiency) of revenues over (under) expenditures	(184,198)	(174,481)	9,717	(1,432,834)
Other financing sources:				
Transfer in	184,198	174,481	(9,717)	260,392
Net change in fund balances				
Fund balances - beginning	-	-	-	1,172,442
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Canyons School District Education Foundation Fund
A Nonmajor Special Revenue Fund
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Assets:		
Cash and investments	\$ 529,058	\$ 608,359
Accounts receivable, other local	<u>500</u>	<u>1,551</u>
Total assets	<u><u>\$ 529,558</u></u>	<u><u>\$ 609,910</u></u>
 Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	<u>\$ 46,974</u>	<u>\$ 15,650</u>
 Fund balances:		
Committed to:		
Foundation	<u>482,584</u>	<u>594,260</u>
Total liabilities and fund balances	<u><u>\$ 529,558</u></u>	<u><u>\$ 609,910</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, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Contributions	\$ 475,000	\$ 358,914	\$ (116,086)	\$ 488,260
Interest earnings	25,000	(2,726)	(27,726)	39,701
Total revenues	500,000	356,188	(143,812)	527,961
Expenditures:				
Current:				
Salaries	125,730	129,191	(3,461)	146,895
Employee benefits	53,899	59,410	(5,511)	54,274
Purchased services	3,000	1,809	1,191	3,473
Supplies donated to schools	519,950	490,027	29,923	428,579
Total expenditures	702,579	680,437	22,142	633,221
Excess (deficiency) of revenues over (under) expenditures	(202,579)	(324,249)	(121,670)	(105,260)
Other financing sources:				
Transfer in	215,580	212,573	(3,007)	217,878
Net change in fund balance	13,001	(111,676)	(124,677)	112,618
Fund balances - beginning	594,260	594,260	-	481,642
Fund balances - ending	<u>\$ 607,261</u>	<u>\$ 482,584</u>	<u>\$ (124,677)</u>	<u>\$ 594,260</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 Position
Self-Insurance Fund
An Internal Service Fund
June 30, 2015 and 2014

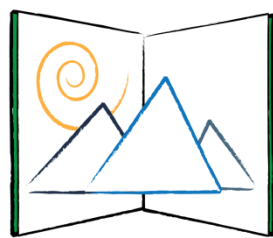
	<u>2015</u>	<u>2014</u>
Assets:		
Current assets:		
Cash and investments	\$ 9,425,830	\$ 11,488,549
Accounts receivable, local	<u>76,363</u>	<u>20,878</u>
Total assets	<u>9,502,193</u>	<u>11,509,427</u>
 Liabilities:		
Current liabilities:		
Claims payable	<u>4,558,149</u>	<u>4,362,822</u>
 Net position:		
Unrestricted	<u><u>\$ 4,944,044</u></u>	<u><u>\$ 7,146,605</u></u>

CANYONS SCHOOL DISTRICT
Comparative Statements of Revenues, Expenses, and Changes in Fund Net Position
Self-Insurance Fund
An Internal Service Fund
Fiscal Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Insurance premiums charged to other funds	\$ 24,713,833	\$ 24,925,029
Operating expenses:		
Medical claims	18,805,151	18,197,083
Prescription claims	5,156,340	5,652,385
Industrial insurance claims	357,015	562,234
Administration and other	2,633,460	2,225,022
Total operating expenses	26,951,966	26,636,724
Operating loss	(2,238,133)	(1,711,695)
Nonoperating income:		
Interest earnings	35,572	29,847
Change in net position	(2,202,561)	(1,681,848)
Net position - beginning	7,146,605	8,828,453
Net position - ending	<u>\$ 4,944,044</u>	<u>\$ 7,146,605</u>

CANYONS SCHOOL DISTRICT
Comparative Statements of Fund Cash Flows
Self-Insurance Fund
An Internal Service Fund
Fiscal Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 24,658,348	\$ 24,950,478
Payments to suppliers	(2,633,460)	(2,225,022)
Payments for medical fees and insurance claims	(24,123,179)	(24,045,833)
Net cash used by operating activities	(2,098,291)	(1,320,377)
Cash flows from investing activities:		
Interest received	35,572	29,847
Net decrease in cash and cash equivalents	(2,062,719)	(1,290,530)
Cash and cash equivalents - beginning	11,488,549	12,779,079
Cash and cash equivalents - ending	<u>\$ 9,425,830</u>	<u>\$ 11,488,549</u>
(Displayed on statements of fund net position as Cash and investments)		
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	\$ (2,238,133)	\$ (1,711,695)
Adjustments to reconcile operating loss to net cash used by operating activities:		
(Increase) decrease in accounts receivable	(55,485)	25,449
Increase in claims payable	195,327	365,869
Net cash used by operating activities	<u>\$ (2,098,291)</u>	<u>\$ (1,320,377)</u>
Noncash investing, capital, and financing activities:	none	none



CANYONS
School District

*"Celebrating the Highest
Standards of Educational Excellence"*

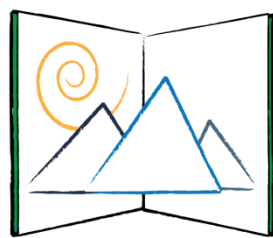
CANYONS SCHOOL DISTRICT
Statistical Section
Table of Contents

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..... These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	89-95
Revenue Capacity..... These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	96-100
Debt Capacity..... These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	101-106
Demographic and Economic Information..... These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	107-108
Operating Information..... These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	109-119

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 six 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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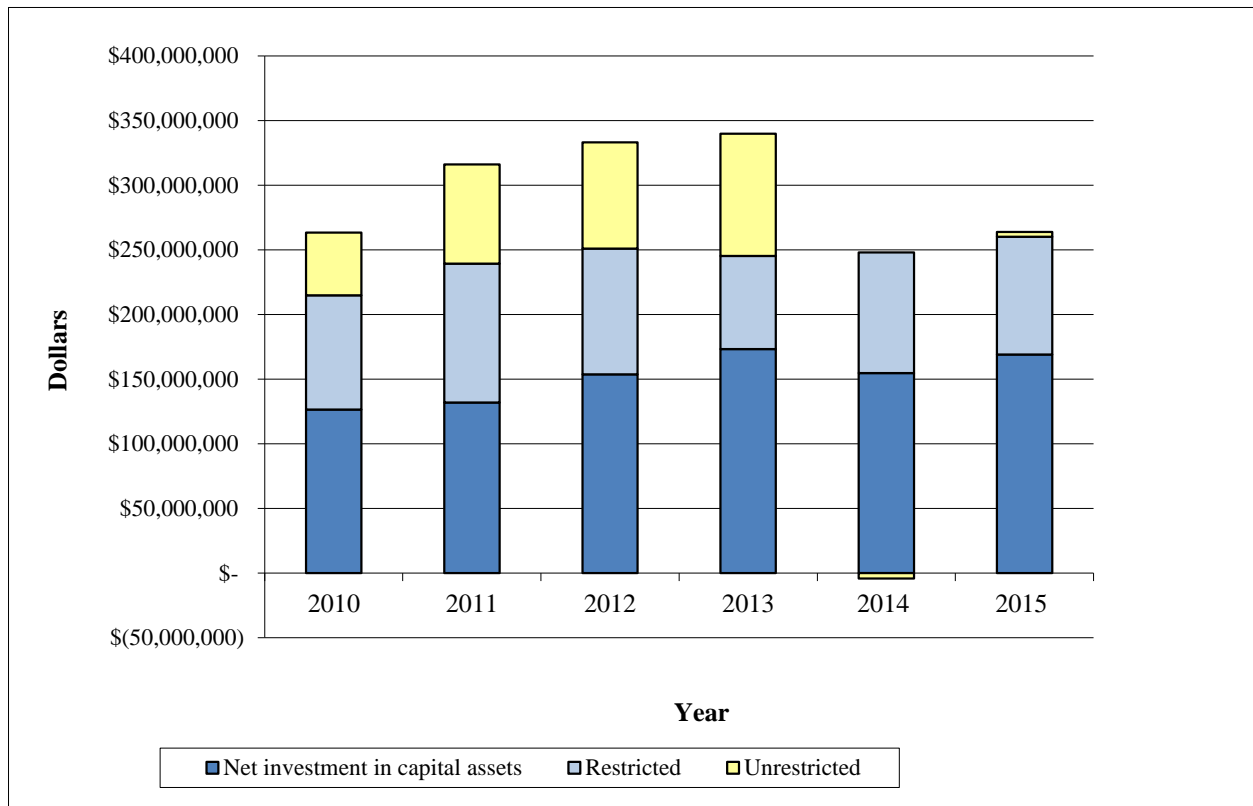
CANYONS SCHOOL DISTRICT
Comparative Statements of Net Position
Last Six Fiscal Years
(Accrual basis of accounting)

	2010	2011	2012	2013	2014*	2015*
Assets:						
Cash and investments	\$ 163,563,149	\$ 279,091,765	\$ 224,769,239	\$ 206,981,706	\$ 237,365,773	\$ 252,371,030
Accounts receivable:						
Property taxes	108,420,842	104,838,718	115,384,776	116,107,137	117,687,370	142,161,580
Other local	2,456,810	394,746	148,813	428,156	994,755	436,458
State of Utah	301,764	1,292,365	987,420	1,310,975	1,592,564	1,383,664
Federal government	10,230,693	7,743,628	4,945,685	3,755,600	3,894,983	3,811,301
Inventories	2,276,203	1,908,650	1,899,895	1,484,609	1,904,801	2,203,118
Prepaid expenses	354,440	400,000	400,000	-	-	-
Net retirement asset	-	3,333,946	4,657,138	5,598,718	7,109,793	8,408,571
Net pension asset	-	-	-	-	-	121,439
Capital assets:						
Sites and construction in progress	16,233,014	22,531,653	102,267,489	165,200,417	36,229,224	69,638,678
Buildings and other capital assets, net of accumulated depreciation	263,568,577	250,732,635	237,443,565	258,524,816	390,677,195	385,749,788
Total assets	<u>567,405,492</u>	<u>672,268,106</u>	<u>692,904,020</u>	<u>759,392,134</u>	<u>797,456,458</u>	<u>866,285,627</u>
Deferred outflows of resources:						
Related to pensions	-	-	-	-	12,148,079	14,755,533
Deferred charges on refunding	1,297,766	929,639	561,509	374,341	4,748,467	4,154,909
Total deferred outflows of resources	<u>1,297,766</u>	<u>929,639</u>	<u>561,509</u>	<u>374,341</u>	<u>16,896,546</u>	<u>18,910,442</u>
Liabilities:						
Accounts and contracts payable	3,704,011	5,893,637	19,212,526	16,696,539	7,294,924	9,633,835
Accrued payroll and related benefits	19,213,874	19,652,875	20,239,012	21,745,992	22,071,478	21,966,727
Accrued interest	267,574	336,304	303,122	363,514	439,029	498,282
Unearned revenue:						
Local	499,463	226,534	324,947	418,229	271,974	449,502
State of Utah	13,103,802	12,359,529	11,074,133	9,371,194	7,506,696	6,443,325
Federal government	749,756	2,976,016	2,763,187	2,253,302	1,694,778	1,411,939
Long-term liabilities:						
Due or payable within one year	21,487,049	24,374,559	22,719,554	20,733,583	20,430,724	20,969,340
Due or payable after one year	141,368,804	190,758,206	173,259,013	235,258,982	395,791,677	411,452,474
Total liabilities	<u>200,394,333</u>	<u>256,577,660</u>	<u>249,895,494</u>	<u>306,841,335</u>	<u>455,501,280</u>	<u>472,825,424</u>
Deferred inflows of resources:						
Related to pensions	-	-	-	-	-	9,118,674
Property taxes levied for future year	104,800,669	100,503,383	110,297,237	112,955,158	114,861,119	139,370,346
Total deferred inflows of resources	<u>104,800,669</u>	<u>100,503,383</u>	<u>110,297,237</u>	<u>112,955,158</u>	<u>114,861,119</u>	<u>148,489,020</u>
Net Position:						
Net investment in capital assets	126,643,707	132,027,618	153,690,609	173,411,972	154,701,005	169,255,695
Restricted for:						
Debt service	2,276,557	2,908,778	28,696,562	23,788,889	6,004,885	3,552,266
Capital outlay	81,667,998	99,991,989	60,672,010	43,863,787	83,304,777	83,756,195
Nutrition services	2,220,921	2,390,861	2,770,367	2,950,219	2,825,951	2,756,886
Other purposes	2,010,980	2,237,663	5,121,562	1,267,955	1,271,649	1,009,322
Unrestricted, as restated	48,688,093	76,559,793	82,321,688	94,687,160	(4,117,662)	3,551,261
Total net position	<u>\$ 263,508,256</u>	<u>\$ 316,116,702</u>	<u>\$ 333,272,798</u>	<u>\$ 339,969,982</u>	<u>\$ 243,990,605</u>	<u>\$ 263,881,625</u>

* GASB Statements No. 68 and 71 were implemented in 2015 to report the District's proportionate share of the net pension liability and related deferred outflows and deferred inflows; balances at June 30, 2014 were restated.

CANYONS SCHOOL DISTRICT
Net Position by Component
 Last Six Fiscal Years
 (Accrual basis of accounting)

Year	Net invesment in capital assets	Restricted	Unrestricted	Total net position
2010	\$ 126,643,707	\$ 88,176,456	\$ 48,688,093	\$ 263,508,256
2011	132,027,618	107,529,291	76,559,793	316,116,702
2012	153,690,609	97,260,501	82,321,688	333,272,798
2013	173,411,972	71,870,850	94,687,160	339,969,982
2014	154,701,005	93,407,262	(4,117,662)	243,990,605 *
2015	169,255,695	91,074,669	3,551,261	263,881,625



* Net position was restated to reflect the effects of implementing GASB Statements No. 68 and 71.

CANYONS SCHOOL DISTRICT

Changes in Net Position

Last Six Fiscal Years

(Accrual basis of accounting)

	2010	2011	2012	2013	2014*	2015*
Expenses:						
Instruction	\$ 148,539,711	\$ 156,986,377	\$ 160,383,775	\$ 175,359,995	\$ 176,722,124	\$ 170,720,170
Supporting services:						
Students	7,390,809	7,723,388	8,433,794	9,089,873	9,744,940	9,986,468
Instructional staff	11,709,415	12,969,300	12,187,116	10,984,333	12,170,323	11,499,804
District administration	2,334,128	2,254,582	2,119,628	2,799,252	2,386,958	2,760,688
School administration	13,773,164	13,944,188	14,976,976	15,769,736	16,888,958	16,610,365
Central	11,304,689	11,154,831	12,124,999	12,378,486	12,102,194	12,325,943
Operation and maintenance of school buildings	20,325,380	21,586,479	21,957,201	23,332,856	24,709,276	23,415,762
Student transportation	7,138,925	7,475,764	8,139,130	8,725,403	9,062,643	8,673,079
Nutrition services	12,408,460	12,204,115	12,563,572	12,678,765	12,923,579	12,910,906
Community development	-	-	-	-	-	8,764,277
Non K-12 programs	6,301,400	6,652,431	6,905,505	6,785,693	7,155,707	5,296,554
Interest on long-term liabilities	7,757,267	7,000,592	9,640,880	9,227,299	10,573,788	10,091,030
Total expenses	248,983,348	259,952,047	269,432,576	287,131,691	294,440,490	293,055,046
Program revenues:						
Charges for services:						
Instruction	6,991,020	8,843,122	8,514,991	9,226,951	11,864,978	11,614,454
Supporting services	697,772	627,137	706,723	1,022,888	525,474	581,181
Nutrition services	5,194,035	4,678,684	4,635,740	4,161,767	4,178,587	4,083,205
Non K-12 programs	393,013	419,126	410,402	357,137	365,577	236,260
Operating grants and contributions	54,165,131	57,062,966	59,416,824	61,078,139	62,333,595	62,072,642
Capital grants and contributions	100,000	555,363	415,632	235,687	480,557	125,000
Total program revenues	67,540,971	72,186,398	74,100,312	76,082,569	79,748,768	78,712,742
Net (expense) revenue and changes in net position	(181,442,377)	(187,765,649)	(195,332,264)	(211,049,122)	(214,691,722)	(214,342,304)
General revenues and other changes in net position:						
Property taxes	115,559,235	124,427,561	123,481,339	123,860,737	123,943,153	139,394,855
Federal and state revenue not restricted to specific purposes	88,910,292	90,654,095	82,029,925	83,525,034	86,126,086	89,739,018
Interest earnings	1,077,243	1,296,822	3,027,413	3,033,938	2,528,912	2,452,722
Miscellaneous	1,457,306	5,284,661	3,949,683	7,326,597	4,205,349	2,646,729
Total general revenue and other changes in net position	207,004,076	221,663,139	212,488,360	217,746,306	216,803,500	234,233,324
Change in net position	25,561,699	33,897,490	17,156,096	6,697,184	2,111,778	19,891,020
Net position - beginning	-	263,508,256	316,116,702	333,272,798	339,969,982	243,990,605
Allocation from Jordan School District	237,946,557	18,710,956	-	-	-	-
Net effect of prior period restatement	-	-	-	-	(98,091,155)	-
Net position - ending, as restated	\$ 263,508,256	\$ 316,116,702	\$ 333,272,798	\$ 339,969,982	\$ 243,990,605	\$ 263,881,625

* GASB Statements No. 68 and 71 were implemented in 2015; net position at June 30, 2014 was restated.

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General fund balances:						
Nonspendable	\$ 2,052,440	\$ 1,892,362	\$ 2,021,452	\$ 1,139,299	\$ 1,611,467	\$ 1,956,774
Restricted	1,625,392	1,719,855	3,813,674	1,190,375	1,225,228	970,026
Committed	21,833,913	35,915,238	35,894,919	36,824,301	37,962,608	37,089,388
Assigned	2,781,172	5,444,933	8,965,251	16,440,756	14,888,194	14,739,542
Unassigned	<u>11,248,910</u>	<u>19,443,454</u>	<u>18,952,496</u>	<u>19,250,522</u>	<u>19,105,449</u>	<u>20,280,351</u>
Total	<u>39,541,827</u>	<u>64,415,842</u>	<u>69,647,792</u>	<u>74,845,253</u>	<u>74,792,946</u>	<u>75,036,081</u>
Debt service fund balances:						
Restricted	<u>1,821,174</u>	<u>2,391,824</u>	<u>3,007,969</u>	<u>2,980,734</u>	<u>2,372,797</u>	<u>2,024,762</u>
Capital outlay fund balances:						
Restricted	<u>80,813,430</u>	<u>163,628,715</u>	<u>84,650,892</u>	<u>63,688,385</u>	<u>109,689,785</u>	<u>125,271,740</u>
All other governmental fund balances:						
Nonspendable	578,203	416,288	278,443	345,310	293,334	246,344
Restricted	1,993,287	2,135,584	3,799,812	2,604,909	2,532,617	2,510,542
Committed	<u>3,615,107</u>	<u>4,424,522</u>	<u>4,462,827</u>	<u>5,972,791</u>	<u>5,547,138</u>	<u>5,947,528</u>
Total	<u>6,186,597</u>	<u>6,976,394</u>	<u>8,541,082</u>	<u>8,923,010</u>	<u>8,373,089</u>	<u>8,704,414</u>
Total governmental fund balances	<u>\$ 128,363,028</u>	<u>\$ 237,412,775</u>	<u>\$ 165,847,735</u>	<u>\$ 150,437,382</u>	<u>\$ 195,228,617</u>	<u>\$ 211,036,997</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 are those that do not meet the requirements or 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 Six Fiscal Years
 (Modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015
Revenues:						
Property taxes	\$ 116,066,380	\$ 123,657,127	\$ 122,628,089	\$ 125,652,186	\$ 124,306,901	\$ 139,843,801
Interest earnings	1,031,376	1,252,868	2,961,498	2,969,885	2,499,065	2,417,150
Other local sources	15,794,825	17,675,427	18,177,048	19,634,842	22,118,274	20,383,106
State of Utah	120,194,081	122,270,861	121,831,384	122,906,323	127,912,802	130,272,185
Federal government	22,907,479	25,882,586	20,030,997	21,932,537	21,027,436	21,664,475
Total revenues	<u>275,994,141</u>	<u>290,738,869</u>	<u>285,629,016</u>	<u>293,095,773</u>	<u>297,864,478</u>	<u>314,580,717</u>
Expenditures:						
Current:						
Instruction	125,196,555	131,257,175	135,608,993	142,488,474	147,138,350	148,589,400
Supporting services:						
Students	7,336,484	7,575,667	8,347,281	8,925,363	9,510,956	10,099,532
Instructional staff	11,483,579	12,649,687	11,908,506	10,710,531	11,977,361	11,536,564
District administration	2,272,323	2,086,863	1,999,219	2,013,203	1,862,037	2,377,553
School administration	13,618,836	13,615,074	14,754,707	15,361,909	16,408,467	16,654,114
Central	10,503,447	10,146,693	11,210,661	11,564,452	12,069,592	12,693,640
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141	22,305,809	23,711,132	23,180,718
Student transportation	6,027,206	6,175,797	6,768,574	7,243,946	7,506,685	7,520,312
Nutrition services	11,822,097	11,440,473	11,882,888	11,712,329	11,833,616	12,242,509
Non K-12 programs	6,243,956	6,503,320	6,817,804	6,746,259	7,112,915	5,446,155
Community development	-	-	-	-	-	8,764,277
Capital outlay	11,972,731	24,280,558	97,012,971	124,559,760	38,578,065	60,504,410
Debt service:						
Bond principal	17,953,900	16,837,400	19,544,700	19,745,300	17,802,100	15,727,300
Bond interest and fees	7,065,886	6,338,203	9,787,611	9,454,647	11,227,788	11,656,416
Total expenditures	<u>251,316,997</u>	<u>269,818,640</u>	<u>357,194,056</u>	<u>392,831,982</u>	<u>316,739,064</u>	<u>346,992,900</u>
Excess (deficiency) of revenues over (under) expenditures	24,677,144	20,920,229	(71,565,040)	(99,736,209)	(18,874,586)	(32,412,183)
Other financing sources (uses):						
General obligation bonds issued	-	68,000,000	-	80,000,000	60,000,000	42,000,000
Premiums on bonds issued	-	1,418,562	-	4,325,856	3,370,164	6,220,563
Refunding bonds issued	-	-	-	-	59,970,000	-
Payment to refunded bond escrow agent	-	-	-	-	(70,817,525)	-
Premium on refunding bonds issued	-	-	-	-	11,143,182	-
Total other financing sources (uses)	<u>-</u>	<u>69,418,562</u>	<u>-</u>	<u>84,325,856</u>	<u>63,665,821</u>	<u>48,220,563</u>
Net change in fund balances	24,677,144	90,338,791	(71,565,040)	(15,410,353)	44,791,235	15,808,380
Fund balances - beginning	-	128,363,028	237,412,775	165,847,735	150,437,382	195,228,617
Allocation from Jordan School District	<u>103,685,884</u>	<u>18,710,956</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 128,363,028</u>	<u>\$ 237,412,775</u>	<u>\$ 165,847,735</u>	<u>\$ 150,437,382</u>	<u>\$ 195,228,617</u>	<u>\$ 211,036,997</u>
Debt service as a percentage of noncapital expenditures	10.1%	9.0%	10.8%	10.2%	9.9%	9.1%

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Assets:						
Cash and investments	\$ 60,702,097	\$ 90,349,149	\$ 99,780,860	\$ 106,379,873	\$ 101,845,098	\$ 101,168,190
Accounts receivable:						
Property taxes	56,510,799	67,000,999	70,981,853	71,290,794	71,300,237	79,813,939
Other local	592,958	300,436	139,638	358,618	413,324	252,416
State of Utah	89,289	99,120	100,806	95,903	277,963	310,166
Federal government	9,936,195	7,415,201	4,348,914	2,912,625	3,184,270	3,372,724
Due from other funds	-	-	-	-	-	222,322
Inventories	1,698,000	1,492,362	1,621,452	1,139,299	1,611,467	1,956,774
Prepaid expenditures	354,440	400,000	400,000	-	-	-
Total assets	<u>\$ 129,883,778</u>	<u>\$ 167,057,267</u>	<u>\$ 177,373,523</u>	<u>\$ 182,177,112</u>	<u>\$ 178,632,359</u>	<u>\$ 187,096,531</u>
Liabilities, deferred inflows of resources, and fund balances:						
Liabilities:						
Accounts payable	\$ 1,765,915	\$ 1,828,526	\$ 3,371,459	\$ 3,233,857	\$ 1,835,756	\$ 3,152,215
Accrued payroll and related benefits	18,689,413	19,049,430	19,721,635	21,211,581	21,487,898	21,371,818
Unearned revenue:						
State of Utah	12,725,729	11,788,476	10,844,314	9,199,758	7,385,129	6,355,341
Federal government	749,756	2,976,016	2,763,187	2,253,302	1,694,778	1,411,939
Total liabilities	<u>33,930,813</u>	<u>35,642,448</u>	<u>36,700,595</u>	<u>35,898,498</u>	<u>32,403,561</u>	<u>32,291,313</u>
Deferred inflows of resources:						
Unavailable property tax revenue	1,920,202	2,335,483	2,948,382	1,911,270	1,777,414	1,563,068
Property taxes levied for future year	54,490,936	64,663,494	68,076,754	69,522,091	69,658,438	78,206,069
Total deferred inflows of resources	<u>56,411,138</u>	<u>66,998,977</u>	<u>71,025,136</u>	<u>71,433,361</u>	<u>71,435,852</u>	<u>79,769,137</u>
Fund balance:						
Nonspendable	2,052,440	1,892,362	2,021,452	1,139,299	1,611,467	1,956,774
Restricted	1,625,392	1,719,855	3,813,674	1,190,375	1,225,228	970,026
Committed	21,833,913	35,915,238	35,894,919	37,824,301	37,962,608	37,089,388
Assigned	2,781,172	5,444,933	8,965,251	15,440,756	14,888,194	14,739,542
Unassigned	11,248,910	19,443,454	18,952,496	19,250,522	19,105,449	20,280,351
Total fund balances	<u>39,541,827</u>	<u>64,415,842</u>	<u>69,647,792</u>	<u>74,845,253</u>	<u>74,792,946</u>	<u>75,036,081</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 129,883,778</u>	<u>\$ 167,057,267</u>	<u>\$ 177,373,523</u>	<u>\$ 182,177,112</u>	<u>\$ 178,632,359</u>	<u>\$ 187,096,531</u>

CANYONS SCHOOL DISTRICT
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances -
General Fund
Last Six Fiscal Years and Proposed Budget for 2016

	2010	2011	2012	2013	2014	2015	Proposed Budget 2016
Revenues:							
Property taxes	\$ 58,555,843	\$ 66,652,969	\$ 74,710,870	\$ 78,072,752	\$ 77,051,730	\$ 77,396,259	\$ 83,431,734
Interest earnings	374,360	396,624	826,496	1,360,881	1,339,529	1,319,006	1,000,000
Other local	3,802,365	5,063,892	5,589,296	6,886,113	6,302,642	5,688,883	6,645,000
State of Utah	114,154,861	116,189,088	115,282,496	116,576,679	121,490,503	124,341,340	130,196,588
Federal government	17,688,416	19,322,016	13,469,238	15,188,946	14,151,578	14,345,265	14,983,519
Total revenues	194,575,845	207,624,589	209,878,396	218,085,371	220,335,982	223,090,753	236,256,841
Expenditures:							
Current:							
Instruction	118,816,244	124,029,593	127,852,245	134,456,779	136,863,789	138,398,131	147,387,299
Supporting services:							
Students	7,336,484	7,575,667	8,347,281	8,925,363	9,510,956	10,099,532	11,051,878
Instructional staff	11,483,579	12,649,687	11,908,506	10,710,531	11,977,361	11,536,564	15,648,200
District administration	2,272,323	2,086,863	1,999,219	2,013,203	1,862,037	2,377,553	2,645,065
School administration	13,618,836	13,615,074	14,754,707	15,361,909	16,408,467	16,654,114	18,121,333
Central	10,503,447	10,146,693	11,210,661	11,564,452	12,069,592	12,693,640	13,395,204
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141	22,305,809	23,711,132	23,180,718	24,201,341
Student transportation	6,027,206	6,175,797	6,768,574	7,243,946	7,506,685	7,520,312	7,887,612
Community	-	-	-	-	-	-	330,860
Total expenditures	189,878,116	197,191,104	204,391,334	212,581,992	219,910,019	222,460,564	240,668,792
Excess (deficiency) of revenues over (under) expenditures	4,697,729	10,433,485	5,487,062	5,503,379	425,963	630,189	(4,411,951)
Other financing sources (uses):							
Transfers out	-	(169,505)	(255,112)	(305,918)	(478,270)	(387,054)	(187,075)
Net change in fund balances	4,697,729	10,263,980	5,231,950	5,197,461	(52,307)	243,135	(4,599,026)
Fund balances - beginning	-	39,541,827	64,415,842	69,647,792	74,845,253	74,792,946	75,036,081
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>\$ 74,845,253</u>	<u>\$ 74,792,946</u>	<u>\$ 75,036,081</u>	<u>\$ 70,437,055</u>

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

	<u>Tax Year 2009</u>	<u>Tax Year 2010</u>	<u>Tax Year 2011</u>	<u>Tax Year 2012</u>	<u>Tax Year 2013</u>	<u>Tax Year 2014</u>
Set by State Tax Commission:						
Centrally assessed	\$ 338,631,746	\$ 366,135,845	\$ 371,176,002	\$ 380,330,920	\$ 402,956,177	\$ 372,125,766
Set by County Assessor:						
Locally assessed						
Real property:						
Residential - primary use	9,981,595,507	9,749,578,181	9,317,687,375	9,099,657,373	9,577,975,016	10,286,562,858
Residential - not primary use	1,126,227,610	992,921,370	949,725,290	886,405,890	875,621,450	868,631,810
Commercial and industrial	4,062,614,430	4,013,081,600	4,036,937,230	4,055,443,220	4,274,741,900	4,437,987,170
Agriculture and Farm Assessment Act (FAA)	1,345,120	1,263,820	1,165,820	1,267,660	1,360,590	1,287,570
Unimproved non FAA - vacant	8,309,820	6,685,550	8,526,650	7,488,090	7,890,400	9,318,870
Total real property	<u>15,180,092,487</u>	<u>14,763,530,521</u>	<u>14,314,042,365</u>	<u>14,050,262,233</u>	<u>14,737,589,356</u>	<u>15,603,788,278</u>
Personal property:						
Fee in lieu property	459,879,455	460,097,588	426,523,415	440,977,619	448,489,267	460,258,425
Mobile home - primary residential use	8,950,292	8,322,805	7,993,397	7,704,279	7,401,793	7,178,846
Mobile home - other use	447,978	560,203	399,872	480,657	529,984	281,757
Other personal property	<u>782,423,532</u>	<u>691,828,448</u>	<u>660,777,105</u>	<u>700,153,826</u>	<u>750,405,109</u>	<u>804,615,171</u>
Total personal property	<u>1,251,701,257</u>	<u>1,160,809,044</u>	<u>1,095,693,789</u>	<u>1,149,316,381</u>	<u>1,206,826,153</u>	<u>1,272,334,199</u>
Total locally assessed	<u>16,431,793,744</u>	<u>15,924,339,565</u>	<u>15,409,736,154</u>	<u>15,199,578,614</u>	<u>15,944,415,509</u>	<u>16,876,122,477</u>
Total taxable property	<u>\$ 16,770,425,490</u>	<u>\$ 16,290,475,410</u>	<u>\$ 15,780,912,156</u>	<u>\$ 15,579,909,534</u>	<u>\$ 16,347,371,686</u>	<u>\$ 17,248,248,243</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 Six 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			
2009	\$ 11,117,221,387	\$ 4,401,246,176	\$ 9,654,940	\$ 1,242,302,987	\$ 16,770,425,490	\$ 24,484,628,961	68.49%
2010	10,751,382,559	4,379,217,445	7,949,370	1,151,926,036	16,290,475,410	23,814,114,992	68.41%
2011	10,275,805,934	4,408,113,232	9,692,470	1,087,300,520	15,780,912,156	22,984,491,191	68.66%
2012	9,994,248,199	4,435,774,140	8,755,750	1,141,131,445	15,579,909,534	22,981,512,941	67.79%
2013	10,461,528,243	4,677,698,077	9,250,990	1,198,894,376	16,347,371,686	24,189,952,711	67.58%
2014	11,162,655,271	4,810,112,936	10,606,440	1,264,873,596	17,248,248,243	25,670,400,546	67.19%

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 Six Tax Years
 (rate per \$1 of assessed value)

	Tax Year 2009	Tax Year 2010	Tax Year 2011	Tax Year 2012	Tax Year 2013	Tax Year 2014
Canyons School District rates:						
General fund:						
Basic state supported program (1)	0.001433	0.001495	0.001591	0.001651	0.001535	0.001419
Voted local (2)	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600
Board local (3)	-	-	-	0.001881	0.001729	0.001614
School board leeway program*	0.000400	0.000400	0.000406	-	-	-
Board K-3 reading program*	0.000121	0.000121	0.000121	-	-	-
Tort liability*	0.000022	0.000024	0.000100	-	-	-
Special transportation*	0.000020	0.000078	0.000300	-	-	-
10% of basic*	-	0.000559	0.000744	-	-	-
Total general fund	0.003596	0.004277	0.004862	0.005132	0.004864	0.004633
Capital projects fund:						
Capital local (4)	0.001514	0.001585	0.000928	0.001067	0.001028	0.000971
County-wide equalization (5)	0.000600	0.000600	0.000600	0.000600	0.000600	0.000600
Total capital projects fund	0.002114	0.002185	0.001528	0.001667	0.001628	0.001571
Debt service fund:						
Debt service (6)	0.001400	0.001520	0.001619	0.001619	0.001619	0.001619
Other:						
Community recreation*	0.000070	0.000078	0.000156	-	-	-
Total direct rate	0.007180	0.008060	0.008165	0.008418	0.008111	0.007823
Overlapping rates:						
Salt Lake County	0.002756	0.003125	0.003251	0.003622	0.004101	0.003931
Alta	0.000980	0.001114	0.001084	0.001065	0.001091	0.001204
Cottonwood Heights	0.002399	0.002517	0.002586	0.002654	0.002522	0.002239
Draper	0.001818	0.001896	0.001996	0.002009	0.001887	0.001701
Midvale	0.002262	0.002669	0.002701	0.000687	0.000658	0.000609
Sandy	0.001356	0.001402	0.001481	0.001520	0.001483	0.001426
Central Utah Water Conservancy District	0.000400	0.000421	0.000436	0.000455	0.000446	0.000405
Other special districts	0 - 0.002635	0 - 0.003171	0 - 0.003803	0 - 0.003773	0 - 0.003360	0 - 0.001198

*Beginning in the 2012-2013 fiscal year the School Board, Reading, Tort, Transportation, 10% of Basic and Community Recreation levies are combined into one Board Local levy. See HB 301 - 2011 Utah Legislative Session.

Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature
- (2) Maximum rate is 0.002000
- (3) Maximum rate is 0.002500. See HB 301 - 2011 Utah Legislative Session.
- (4) Maximum rate is 0.003000
- (5) Rate established by state law for districts located in first-class counties
- (6) 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 Six Years Ago

Taxpayer	2014			2009		
	Taxable Value	Rank	Percent of Total Taxable Value	Taxable Value	Rank	Percent of Total Taxable Value
Larry H. Miller Companies	\$ 145,834,582	1	0.87 %	\$ 147,351,265	1	0.90 %
ST Mall Owner, LLC	144,374,300	2	0.86 %	116,801,369	4	0.72 %
Rocky Mountain Power (PacifiCorp)	132,833,033	3	0.79 %	130,146,230	3	0.80 %
Becton Dickinson	119,695,449	4	0.71 %	133,778,785	2	0.82 %
Old Mill Corporate Center	114,130,000	5	0.68 %	79,472,300	6	0.49 %
NOP Cottonwood Holdings (Real Estate Holdings)	91,138,100	6	0.54 %	71,558,820	8	0.44 %
Coca Cola Bottling Corp	89,673,500	7	0.53 %	-	-	-
Snowbird Ltd	83,490,276	8	0.50 %	76,230,539	7	0.47 %
eBay	73,608,762	9	0.44 %	-	-	-
Questar Gas	65,864,282	10	0.39 %	-	-	-
Redevelopment Agency of Midvale	-	-	-	103,194,600	5	0.63 %
CenturyLink, Inc. (Qwest Communications)	-	-	-	66,673,288	9	0.41 %
DDR Corp.	-	-	-	59,297,900	10	0.36 %
	<u>\$ 1,060,642,284</u>		<u>6.31 %</u>	<u>\$ 984,505,096</u>		<u>6.04 %</u>
Total taxable value	\$ 16,787,989,818			\$ 16,310,546,035		

Total taxable value as used in this table excludes all tax equivalent property associated with motor vehicles

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 Six Fiscal 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%	\$ 4,878,293	\$ 120,944,673	97.64%
2010	128,270,889	123,657,127	96.40%	4,483,784	128,140,911	99.90%
2011	125,220,579	120,535,487	96.26%	3,402,985	123,938,471	98.98%
2012	126,809,112	122,743,569	96.79%	2,500,392	125,243,961	98.77%
2013	128,474,716	124,669,505	97.04%	1,831,332	126,500,837	98.46%
2014	131,221,676	127,676,803	97.30%	-	127,676,803	97.30%

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 Six Fiscal Years

Year Ended June 30,	Outstanding General Obligation Bonds *	Net General Bonded Debt As Percentage of Taxable Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student **
2010	\$ 154,455,650	0.92%	\$ 814	\$ 4,652
2011	206,608,333	1.27%	1,085	6,196
2012	186,581,954	1.18%	966	5,572
2013	250,687,602	1.61%	1,279	7,483
2014	300,491,591	1.84%	1,510	8,932
2015	330,766,657	1.92%	1,644	9,845

*Includes unamortized deferred amounts for issuance premiums.

** 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, 2015

			2016	2017	2018	2019
Series 2006	Principal	\$	1,050,000	\$ -	\$ -	\$ -
\$ 15,000,000	Interest		42,000	-	-	-
Series 2007	Principal		13,050,000	13,700,000	-	-
\$ 196,000,000	Interest		1,104,250	582,250	-	-
Series 2014 Refunding	Principal		8,580,000	9,520,000	23,820,000	23,970,000
\$ 104,665,000	Interest		4,914,000	4,485,000	4,009,000	2,818,000
Total		\$	28,740,250	28,287,250	27,829,000	26,788,000
Total Principal		\$	22,680,000	23,220,000	23,820,000	23,970,000
Total Interest			6,060,250	5,067,250	4,009,000	2,818,000
Total		\$	28,740,250	28,287,250	27,829,000	26,788,000
Canyons SD Principal		\$	11,183,000	11,211,000	11,255,000	10,775,000
Canyons SD Interest			3,556,825	3,079,455	2,578,500	2,015,750
Jordan SD Principal			11,497,000	12,009,000	12,565,000	13,195,000
Jordan SD Interest			2,503,425	1,987,795	1,430,500	802,250
		\$	28,740,250	28,287,250	27,829,000	26,788,000

These bonds payable are obligations of the former Jordan School District prior to its division on July 1, 2009. According to the statute governing the division, Canyons School District (CSD) is responsible for 58% of the outstanding debt and Jordan School District (JSD) is responsible for the remaining 42%. In April 2014, the District's agreed to refund all eligible bonds. This refunding will annually save CSD \$550,000 in principal and interest expense. Since CSD has issued all \$250 million of its own bonds from its June 2010 bond election and has promised its taxpayers the debt tax levy will not exceed 0.001619, the District will reduce its annual payment until the bonds are retired in June 2022. For the next few fiscal years CSD will transfer a lesser amount from its Capital Outlay Fund to service the debt. JSD has opted to increase their debt tax levy for the fiscal years 2014-2015 through 2019-2020 to payoff their portion earlier. Therefore, the Series 2014 is not a straight 58% for CSD and 42% for JSD.

2020	2021	2022	Total
\$ -	\$ -	\$ -	\$ 1,050,000
-	-	-	42,000
-	-	-	26,750,000
-	-	-	1,686,500
13,385,000	9,650,000	9,355,000	98,280,000
1,619,500	950,250	467,750	19,263,500
<u>\$ 15,004,500</u>	<u>\$ 10,600,250</u>	<u>\$ 9,822,750</u>	<u>\$ 147,072,000</u>
\$ 13,385,000	\$ 9,650,000	\$ 9,355,000	\$ 126,080,000
1,619,500	950,250	467,750	20,992,000
<u>\$ 15,004,500</u>	<u>\$ 10,600,250</u>	<u>\$ 9,822,750</u>	<u>\$ 147,072,000</u>
\$ 10,535,000	\$ 9,650,000	\$ 9,355,000	73,964,000
1,477,000	950,250	467,750	14,125,530
2,850,000	-	-	52,116,000
142,500	-	-	6,866,470
<u>\$ 15,004,500</u>	<u>\$ 10,600,250</u>	<u>\$ 9,822,750</u>	<u>\$ 147,072,000</u>

Bonds Payable Summary

	Principal	Interest	Total
Bonds payable, June 30, 2015	\$ 126,080,000	\$ 20,992,000	\$ 147,072,000
Reported by Jordan School District	<u>(52,116,000)</u>	<u>(6,866,470)</u>	<u>(58,982,470)</u>
Reported by Canyons School District	<u>\$ 73,964,000</u>	<u>\$ 14,125,530</u>	<u>\$ 88,089,530</u>

CANYONS SCHOOL DISTRICT
Debt Service Schedule of Outstanding General Obligation Bonds
As of June 30, 2015

Year Ending June 30,	Series 2011 \$68,000,000		Series 2012 \$80,000,000	
	Principal	Interest	Principal	Interest
2016	\$ 2,765,000	\$ 2,272,300	\$ 1,325,000	\$ 2,508,688
2017	2,845,000	2,189,350	1,325,000	2,488,813
2018	2,935,000	2,104,000	1,375,000	2,468,938
2019	3,020,000	2,015,950	1,425,000	2,448,313
2020	3,110,000	1,925,350	1,500,000	2,426,938
2021	3,220,000	1,800,950	1,550,000	2,366,938
2022	3,350,000	1,672,150	1,650,000	2,304,938
2023	3,485,000	1,538,150	5,350,000	2,238,938
2024	3,620,000	1,398,750	5,625,000	2,078,438
2025	3,765,000	1,253,950	5,900,000	1,853,438
2026	3,920,000	1,103,350	6,150,000	1,676,438
2027	4,075,000	946,550	6,350,000	1,461,188
2028	4,240,000	783,550	6,600,000	1,207,188
2029	4,400,000	608,650	6,850,000	943,188
2030	4,590,000	421,650	7,050,000	737,688
2031	4,780,000	215,100	7,325,000	455,688
2032	-	-	7,550,000	235,938
2033	-	-	-	-
	<u>\$ 58,120,000</u>	<u>\$ 22,249,750</u>	<u>\$ 74,900,000</u>	<u>\$ 29,901,696</u>

Year Ending June 30,	Series 2013 \$60,000,000		Series 2015 \$42,000,000		Total
	Principal	Interest	Principal	Interest	
2016	\$ 675,000	\$ 2,374,288	\$ 50,000	\$ 2,204,668	\$ 14,174,944
2017	690,000	2,354,038	825,000	1,860,600	14,577,801
2018	700,000	2,333,338	1,300,000	1,819,350	15,035,626
2019	725,000	2,312,338	1,775,000	1,754,350	15,475,951
2020	760,000	2,290,588	1,860,000	1,665,600	15,538,476
2021	790,000	2,252,588	1,950,000	1,572,600	15,503,076
2022	835,000	2,213,088	2,050,000	1,475,100	15,550,276
2023	3,875,000	2,171,338	2,175,000	1,372,600	22,206,026
2024	4,040,000	1,977,588	2,275,000	1,263,850	22,278,626
2025	4,200,000	1,775,588	2,375,000	1,150,100	22,273,076
2026	4,370,000	1,639,088	2,500,000	1,031,350	22,390,226
2027	4,550,000	1,464,288	2,575,000	906,350	22,328,376
2028	4,735,000	1,282,288	2,650,000	777,600	22,275,626
2029	4,930,000	1,092,888	2,725,000	645,100	22,194,826
2030	5,150,000	895,688	2,815,000	536,100	22,196,126
2031	5,375,000	689,688	2,875,000	423,500	22,138,976
2032	5,625,000	474,688	2,975,000	322,875	17,183,501
2033	5,875,000	249,688	6,250,000	218,750	12,593,438
	<u>\$ 57,900,000</u>	<u>\$ 29,843,084</u>	<u>\$ 42,000,000</u>	<u>\$ 21,000,443</u>	<u>\$ 335,914,973</u>

Source: District records

CANYONS SCHOOL DISTRICT
Direct and Overlapping General Obligation Debt
June 30, 2015

Taxing Entity (1)	2013 Taxable Value (3)	Canyons School District's Portion of Taxable Value	Canyons School District's Percentage (4)	Entity's General Obligation Debt	Canyons School District's Portion of G.O. Debt
Overlapping:					
CUWCD (2)	\$ 115,011,401,549	\$ 15,756,562,012	13.7%	\$ 259,970,000	\$ 35,615,890
Salt Lake County	73,395,035,779	15,486,352,549	21.1%	234,945,000	49,573,395
Draper City	3,784,948,095	3,784,948,095	100.0%	4,795,000	4,795,000
Midvale City	1,653,012,205	1,653,012,205	100.0%	2,115,000	2,115,000
Cottonwood Heights Parks and Recreation Service Area	1,827,266,851	1,827,266,851	100.0%	6,350,000	6,350,000
Sandy Suburban Improvement District	2,933,260,619	2,933,260,619	100.0%	10,220,000	10,220,000
Total overlapping general obligation debt					108,669,285
Direct:					
General obligation debt					306,884,000
Deferred amounts					23,882,657
Total direct debt					330,766,657
Total direct and overlapping general obligation debt					\$ 439,435,942

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.
- (5) This schedule is based on each entity's general obligation debt which is serviced from property taxes. Other outstanding debt information for each entity is not included nor is it readily available.

Source: Salt Lake County-Comprehensive Annual Financial Report for 2014

CANYONS SCHOOL DISTRICT
Legal Debt Margin Information
Last Six Tax Years

<u>Tax Year</u>	<u>Estimated Fair Market Value</u>	<u>Debt Limit (1)</u>	<u>Less Net General Obligation Debt (2)</u>	<u>Legal Debt Margin</u>	<u>Percentage of Debt to Debt Limit</u>
2009	\$ 24,484,628,961	\$ 979,385,158	\$ 154,455,650	\$ 824,929,508	15.77%
2010	23,814,114,992	952,564,600	206,608,333	745,956,267	21.69%
2011	22,984,491,191	919,379,648	186,581,954	732,797,694	20.29%
2012	22,981,512,941	919,260,518	250,687,602	668,572,916	27.27%
2013	24,189,952,711	967,598,108	300,491,591	667,106,517	31.06%
2014	25,670,400,546	1,026,816,022	330,766,657	696,049,365	32.21%

(1) The general obligation indebtedness of the District is limited by Utah law to 4% of the fair market value of taxable property in the District. The legal debt margin (additional debt incurring capacity of the District) is based on estimated fair market value.

(2) Includes unamortized deferred amounts for issuance premiums.

Source: District records

CANYONS SCHOOL DISTRICT
Demographic and Economic Statistics

Last Six Fiscal Years

Year Ended June 30,	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	\$ 37,057	6.8%	\$ 1,545,119,400	5,049
2011	190,426	1,033,196	39,083,765	37,827	7.8%	1,042,645,900	5,755
2012	193,107	1,047,746	40,995,436	39,081	6.5%	1,560,324,400	8,442
2013	196,074	1,063,842	43,658,167	41,038	5.5%	1,581,414,900	8,450
2014	199,001	1,079,721	45,552,565	42,189	4.2%	1,568,718,500	8,486
2015	201,216	1,091,742	N/A	N/A	3.7%	1,868,836,000	8,486

* 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 2015.

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

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

Employer *	2014				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%
Jet Blue Airways Corporation	2,500	3	1.3%	1.8%				
Wal-Mart Stores	2,000	4	1.0%	1.5%	2,000	3	1.1%	1.5%
Smith's Food Stores	1,500	5	0.8%	1.1%	1,500	4	0.8%	1.1%
Utah State Prison	1,500	6	0.8%	1.1%	1,500	5	0.8%	1.1%
eBay	1,500	7	0.8%	1.1%	1,500	6	0.8%	1.1%
Snowbird Corporation	1,500	8	0.8%	1.1%				
General Dynamics	1,500	9	0.8%	1.1%				
Becton Dickinson	1,000	10	0.5%	0.7%	1,000	10	0.5%	0.8%
1-800 Contacts					1,000	9	0.5%	0.8%
ACS Business Solutions					1,500	7	0.8%	1.1%
Coca-Cola					1,000	8	0.5%	0.8%
Totals	23,000		12.0%	16.9%	21,000		11.0%	15.9%

* 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 Utah Department of Workforce Services and the Salt Lake County, Sandy, Draper and Cottonwood Heights comprehensive annual financial reports by year.

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

Function:	2010	2011	2012	2013	2014	2015
Instruction	1,671.9	1,667.2	1,674.1	1,708.2	1,763.2	1,740.4
Supporting services:						
Students	96.9	98.3	106.7	110.8	118.6	118.3
Instructional staff	65.4	70.3	70.1	78.8	83.1	84.2
District administration	15.0	15.0	10.1	9.1	9.0	12.0
School administration	163.0	165.5	173.8	174.8	173.9	177.7
Central	96.0	92.0	99.0	98.0	99.0	101.8
Operation and maintenance of school buildings	180.0	179.0	189.6	188.6	187.6	184.0
Student transportation	102.3	102.5	109.3	115.9	112.4	111.9
Nutrition services	130.4	124.3	119.2	114.7	110.2	106.1
Non K-12 programs	77.0	101.2	64.1	67.9	67.3	69.5
Capital outlay	12.0	10.0	11.0	12.0	13.0	12.0
Total full-time equivalents	2,609.9	2,625.3	2,627.0	2,678.8	2,737.3	2,717.9

Source: District records - contract employees only

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

Function:	2010	2011	2012	2013	2014	2015
Instruction	\$ 148,539,711 59.66%	\$ 156,986,377 60.39%	\$ 160,383,775 59.53%	\$ 175,359,995 61.07%	\$ 176,722,124 60.02%	\$ 170,720,170 58.26%
Support services:						
Students	7,390,809 2.97%	7,723,388 2.97%	8,433,794 3.13%	9,089,873 3.17%	9,744,940 3.31%	9,986,468 3.41%
Instructional staff	11,709,415 4.70%	12,969,300 4.99%	12,187,116 4.52%	10,984,333 3.83%	12,170,323 4.13%	11,499,804 3.92%
District administration	2,334,128 0.94%	2,254,582 0.87%	2,119,628 0.79%	2,799,252 0.97%	2,386,958 0.81%	2,760,688 0.94%
School administration	13,773,164 5.53%	13,944,188 5.36%	14,976,976 5.56%	15,769,736 5.49%	16,888,958 5.74%	16,610,365 5.67%
Central	11,304,689 4.54%	11,154,831 4.29%	12,124,999 4.50%	12,378,486 4.31%	12,102,194 4.11%	12,325,943 4.21%
Operation and maintenance of school buildings	20,325,380 8.16%	21,586,479 8.30%	21,957,201 8.15%	23,332,856 8.13%	24,709,276 8.39%	23,415,762 7.99%
Student transportation	7,138,925 2.87%	7,475,764 2.88%	8,139,130 3.02%	8,725,403 3.04%	9,062,643 3.08%	8,673,079 2.96%
Nutrition services	12,408,460 4.98%	12,204,115 4.69%	12,563,572 4.66%	12,678,765 4.42%	12,923,579 4.39%	12,910,906 4.41%
Community development	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	8,764,277 2.99%
Non K-12 programs	6,301,400 2.53%	6,652,431 2.56%	6,905,505 2.56%	6,785,693 2.36%	7,155,707 2.43%	5,296,554 1.81%
Interest on long-term liabilities	7,757,267 3.12%	7,000,592 2.69%	9,640,250 3.58%	9,227,299 3.21%	10,573,788 3.59%	10,091,030 3.44%
Total expenses	<u>\$ 248,983,348</u>	<u>\$ 259,952,047</u>	<u>\$ 269,431,946</u>	<u>\$ 287,131,691</u>	<u>\$ 294,440,490</u>	<u>\$ 293,055,046</u>
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598
Average Expenses Per Pupil	\$ 7,499	\$ 7,796	\$ 8,047	\$ 8,571	\$ 8,752	\$ 8,722

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

Function:	2010	2011	2012	2013	2014	2015
Instruction	\$ 4,474 59.66%	\$ 4,708 60.39%	\$ 4,790 59.53%	\$ 5,235 61.07%	\$ 5,253 60.02%	\$ 5,081 58.26%
Support services:						
Students	223 2.97%	232 2.97%	252 3.13%	271 3.17%	290 3.31%	297 3.41%
Instructional staff	353 4.70%	389 4.99%	364 4.52%	328 3.83%	362 4.13%	342 3.92%
District administration	70 0.94%	68 0.87%	63 0.79%	84 0.97%	71 0.81%	82 0.94%
School administration	415 5.53%	418 5.36%	447 5.56%	471 5.49%	502 5.74%	494 5.67%
Central	340 4.54%	335 4.29%	362 4.50%	370 4.31%	360 4.11%	367 4.21%
Operation and maintenance of school buildings	612 8.16%	647 8.30%	656 8.15%	697 8.13%	734 8.39%	697 7.99%
Student transportation	215 2.87%	224 2.88%	243 3.02%	260 3.04%	269 3.08%	258 2.96%
Nutrition services	374 4.98%	366 4.69%	375 4.66%	378 4.42%	384 4.39%	384 4.41%
Community development	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	261 2.99%
Non K-12 programs	190 2.53%	200 2.56%	206 2.56%	203 2.36%	213 2.43%	158 1.81%
Interest on long-tem liabilities	234 3.12%	210 2.69%	288 3.58%	275 3.21%	314 3.59%	300 3.44%
Total expenses	<u>\$ 7,499</u>	<u>\$ 7,796</u>	<u>\$ 8,047</u>	<u>\$ 8,571</u>	<u>\$ 8,752</u>	<u>\$ 8,722</u>
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Function:						
Instruction	\$ 118,816,244 62.58%	\$ 124,029,593 62.90%	\$ 127,852,245 62.55%	\$ 134,456,779 63.25%	\$ 136,863,789 62.24%	\$ 138,398,131 62.21%
Support services:						
Students	7,336,484 3.86%	7,575,667 3.84%	8,347,281 4.08%	8,925,363 4.20%	9,510,956 4.32%	10,099,532 4.54%
Instructional staff	11,483,579 6.05%	12,649,687 6.41%	11,908,506 5.83%	10,710,531 5.04%	11,977,361 5.45%	11,536,564 5.19%
District administration	2,272,323 1.20%	2,086,863 1.06%	1,999,219 0.98%	2,013,203 0.95%	1,862,037 0.85%	2,377,553 1.07%
School administration	13,618,836 7.17%	13,615,074 6.90%	14,754,707 7.22%	15,361,909 7.23%	16,408,467 7.46%	16,654,114 7.49%
Central	10,503,447 5.53%	10,146,693 5.15%	11,210,661 5.48%	11,564,452 5.44%	12,069,592 5.49%	12,693,640 5.71%
Operation and maintenance of school buildings	19,819,997 10.44%	20,911,730 10.60%	21,550,141 10.54%	22,305,809 10.49%	23,711,132 10.78%	23,180,718 10.42%
Student transportation	6,027,206 3.17%	6,175,797 3.13%	6,768,574 3.31%	7,243,946 3.41%	7,506,685 3.41%	7,520,312 3.38%
Total expenditures	<u>\$ 189,878,116</u>	<u>\$ 197,191,104</u>	<u>\$ 204,391,334</u>	<u>\$ 212,581,992</u>	<u>\$ 219,910,019</u>	<u>\$ 222,460,564</u>
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598
Average Expenditures Per Pupil	\$ 5,719	\$ 5,914	\$ 6,104	\$ 6,346	\$ 6,536	\$ 6,621

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

Function:	2010	2011	2012	2013	2014	2015
Instruction	\$ 3,579 62.58%	\$ 3,720 62.90%	\$ 3,818 62.55%	\$ 4,014 63.25%	\$ 4,068 62.24%	\$ 4,119 62.21%
Support services:						
Students	221 3.86%	227 3.84%	249 4.08%	266 4.20%	282 4.32%	301 4.54%
Instructional staff	346 6.05%	379 6.41%	356 5.83%	320 5.04%	356 5.45%	344 5.19%
District administration	68 1.20%	63 1.06%	60 0.98%	60 0.95%	56 0.85%	71 1.07%
School administration	410 7.17%	408 6.90%	441 7.22%	459 7.23%	488 7.46%	496 7.49%
Central	316 5.53%	304 5.15%	335 5.48%	345 5.44%	359 5.49%	378 5.71%
Operation and maintenance of school buildings	597 10.44%	627 10.60%	644 10.54%	666 10.49%	705 10.78%	690 10.42%
Student transportation	182 3.17%	185 3.13%	202 3.31%	216 3.41%	223 3.41%	224 3.38%
Total expenditures	<u>\$ 5,719</u>	<u>\$ 5,914</u>	<u>\$ 6,104</u>	<u>\$ 6,346</u>	<u>\$ 6,536</u>	<u>\$ 6,621</u>
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598

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

Year Ended June 30	Average Daily Membership	Average Daily Attendance	Ratio of ADA to ADM	Official State October 1 Enrollment Count
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
2013	33,500	32,106	95.84%	33,528
2014	33,644	32,441	96.42%	33,677
2015	33,598	31,800	94.65%	33,676

Source: District records

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

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Alta*	706	711	716	753	815	721	787	794	535	419
Brighton*	657	581	622	645	570	613	565	579	562	546
Corner Canyon***	-	-	-	-	-	-	-	-	257	391
Hillcrest*	395	399	405	386	435	422	368	444	480	423
Jordan*	514	539	523	527	478	478	507	491	510	473
Entrada**	-	-	-	-	254	145	104	136	78	140
South Park**	-	-	-	-	331	378	338	358	276	241
Total	<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>	<u>2,802</u>	<u>2,698</u>	<u>2,633</u>

*Graduates for these traditional schools are comparable to when these schools were in the former Jordan School District (JSD), 2006-2009.

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

***Corner Canyons opened in 2014.

Source: District records

CANYONS SCHOOL DISTRICT
Capital Asset Information
Last Six Fiscal Years

	2010	2011	2012	2013	2014**	2015
Buildings:						
Elementary:						
Number	29	29	29	29	29	29
Square feet	1,805,833	1,805,833	1,805,833	1,844,813	1,844,777	1,844,777
Capacity	19,509	19,509	19,509	20,375	20,375	19,215
Enrollment	17,958	18,108	18,208	18,295	15,488	15,389
Middle Schools:						
Number	8	8	8	8	8	8
Square feet	1,267,103	1,267,103	1,267,103	1,290,263	1,304,281	1,304,281
Capacity	10,565	10,565	10,565	10,450	9,418	9,418
Enrollment	7,499	7,403	7,441	7,491	7,762	7,723
High Schools:						
Number	4	4	4	4	5	5
Square feet	1,372,991	1,372,991	1,372,991	1,372,991	1,748,503	1,748,503
Capacity	9,321	9,321	9,321	9,321	12,431	11,553
Enrollment	7,592	7,725	7,624	7,624	10,178	10,355
Special Schools:						
Number	3	3	4	4	4	4
Square feet	148,569	148,569	147,719	136,757	136,757	136,757
Capacity *						
Enrollment	135	233	217	220	249	209
Total School Buildings:	44	44	45	45	46	46
Square feet	4,594,496	4,594,496	4,593,646	4,644,824	5,034,318	5,034,318
Capacity	39,395	39,395	39,395	40,146	42,224	40,186
Enrollment	33,184	33,469	33,490	33,630	33,677	33,676
Other Buildings:						
Number	7	6	6	5	6	5
Square feet	397,990	336,950	336,950	340,426	340,426	340,426
Acres of Land	784	784	784	794	794	794
Number of Portables	82	82	88	91	81	82
Number of Vehicles	289	329	346	345	338	347

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

** Grade configuration occurred in 2014 with the sixth graders moving to the middle schools and the ninth graders moving to the high schools.

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>
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	63,264	45,230	19,195	64,425	69,531
2011	32,759	61,608	45,230	19,008	64,238	69,785
2012	34,157	64,237	45,165	19,580	64,745	70,883
2013	33,343	62,694	45,707	20,390	66,097	71,099
2014	33,831	62,799	45,522	20,536	66,058	74,028
2015	33,215	62,571	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 2015 numbers were not available when this schedule was prepared.

Note 1 - Data from 2006-2009 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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Kindergarten	46.2	46.2	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
1	22.0	22.0	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
2	22.8	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
3	24.3	23.8	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
4	26.4	26.4	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3
5	26.4	26.4	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3
6	26.4	26.4	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3
7	26.8	26.8	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3
8	26.8	26.8	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3
9	27.5	27.0	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3
10	27.0	27.0	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3
11	27.0	27.0	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3
12	27.0	27.0	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3

Note - Data from 2006 - 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 Six Fiscal Years

	2010	2011	2012	2013	2014	2015
Participating schools:						
Lunch	43	43	43	43	44	43
Breakfast	25	25	25	26	30	33
Student lunches served:						
Free	944,856	1,028,671	1,129,915	1,090,227	1,040,685	1,041,709
Reduced	217,170	211,707	219,019	204,531	183,451	183,443
Fully paid	2,179,799	1,999,634	1,990,611	1,712,160	1,614,055	1,648,908
Total	<u>3,341,825</u>	<u>3,240,012</u>	<u>3,339,545</u>	<u>3,006,918</u>	<u>2,838,191</u>	<u>2,874,060</u>
Student breakfasts served:						
Free	230,401	243,532	275,848	260,808	261,970	313,316
Reduced	27,922	24,960	26,102	19,918	22,264	31,820
Fully paid	74,021	63,926	67,336	54,474	63,393	84,961
Total	<u>332,344</u>	<u>332,418</u>	<u>369,286</u>	<u>335,200</u>	<u>347,627</u>	<u>430,097</u>
Percentage of free/reduced/fully paid lunch:						
Free	28.27%	31.75%	33.83%	36.26%	36.67%	36.25%
Reduced	6.50%	6.53%	6.56%	6.80%	6.46%	6.38%
Fully paid	65.23%	61.72%	59.61%	56.94%	56.87%	57.37%
Percentage of free/reduced fully paid breakfast:						
Free	69.33%	73.26%	74.70%	77.81%	75.36%	72.85%
Reduced	8.40%	7.51%	7.07%	5.94%	6.40%	7.40%
Fully paid	22.27%	19.23%	18.23%	16.25%	18.24%	19.75%
Average daily participation:						
Lunch	18,774	18,514	18,761	16,893	15,945	16,146
Breakfast	1,867	1,900	2,075	1,883	1,953	2,416
Average daily membership	33,202	33,343	33,483	33,500	33,644	33,598
Percentage participating in school lunch/breakfast						
Lunch	56.55%	55.53%	56.03%	50.43%	47.39%	48.06%
Breakfast	5.62%	5.70%	6.20%	5.62%	5.80%	7.19%

Source: District records