



2014-15

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ending June 30, 2015

GRANITE SCHOOL DISTRICT  
2500 SOUTH STATE  
SALT LAKE CITY, UTAH 84115  
[graniteschools.org](http://graniteschools.org)





# Comprehensive Annual Financial Report

for the  
Fiscal Year Ended  
Year Ended June 30, 2015

## GRANITE SCHOOL DISTRICT

2500 South State Street  
Salt Lake City, Utah 84115-3110  
[www.graniteschools.org](http://www.graniteschools.org)

Terry H. Bawden, President of the Board  
Dr. Martin W. Bates, Superintendent  
David F. Garrett, Business Administrator/Treasurer

Prepared by:  
Chris A. Lewis, Director of Accounting Services  
Charlotte Bacon, Accountant

# GRANITE SCHOOL DISTRICT

## Table of Contents

Year Ended June 30, 2015

	Page
<i>Section I - Introductory</i>	
Letter of Transmittal.....	1
List of Elected and Appointed Officials.....	7
Certificates:	
GFOA Certificate of Achievement for Excellence in Financial Reporting.....	8
ASBO Certificate of Excellence in Financial Reporting.....	8
Organizational Chart.....	9
Precinct Map of the Board of Education.....	10
<i>Section II - Financial</i>	
Independent Auditor's Report .....	11
Management's Discussion and Analysis.....	14
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	24
Statement of Activities.....	25
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	26
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	27
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	28
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	29
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund.....	30
Statement of Fund Net Position - Proprietary Funds.....	31
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds.....	32
Statement of Fund Cash Flows - Proprietary Funds.....	33
Notes to the Basic Financial Statements.....	34
Required Supplementary Information:	
Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) - Utah Retirement Systems.....	57
Schedules of District Contributions - Utah Retirement Systems.....	57
Schedule of Funding Progress - District Retirement Plan.....	58
Schedule of Funding Progress - Long-Term Disability Plan.....	58

# GRANITE SCHOOL DISTRICT

## Table of Contents

Year Ended June 30, 2015

Page

### *Section II - Financial (Continued)*

#### Combining and Individual Fund Statements and Schedules:

##### Major Governmental Funds:

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>General Fund</i> .....	61
---	----

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Capital Projects Fund</i> .....	62
--	----

##### Nonmajor Governmental Funds:

Combining Balance Sheet - Nonmajor Governmental Funds.....	64
--	----

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds.....	65
---	----

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>District Activity Programs</i> .....	66
---	----

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Incremental Tax</i> .....	67
--	----

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Granite Education Foundation</i> .....	68
---	----

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>School Lunch</i> .....	69
---	----

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Debt Service</i> .....	70
---	----

##### Internal Service (Proprietary) Funds:

Combining Statement of Fund Net Position.....	72
---	----

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position.....	73
--	----

Combining Statement of Fund Cash Flows.....	74
---	----

### *Section III - Statistical*

Financial Trends:.....	75
------------------------	----

Comparative Statements of Net Position.....	76
---	----

Net Position by Component.....	77
--------------------------------	----

Changes in Net Position.....	78
------------------------------	----

Fund Balances - Governmental Funds.....	79
---	----

Changes in Fund Balances - Governmental Funds.....	80
--	----

Comparative Balance Sheets - General Fund .....	81
---	----

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund.....	82
---	----

# GRANITE SCHOOL DISTRICT

## Table of Contents

Year Ended June 30, 2015

---

	Page
<i>Section III - Statistical (Continued)</i>	
Revenue Capacity:.....	83
Historical Summaries of Taxable Values of Property.....	84
Assessed Value and Estimated Actual Value of Taxable Property.....	85
Direct and Overlapping Property Tax Rates.....	86
Principal Property Tax Payers.....	87
Property Tax Levies and Collections.....	88
Debt Capacity:.....	89
Ratios of Outstanding Debt.....	90
Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year).....	91
CUSIP Numbers Associated with Outstanding General Obligation Bonded Indebtedness.....	92
Direct and Overlapping General Obligation Debt.....	93
Legal Debt Margin Information.....	94
Pledged Revenue Bonds.....	95
Demographic and Economic Information:.....	96
Demographic and Economic Statistics.....	97
Principal Employers.....	98
Operating Information:.....	99
Full-Time Equivalents by Functional Category.....	100
Expenses by Function - Statement of Activities.....	101
Expenses by Function per Pupil - Statement of Activities.....	102
Expenditures by Function - General Fund.....	103
Expenditures by Function per Pupil - General Fund.....	104
Average Daily Membership vs. Average Daily Attendance.....	105
History of High School Graduates.....	106
Capital Asset Information.....	107
Teacher Compensation Data.....	108
Students per Instructional Staff.....	109
Nutrition Services - Facts and Figures.....	110

Section I  
*Introductory*









## Business Administration - Accounting Services

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FAX: 801 646-4578  
[www.graniteschools.org/accounting](http://www.graniteschools.org/accounting)

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November 30, 2015

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

In accordance with Utah law (*State Code*, 53A-3-404) the Business Administration has prepared this Comprehensive Annual Financial Report (CAFR) of the Granite School District (the District) for the fiscal year ended June 30, 2015. The legally required information contained herein consists of the basic financial statements and notes to the basic financial statements which are prepared 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 comprehensive to include all governmental activities for which the District is financially accountable.

Full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive internal control framework established for this purpose, rests with the District. 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 of any material misstatement.

Squire & Company, PC, a firm of licensed certified public accountants, has audited the District's basic financial statements for the fiscal year ended June 30, 2015 and has issued an unmodified ("clean") opinion that the financial statements are fairly presented in conformity with GAAP. 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. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Following the MD&A are the basic financial statements, including the government-wide financial statements, the fund financial statements, and the notes to the financial statements. The required supplementary information, combining financial statements and individual fund schedules, and the statistical section complete the CAFR.

## Profile of the Granite School District

The District was established December 15, 1904 by an enabling resolution of the Salt Lake County Commissioners. The District is located immediately south of Salt Lake City and covers almost 300 square miles which include several urban and suburban communities comprising approximately the northern half of Salt Lake County. Bordering on the east are the imposing Wasatch Mountains and on the west the Oquirrh Mountain Range which includes portions of the world-famous Kennecott Open-Pit Copper Mine property.

## GOVERNMENTAL STRUCTURE

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 districts (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.

## TYPES OF SERVICES PROVIDED AND REPORTING ENTITY

The District's primary mission is to provide public education to elementary and secondary age school children (K-12) with general, vocational, and special education programs.

The accompanying report includes all funds and subsidiary accounts of the primary government, Granite School District as legally defined, as well as its component units. Funds are created to segregate and keep track of specific activities or to attain certain objectives in accordance with special regulations, restrictions, or limitations. Component units are legally separate entities for which the primary government is financially accountable or ones that have relationships with the District such that exclusion would cause the District's financial statements to be misleading or incomplete. The determination of "financial accountability" is based on criteria established by the Governmental Accounting Standards Board. Note 1 to the financial statements explains the inclusion of the Granite Education Foundation as a blended component unit in the reporting entity.

## THE BUDGET CYCLE

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 fund balance commitments. 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 also 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.

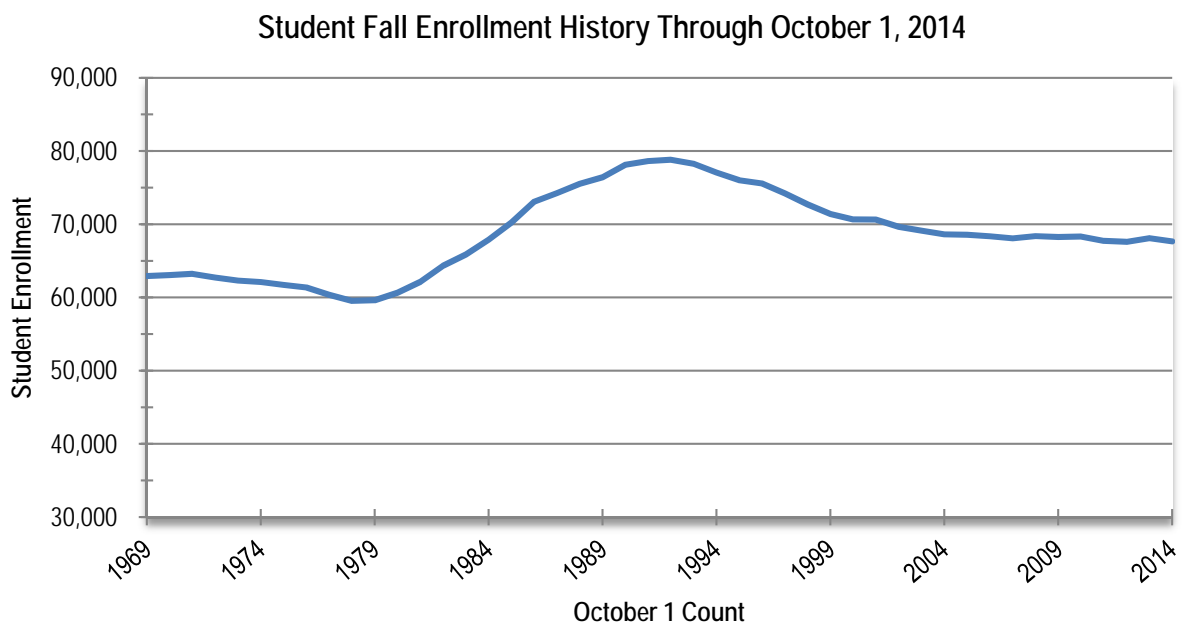
The District receives state funding based upon average daily membership which is based on the total number of days between each student's entry and exit dates, regardless of where they fall during the school year, divided by 180. An additional component is added for growth based on the number of students enrolled as of October 1

(Fall Enrollment) compared to the prior year. If state funding declines it becomes increasingly difficult to balance the District's budget and to provide for all of the critical funding needs. Every year, the District looks at student population by school to identify possible closures of underutilized buildings.

## ENRORLLMENT

In 1904, the District's student enrollment was 4,258. Through the years, it increased to a high of 78,819 for the 1992-93 school year and then declined steadily to 68,075 for the 2007-08 school year. Enrollment has remained mostly steady since then. On October 1, 2014, student enrollment was 67,660, which is 438 fewer students than the prior-year count.

Enrollment has declined in some east side neighborhoods as the population has aged and there are fewer school age children remaining. However, parts of the west side have seen moderate growth as new neighborhoods have been built which accounts for the overall stability in enrollment. Much of the new growth in Salt Lake County has been south of the District.



## ECONOMIC OUTLOOK

Sound fiscal health is imperative to ensuring the effective operation of the District. Financial condition is affected by a combination of environmental, fiscal, and organizational factors, including decisions and actions of the Board. The District has a responsibility to balance recurring expenditure needs with recurring revenue sources, while providing services on an ongoing basis for the long-term. Maintaining sound financial condition requires the Board and management to plan for the future and adjust to shifts in local economic conditions, long-term socioeconomic and demographic changes, and community needs and restraints.

The economic condition of the District is impacted heavily by the condition of the broader state economy. Concerns about the ever increasing interconnectivity with the global economy pose the greatest risk to Utah's economy. And, although uncertainty surrounding federal fiscal policy had a negative impact during the past several years, this is not expected to be the case in the near future.

According to the Utah Economic Council's 2015 Economic Report to the Governor, Utah has several positive economic indicators that continue to point to moderate growth and improving economic conditions into the future, barring any major disruptions to the global and national economies:

- Utah's labor market continues to improve with unemployment falling into the mid-three percent range during the year. Growth is expected to taper off slightly at 2.5 percent throughout 2015.
- One sector that is having a transformative effect on areas of Utah is technology. Significant venture capital investments are indicative of the market's confidence in Utah's technology industry, where economic activity is impressive.
- Additionally, large investments are being seen across the state in other sectors as well. In the public sector, the most prominent project underway is the terminal redevelopment at Salt Lake City International Airport, which broke ground in 2014 and will be completed in 2022.

Another factor that has significant impact on the District's financial outlook are the views of the governor's office and state legislature toward funding public education with the resources generated by the state. And, the news is mixed. According to research by the Utah Foundation, property tax cuts from 2007 have chipped away at the funding effort put toward public education. Utah's tax burden has reached its lowest level in the past 20 years. Since 1995, Utah's tax burden decreased by \$10 per \$1,000 of personal income while public education funding over that same period fell by \$12 per \$1,000 of personal income. The net effect is the burden of lowering taxes has come out of public education budgets. This outcome is contrary to the stated priorities of Utah voters and many elected officials themselves. Countering this, we have seen increases in state funding for public education over the past two years. Time will tell if this is a blip, or a more concerted effort to increase funding over the long-term.

Demographically, Utah will continue to experience population growth at a rate higher than most states in 2015 due to a strong natural increase anticipated to add 38,360 people and in-migration projected to increase to approximately 11,000 people. The population growth rate for Utah from 2012 to 2013 was 1.6% while that of Salt Lake County experienced growth at 1.5%. This is an indication that the District will experience similar growth to that of the state. Enrollment in the Granite School District is projected, using multiple-year cohort survival analysis, to remain close to current levels for the next five years (67,713 for 2015, 67,505 for 2016, 67,321 for 2017, 67,314 for 2018, and 67,739 for 2019). These enrollment projections are an important indicator of the level of funding the District can expect to receive from the State in those future years.

Utah's personal income is expected to increase by 4.7% in 2015.

The District has also seen a shift in economic demographics over the past 10 years. The percent of District students who qualify for free and reduced lunch has risen from 58.3% in 2006 to 68.3% in 2015. This presents challenges and opportunities to assist and provide all students with a quality education that will serve them well in the future.

## Major Initiatives

### EDUCATION

*Children will leave us prepared for college, career and life in the 21<sup>st</sup> century world.* That is the charge and responsibility adopted by the Board in 2011. In 2012, the District prepared a detailed five-year framework

articulating areas of focus and related measurable action steps intended to define expectations, establish priorities, and guide school and department efforts in support of student achievement district wide. Within this framework, the Board has established major district-level tasks and initiatives to focus District energies and resources on efforts that will most benefit District students. High priority initiatives include continued outreach to and cooperation with school community councils; educational accountability; student achievement and use of benchmark data; literacy efforts; student opportunities for advanced courses, industry-recognized certifications, and state-of-the-art work-based technology in the areas of health sciences, biotechnology, engineering, and information technology; concentrated student services interventions; early intervention via preschool programs and extended day kindergarten; individualized guidance aimed at college and career readiness; pursuit of a 21<sup>st</sup> century education experience for every student through less traditional and more individualized opportunities, and improvement efforts in K-12 literacy and English and world languages. These initiatives are intended to increase achievement for every student and increase college and career readiness.

#### **COMMITMENT TO DISTRICT PROVIDED RETIREE BENEFITS**

The District offers early retirement and pension benefits including long-term disability medical insurance to its employees. The obligation for these benefits, with required components actuarially determined at the end of the 2014-15 fiscal year, is \$41.6 million. The District plans for the anticipated financial requirements of these benefits and sets aside the full actuarially calculated amount of funds needed now to be invested and grow to meet the full future obligation. Doing so protects the District and its employees from these benefits being endangered by unexpected events. In addition, the District set aside \$3.1 million specifically anticipating fluctuations in the actuarial calculations associated with these benefits.

#### **CAPITAL IMPROVEMENTS AND BONDING**

The District, by issuing bonds, has obligations to repay the bondholders over the life of the bonds. The obligation for the bonds and the associated premium at June 30, 2015 is \$193.0 million. The District fulfilled a promise to the taxpayers by shifting a tax levy from the *Capital Projects Fund* to establish a debt service levy with which to provide the resources to repay the bondholders according to schedule. Thus, creating the debt service levy did not increase property taxes in the District.

For each year the District issues bonds as well as periodically when bonds are not issued but there are outstanding bond obligations, the Board obtains a bond rating from two of the three primary rating agencies. Bond ratings are important not only because they directly affect the interest rate the District pays on the bonds issued, but also because the process of obtaining a rating submits the District to professional external analysis of its financial condition. To the extent that the ratings issued by these agencies are trusted, they can be used as an indicator of the District's financial health. The most recent ratings the District received associated with a bond issuance was June 2013. The District was awarded a prime AAA rating from FitchRatings and a high grade Aa1 rating from Moody's Investors Service. Since that time, the District received an affirmed prime AAA rating from FitchRatings in May 2015. It is worth noting that ratings from both FitchRatings and Moody's Investors Service are backed by an AAA and Aaa respectively which are the ratings of the State and indicative of the financial condition of Utah as a whole.

## Awards and Acknowledgements

### CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FROM GFOA

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Granite School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. 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 generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. This is the 22nd consecutive year that the District has received this prestigious award. We believe 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.

### CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING FROM ASBO

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 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. This is also the 22nd consecutive year the District has received this prestigious award.

### ACKNOWLEDGEMENTS

The preparation of this report on a timely basis could not have been performed without the efficient and dedicated employees in all of the business departments. Special appreciation is expressed to Chris Lewis of the Accounting Services Department, where the major portion of this presentation has been compiled.

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

Respectfully submitted,



Dr. Martin W. Bates  
Superintendent of Schools



David F. Garrett  
Business Administrator/Treasurer



**THE GRANITE SCHOOL DISTRICT**  
**List of Elected and Appointed Officials**  
**June 30, 2015**

**Elected Officials**

<u>Board of Education</u>	<u>Initial Appointment</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>
Terry H. Bawden, President District V	January, 2007	January, 2015	December, 2018
Connie Anderson, Vice President District II	January, 2009	January, 2013	December, 2016
Connie Burgess, Member District III	January, 2003	January, 2015	December, 2018
Gayleen Gandy, Member District VII	January, 2007	January, 2015	December, 2018
Dan Lofgren, Member District I	January, 2009	January, 2013	December, 2016
Sarah R. Meier, Member District IV	January, 1997	January, 2013	December, 2016
Karyn Winder, Member District VI	January, 2015	January, 2015	December, 2018

The term of office for a Board member is four years, beginning on the first Monday in January following the November election.

**Appointed Officials**

	<u>Initial Appointment</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>
Dr. Martin W. Bates Superintendent	September, 2010	June, 2014	June, 2016
David F. Garrett Business Administrator/Treasurer	September, 1987	January, 2015	December, 2016

The term of office of the Superintendent and Business Administrator/Treasurer is two years.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to  
**Granite School District**  
**Utah**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

  
Executive Director/CEO

**Association of School Business Officials International**



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

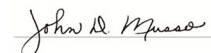
**Granite School District**

*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

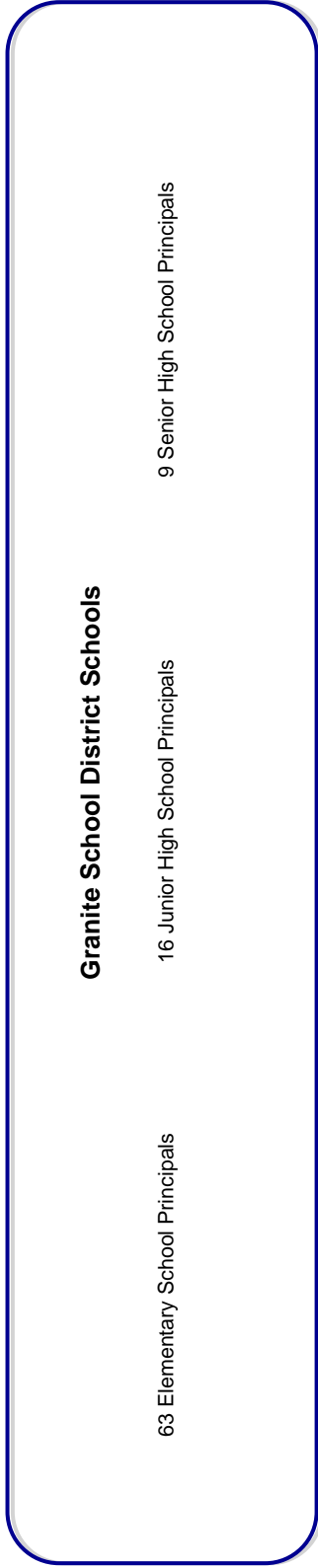
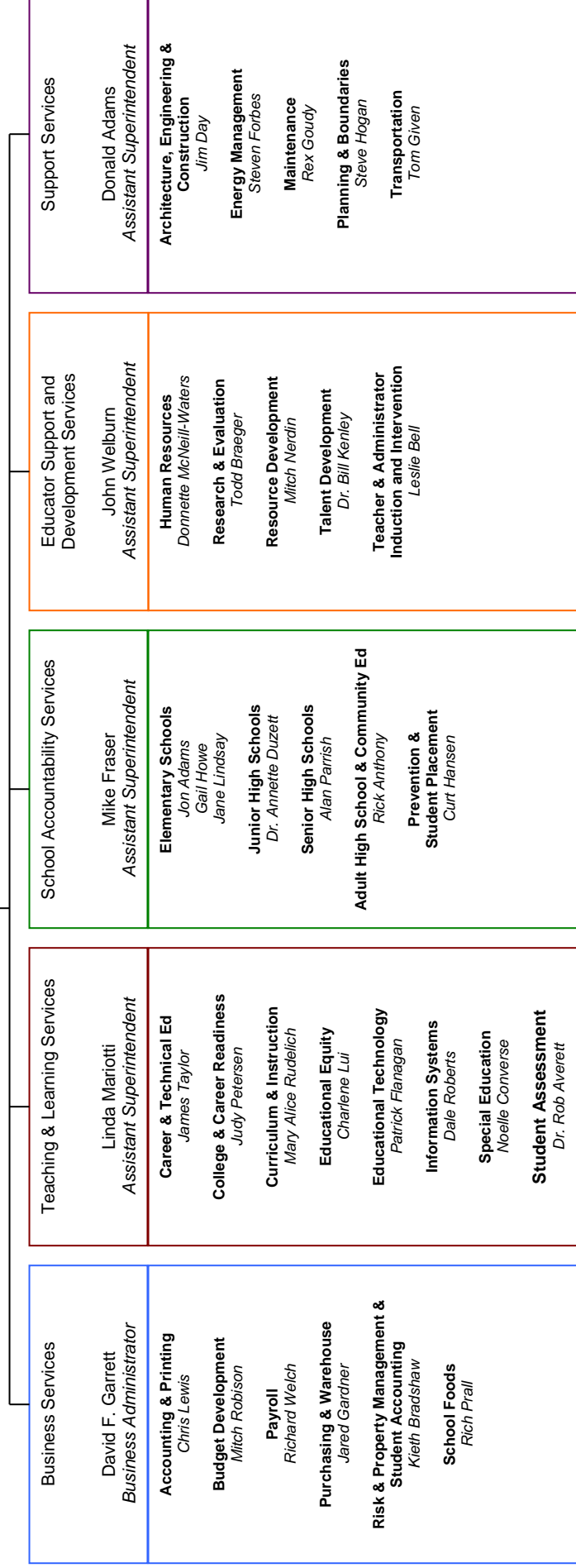
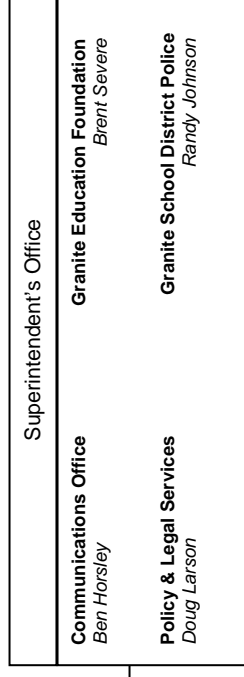
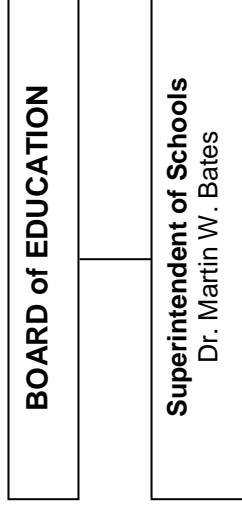


  
Mark C. Pepera, MBA, RSBO, SFO  
President

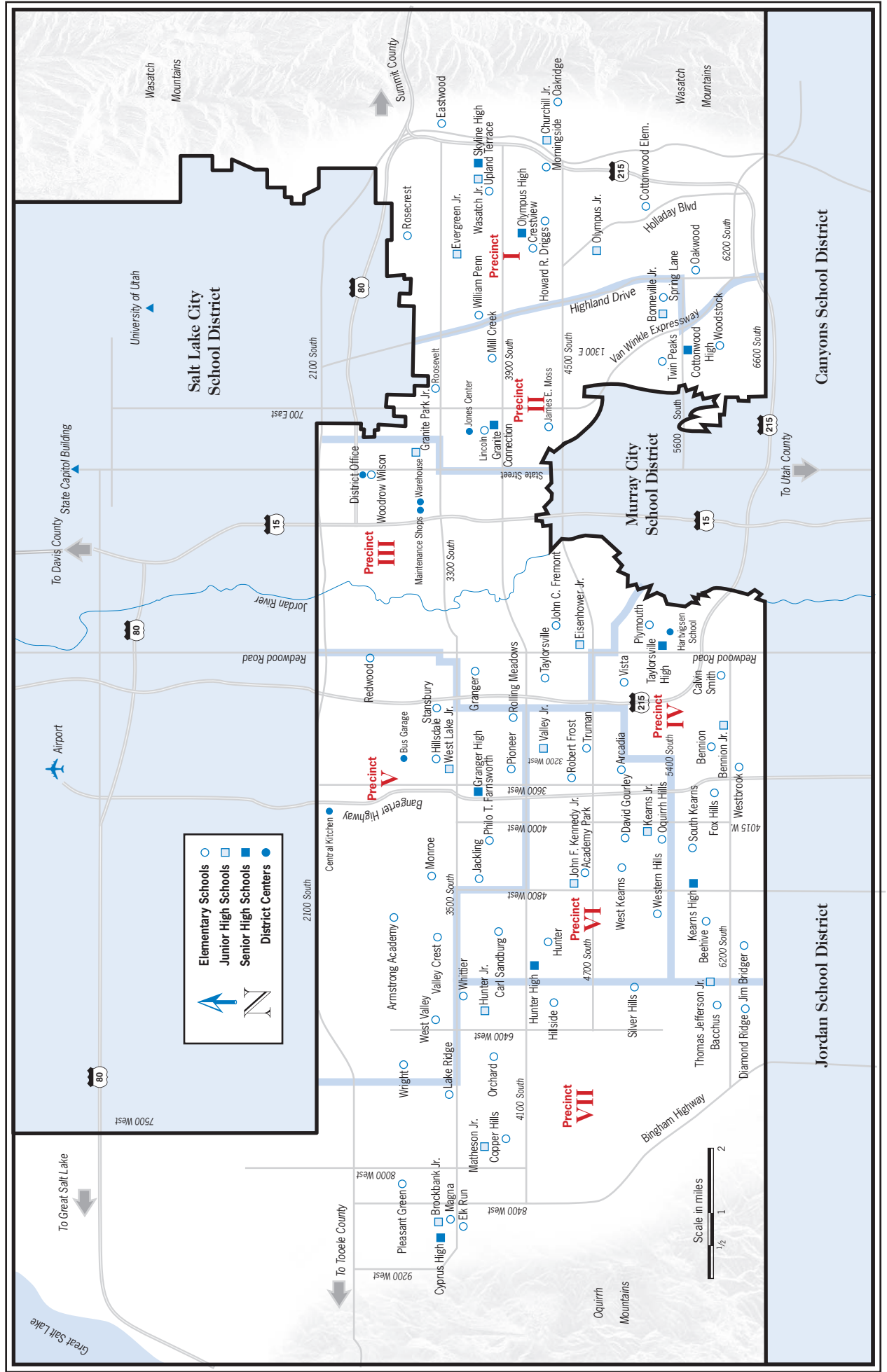
  
John D. Musso, CAE, RSBA  
Executive Director



ADMINISTRATION 2015-16



# GRANITE SCHOOL DISTRICT



## Section II

### *Financial*









## Independent Auditor's Report

Board of Education  
Granite 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 Granite 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 Granite 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 7 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 schedules of the District's proportionate share of the net pension liability – Utah Retirement Systems, the schedules of District contribution – Utah Retirement Systems, the schedule of funding progress – District retirement plan, and the schedule of funding progress – long-term disability plan 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 30, 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 30, 2015

# MD&A

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## Management's Discussion & Analysis

As management, we present the following narrative overview and analysis of the Granite School District's financial activities for the year ended June 30, 2015. We present this information in conjunction with the included letter of transmittal, which can be found preceding this narrative, and with the basic financial statements which follow. All amounts, unless otherwise indicated, are expressed in millions of dollars.

### Financial Highlights

The District's net position is \$278.4 million at the end of the fiscal year representing a net increase of \$14.5 million, or 5.5%, attributable to the following:

- Unrestricted net position increased by \$12.3 million resulting in an unrestricted net position deficit of (\$90.1) million. A deficit net position is indicative of more long-term obligations than resources available to satisfy those obligations.
- This unrestricted net position deficit is directly related to the District implementing new accounting and reporting standards for pensions. The District now recognizes a long-term liability associated with its proportionate share of unfunded obligations of defined pension plans administered by the Utah Retirement Systems (URS). The net effect of this restatement was a \$207.6 million decrease in beginning net position.
- At the end of the current fiscal year, employee benefit-related long-term obligations other than those associated with the state retirement plans were \$41.6 million. The District has committed sufficient fund balance to finance the full unfunded actuarial accrued liability for these obligations.
- Net investment in capital assets decreased by \$8.4 million as the result of increased depreciation expense associated with \$119.9 million in capital assets that transitioned from non-depreciable construction in progress to depreciable buildings and land improvements.

Several long-term construction projects were completed during 2015 resulting in this transition. This was the result of the District's continued long-term capital plan addressing the need to replace and renovate aging school buildings financed primarily with general obligation bonds.

As of the end of the fiscal year, the District has voter authorization to issue the remaining \$25.0 million, out of an original authorization of \$256.0 million to finance the District's long-range capital plan. During the year ended June 30, 2015, the District idled plans to use the remaining authorization to build a new school pending further analysis.

- Amounts of net position restricted for specific purposes increased by \$10.6 million to \$32.0 million as of June 30, 2015. This was the result primarily of 1) a \$7.7 million increase in the amount restricted for capital projects which resulted from property taxes, and 2) a \$2.4 million increase associated with increased federal revenue for the school lunch program.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements, which include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The focus is on both the District as a whole (government-wide) and the major individual funds. The dual perspectives allow the reader to address relevant questions, broaden a basis for comparison (year-to-year or district-to-district), and enhance the District's accountability.

#### **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows 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 Granite School District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position 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 result in cash flows in future fiscal periods (such as uncollected taxes and earned but unused vacation leave). The Statement of Activities is focused on both the gross and net cost of various activities. This is intended to summarize and simplify the reader's analysis of the revenues and costs of various District activities and the degree to which activities are subsidized by general revenues.

The governmental activities of the Granite School District include instructional services, student support, instructional staff support, district administration, school administration, central services, operation and maintenance of facilities, student transportation, school lunch services, and a small number of community services.

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

## **FUND FINANCIAL STATEMENTS**

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A fund is a group of related accounts 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 divided into two categories: governmental funds and proprietary funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on fund balances at the end of the fiscal year. Such information may be useful in evaluating a

government's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

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 government'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.

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 two major funds and an aggregate total for all nonmajor funds. The District's major governmental funds are the General Fund and the Capital Projects Fund. Individual fund data for the District's nonmajor governmental funds are provided in the form of combining statements and schedules elsewhere in this report. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement is provided for the General Fund to assist readers in assessing the District's compliance with this budget.

The basic governmental fund financial statements can be found on pages 26 to 30.

**Proprietary Funds.** The District maintains two proprietary funds, both of which are nonmajor internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for general printing services as well as employee health insurance. Because internal service funds predominately benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, but in greater detail.

The internal service funds are combined for presentation purposes. Individual fund data for the internal service funds is provided in the form of combining and individual fund statements and schedules elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 31 to 33.

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. Information in the Notes to the Basic Financial Statements is described as follows:

- Note 1 provides a general description of the District, as well as a summary of significant accounting policies including the basis of accounting, budget policies and procedures, net position and fund balance flow assumptions, and other significant accounting policies.
- Note 2 describes deposits and investments as well as investment risk disclosures.
- Note 3 explains property taxes and differentiates between those collected to fund current operations from future year operations.
- Note 4 describes the nature of assistance the District receives from the federal and state government.
- Note 5 explains property and equipment of the District including depreciation and net carrying amounts. A summary of current long-term construction and remodeling projects is also presented.
- Note 6 describes the District's general exposure to risk and how it manages that risk.
- Note 7 describes the requisite restatement of beginning net position associated with the implementation of a new accounting standard for pensions.
- Note 8 provides information on the state retirement plan to include the District's

proportionate share of the plan's net pension liability and pension expense, contributions to the plan, and an explanation of the actuarial assumptions used in estimating these amounts.

- Note 9 provides the same type of information as Note 8, but for the District retirement plan.
- Note 10 describes the District's long-term disability benefit plans.
- Note 11 explains the District's early retirement incentive program.
- Note 12 provides information on the District's self-insured plans and the associated liabilities associated with each.
- Note 13 provides a summary of the District's general long-term liabilities and activity for the year.
- Note 14 explains encumbrances and shows significant encumbered amounts associated with any of the District's major funds.
- Note 15 explains the District's interfund balances and activity for the year.

The notes to the basic financial statements can be found on pages 34 to 56.

## **ADDITIONAL INFORMATION**

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In addition to this discussion and analysis, this report also presents required supplementary information on pension plans and other postemployment benefits.

Required supplementary information can be found on pages 57 to 58 of this report.

The combining and individual fund statements and schedules referred to earlier are presented immediately following the required supplementary information and can be found on pages 59 to 74 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. The District reports total net position of \$278.4 million



at June 30, 2015. This is an increase of \$14.5 million, or 5.5%. There are three major reasons for this increase:

- A \$12.3 million decrease in the deficit balance of unrestricted net position. This has a positive effect on net position and is due primarily to the District paying down its share of the underfunded state pension obligations reported as a long-term liability.
- A \$7.7 million increase in property taxes generated for specific use.
- An \$8.4 million decrease in the net investment in capital assets. This decrease is the result of fewer capital projects financed by bond proceeds combined with an increase in depreciation expense due to the addition of \$119.9 million of completed construction projects in their first year of depreciation.

At June 30, 2015, the net investment in capital assets of \$336.5 million was 120.7% of all net position and represents the capital assets that are used to provide services to students in the form of school buildings, buses, computers, furniture, etc. net of accumulated depreciation, less any related debt (general obligation bonds payable less unspent bond proceeds). Consequently, these assets are not available for future spending needs.

At June 30, 2015, long-term liabilities were \$433.9 million (which was 88.6% of all liabilities), representing a decrease of \$35.4 million. This decrease is attributable primarily to paying down \$29.1 million in the District's proportionate share of underfunded state pension obligations and \$8.3 million in principal on general obligation school construction bonds.

GRANITE SCHOOL DISTRICT			
Statement of Net Position			
(in millions of dollars)			
	Governmental Activities		
	2015	2014	Change 2015-14
Current and other assets	\$ 390.7	\$ 357.0	\$ 33.7
Capital assets	528.8	546.4	(17.6)
Total assets	919.5	903.4	16.1
Deferred outflows of resources	30.5	24.6	5.9
Other liabilities	55.8	57.9	(2.1)
Long-term liabilities	433.9	469.3	(35.4)
Total liabilities	489.7	527.2	(37.5)
Deferred inflows of resources	181.9	137.0	44.9
Net position:			
Net investment in capital assets	336.5	344.9	(8.4)
Restricted	32.0	21.4	10.6
Unrestricted	(90.1)	(102.4)	12.3
Total net position	\$ 278.4	\$ 263.9	\$ 14.5

GRANITE SCHOOL DISTRICT			
Changes in Net Position			
(in millions of dollars)			
	Governmental Activities		
	2015	2014	Change 2015-2014
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 20.1	\$ 20.7	\$ (0.6)
Operating grants and contributions	165.0	157.0	8.0
General revenues:			
Property taxes	159.9	146.2	13.7
Federal and state aid not restricted to specific purposes	179.1	175.9	3.2
Earnings on investments	1.1	1.4	(0.3)
Miscellaneous	10.6	5.6	5.0
Total revenues	535.8	506.8	29.0
<b>Expenses:</b>			
Instructional services	335.5	320.4	15.1
Supporting services:			
Students	20.0	19.9	0.1
Instructional staff	14.9	16.7	(1.8)
District administration	3.2	3.5	(0.3)
School administration	29.4	28.4	1.0
Central	9.9	10.3	(0.4)
Operation and maintenance of facilities	57.5	55.6	1.9
Transportation	9.6	10.3	(0.7)
School lunch services	27.4	28.3	(0.9)
Community services	6.2	0.4	5.8
Interest on long-term liabilities	7.7	7.9	(0.2)
Total expenses	521.3	501.7	19.6
<b>Increase in net position</b>	14.5	5.1	9.4
<b>Net position - beginning</b>	263.9	466.4	(202.5)
<b>Net effect of prior period restatement</b>	-	(207.6)	207.6
<b>Net position - ending, as restated</b>	\$ 278.4	\$ 263.9	\$ 14.5

The remaining portion of the District's net position is unrestricted and is in a deficit position of (\$90.1) million as of June 30, 2015. As explained earlier, deficit net position is an indication that obligations of the District exceed resources to meet those obligations, meaning that future resources will be required to meet those obligations. This unrestricted net position deficit is the direct result of recognizing the District's proportionate share of underfunded state pension obligations. The amounts contributed to the state pension plans have

been adjusted upward until the funded status of the state pension plans become fully funded.

**Restatement of Beginning Net Position.** As described in Note 7 to the basic financial statements on pages 44 to 45, beginning net position was restated to implement new accounting standards.

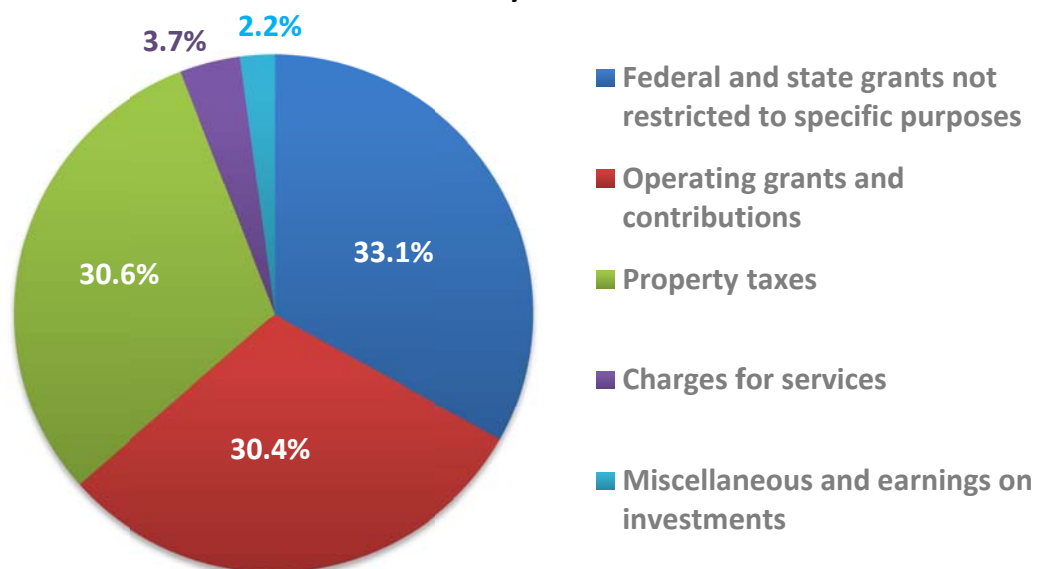
**Governmental Activities.** Assets and deferred outflows of resources increased by \$22.0 million while liabilities and deferred inflows of resources increased

by \$7.4 million, resulting in an increase of net position of \$14.5 million or 5.5% during the year ended June 30, 2015. As the District did not issue new bonds during the year, it used property tax revenue to carry out its long-term capital plan. The following list highlights some of the key changes in revenues and expenses during the year:

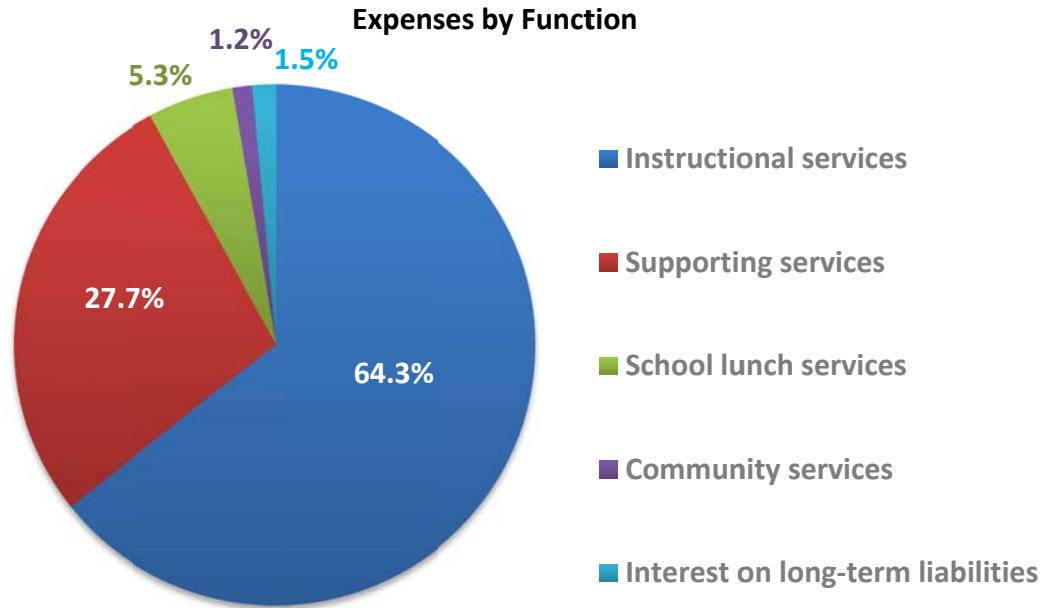
- Property tax revenue increased by \$13.7 million over the prior year. The primary factors in the overall increase was 1) an increase of \$5.2 million for newly recognized incremental taxes and 2) a \$6.4 million increase attributable to the board local levy to provide teachers with an additional three days of professional development.
- Operating grants and contributions increased by \$8.0 million in over the previous year. The primary factors in the overall increase was a \$2.4 million increase in contributions given to schools and the Granite Education Foundation and an additional \$5.2 million in federal funding for the school lunch program.
- Overall expenses increased by \$19.6 million over the previous year primarily due to 1) \$15.1 million more being spent on instructional services, and 2) \$5.8 million of incremental tax proceeds being reported as an expense as those proceeds are remitted to community development agencies.

GRANITE SCHOOL DISTRICT  
Year Ended June 30, 2015

**Revenues by Source**



GRANITE SCHOOL DISTRICT  
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.** As previously discussed, the focus of the District's governmental funds is to provide information on near-term inflows, outflows, and fund balances. Such information is useful in assessing the District's financing requirements.

**Fund Balances.** Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. Nonspendable includes inventories and prepaid items that are not expected to be converted to cash. Restricted includes net fund resources of the District that are subject to external constraints due to state or federal laws, or

externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes. The unrestricted fund balance is, in turn, subdivided between committed, assigned, and unassigned portions. Committed balances reflect the District's self-imposed limitation on the use of otherwise available expendable financial resources in governmental funds. Assigned balances in the General Fund are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes. Unassigned balances in the General Fund are all other available net fund resources.

At June 30, 2015, the District's combined governmental fund balances increased by a net \$15.9 million during the year ended June 30, 2015 to \$142.4 million (\$7.0 million in nonspendable, \$32.4 million in restricted, \$78.9 million in committed, \$16.2 million in assigned, and \$7.9 million in unassigned fund balances). The primary factors for the increase are:

- Property tax increases of \$7.9 million in the General Fund and \$6.3 million in the Other Governmental Funds. These increases were the result of an increase in the board local levy to provide teachers with an additional three days of professional development and recognizing \$5.2 million in incremental tax revenue.
- Federal funding increased by \$6.0 million due to an additional \$3.8 million for the school lunch program and \$1.4 million in new grants.

**Proprietary Funds.** The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Total net position in the proprietary funds decreased by a net of \$9.2 million during the year ended June 30, 2015 to \$12.0 million. The reason for the decrease are:

- There was a \$2.1 million increase in charges for services revenue specifically related to increases in premiums charged to cover increased costs of the District's self-insured medical claims while the actual cost increase of those medical claims was \$10.0 million.

## General Fund Budgetary Highlights

The Board revised the 2015 budget during the year. Budget amendments reflected changes in programs and related funding.

Final budgeted revenues were \$1.2 million or 0.3% lower than original estimates. The most significant differences may be summarized as follows:

- A \$3.9 million increase in local revenue due to 1) \$1.8 million for a property tax remittance to charter schools within the District's boundaries was classified in the original budget as a contra revenue whereas in the final budget the classification was changed to an expenditure, 2) property tax collections were \$1.4 million higher than estimated in the original budget.
- A \$2.3 million increase in federal revenue due to additional grants received during the year not anticipated in the original budget.

- A \$7.4 million decrease in state revenue due to \$3.9 million of voted and board leeway guarantees from the state were lower than expected and \$3.1 million in specific programs that didn't spend all of their available funds by the end of the year.

The difference between the original budget and the final amended budget for total expenditures was a decrease of \$6.6 million or 1.4% in total expenditures. The most significant difference is a \$5.3 million decrease in instructional services caused by state program funding that has been moved to 2015-16.

Actual expenditures were \$5.4 million less than the final amended budget. The decrease is due primarily to a \$2.3 million decrease in instructional services caused by state program funding that has been moved to 2015-16.

The District did not overspend its legal spending authority for the year ending June 30, 2015.

## Capital Assets and Debt Administration

**Capital Assets.** The District's investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$528.8 million, net of accumulated depreciation. This investment in capital assets includes land, land improvements, buildings and improvements, furniture and equipment, and vehicles. The total decrease in capital assets for the current fiscal year was 3.2%.

The *Capital Projects Fund* accounts for the costs incurred for acquiring and improving sites, constructing and remodeling facilities, and procuring vehicles and equipment necessary for providing educational programs for all students within the District. At June 30, 2015, the District had several construction projects in the final stages of being carried as construction in progress. Of those, the major ones were the rebuild of Granger High School estimated at \$69.4 million when finished in 2016 and the remodel of Stansbury Elementary School estimated at \$10.1 million when finished in 2016.

GRANITE SCHOOL DISTRICT  
Capital Assets  
*(net of accumulated depreciation, in millions of dollars)*

	2015	2014	Change 2015-14
Land	\$ 37.7	\$ 35.3	\$ 2.4
Construction in progress	97.5	212.2	(114.7)
Buildings and improvements	363.7	266.4	97.3
Land improvements	14.3	16.4	(2.1)
Vehicles	6.2	6.6	(0.4)
Furniture and equipment	9.4	9.5	(0.1)
Total capital assets	<u>\$ 528.8</u>	<u>\$ 546.4</u>	<u>\$ (17.6)</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

**Debt Administration.** The District had \$193.0 million in net outstanding general obligation bonds, net of unamortized bond premiums at the end of the fiscal year. The general obligation bonded debt is limited by Utah law to 4% of the fair market value of the total taxable property. The current unused legal debt capacity is \$1,135.0 million.

Additional information on the District's outstanding obligations can be found in Note 13 to the basic financial statements.

## Conditions with Expected Future Impact

**Long-term Capital Plan.** As mentioned earlier, \$119.9 million in buildings and land improvements were put into service during the fiscal year ended June 30, 2015 due to the completion of several long-term construction projects as part of the District's long-term capital plan. The District is in the final stages of several more such projects totaling \$101.7 million that are expected to be

completed and begin being depreciated during the 2016 fiscal year.

There remain seven buildings between 60 and 70 years old and an additional one building, Cyprus High School, over 90 years old that was last remodeled in 1986. The District continues to monitor maintenance costs along with community needs as additional capital projects are considered.

## Requests for Information

This financial report is designed to provide our citizens, taxpayers, students and all other interested parties with a general overview of the District's finances and to show accountability for tax dollars and funding from other governments. If you have questions about this report or need additional financial information, contact the Business Administrator, Granite School District, 2500 South State Street, Salt Lake City, UT 84115-3110.



# Basic Financial Statements

**GRANITE SCHOOL DISTRICT**  
**Statement of Net Position**  
June 30, 2015

	Governmental Activities
<b>Assets:</b>	
Cash and investments	\$ 196,776,285
Receivables:	
Property taxes	165,998,099
Other local	1,060,149
State	1,766,000
Federal	16,236,671
Prepaid items	1,640,388
Inventories	5,400,254
Net other post employment benefit asset	1,703,583
Net pension asset	143,027
Capital assets:	
Land, construction in progress, and water stock	135,275,981
Other capital assets, net of accumulated depreciation	393,539,779
<b>Total assets</b>	<b>919,540,216</b>
<b>Deferred outflows of resources:</b>	
Related to pensions	30,455,766
<b>Liabilities:</b>	
Accounts and contracts payable	3,604,607
Accrued interest	735,085
Accrued salaries and related benefits	40,060,600
Unearned revenue:	
Local	1,021,448
State	6,353,051
Federal	3,991,067
Long-term liabilities:	
Portion due or payable within one year	23,012,807
Portion due or payable after one year	410,861,894
<b>Total liabilities</b>	<b>489,640,559</b>
<b>Deferred inflows of resources:</b>	
Related to pensions	19,014,287
Property taxes levied for future year	162,895,935
<b>Total deferred inflows of resources</b>	<b>181,910,222</b>
<b>Net position:</b>	
Net investment in capital assets	336,548,726
Restricted for:	
Capital projects	18,500,839
Debt service	542,300
Schools and scholarships	435,761
School lunch	12,552,044
Unrestricted	(90,134,469)
<b>Total net position</b>	<b>\$ 278,445,201</b>

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

# GRANITE SCHOOL DISTRICT

## Statement of Activities

Year Ended June 30, 2015

Activities or Functions	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
<b>Governmental activities:</b>				
Instructional services	\$ 335,493,515	\$ 12,165,512	\$ 114,479,349	\$ (208,848,654)
Supporting services:				
Students	19,970,557	-	7,492,998	(12,477,559)
Instructional staff	14,946,518	678,034	4,753,267	(9,515,217)
District administration	3,231,125	-	-	(3,231,125)
School administration	29,413,760	-	2,145,572	(27,268,188)
Central	9,931,181	-	-	(9,931,181)
Operation and maintenance of facilities	57,466,624	1,688,977	495,132	(55,282,515)
Transportation	9,588,698	378,077	7,707,555	(1,503,066)
School lunch services	27,396,939	5,140,395	27,970,133	5,713,589
Community services	6,159,773	-	-	(6,159,773)
Interest on long-term liabilities	7,655,679	-	-	(7,655,679)
<b>Total school district</b>	<b>\$ 521,254,369</b>	<b>\$ 20,050,995</b>	<b>\$ 165,044,006</b>	<b>(336,159,368)</b>
<b>General revenues:</b>				
Property taxes levied for:				
Basic state supported program (set by state legislature)				32,128,488
Voted local				34,551,143
Board local				50,422,933
Capital outlay				20,332,193
Debt service				17,230,288
Incremental taxes				5,193,756
<b>Total property taxes</b>				<b>159,858,801</b>
Federal and state grants and contributions not restricted to specific programs				179,140,986
Earnings on investments				1,121,807
Miscellaneous				10,601,168
<b>Total general revenues</b>				<b>350,722,762</b>
Change in net position				14,563,394
<b>Net position - beginning, as restated</b>				<b>263,881,807</b>
<b>Net position - ending</b>				<b>\$ 278,445,201</b>

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

**GRANITE SCHOOL DISTRICT**  
**Balance Sheet - Governmental Funds**  
June 30, 2015

	Major Funds		Other	Total
	General	Capital Projects	Governmental Funds	Governmental Funds
<b>Assets:</b>				
Cash and investments	\$ 123,816,801	\$ 21,603,205	\$ 26,352,714	\$ 171,772,720
Receivables:				
Property taxes	122,667,773	22,608,727	20,721,599	165,998,099
Other local	965,401	13,471	59,206	1,038,078
State	407,702	-	1,358,298	1,766,000
Federal	15,007,012	-	1,155,106	16,162,118
Inventories	4,078,607	-	1,287,541	5,366,148
Prepaid items	1,458,113	167,708	7,781	1,633,602
Due from other funds	266,561	-	-	266,561
<b>Total assets</b>	<b>\$ 268,667,970</b>	<b>\$ 44,393,111</b>	<b>\$ 50,942,245</b>	<b>\$ 364,003,326</b>
<b>Liabilities:</b>				
Accounts and contracts payable	\$ 851,972	\$ 2,668,765	\$ 76,210	\$ 3,596,947
Accrued salaries and related benefits	39,340,629	4,628	714,316	40,059,573
Unearned revenue:				
Local	873,955	146,754	48	1,020,757
State	6,353,051	-	-	6,353,051
Federal	3,991,067	-	-	3,991,067
Due to other funds	-	-	51	51
<b>Total liabilities</b>	<b>51,410,674</b>	<b>2,820,147</b>	<b>790,625</b>	<b>55,021,446</b>
<b>Deferred inflows of resources:</b>				
Property taxes levied for future year	120,376,958	22,186,510	20,332,467	162,895,935
Unavailable property tax revenue	2,395,243	441,464	401,256	3,237,963
Unavailable federal interest subsidy	-	-	447,318	447,318
<b>Total deferred inflows of resources</b>	<b>122,772,201</b>	<b>22,627,974</b>	<b>21,181,041</b>	<b>166,581,216</b>
<b>Fund balances:</b>				
Nonspendable:				
Inventories	4,078,607	-	1,287,541	5,366,148
Prepaid items	1,458,113	167,708	7,781	1,633,602
Restricted for:				
Capital projects	-	18,777,282	-	18,777,282
Debt service	-	-	551,976	551,976
Schools and scholarships	-	-	435,761	435,761
School lunch	-	-	12,552,044	12,552,044
Committed to:				
Economic stabilization	22,824,786	-	-	22,824,786
Employee benefits	41,640,633	-	-	41,640,633
Contractual obligations	321,126	-	-	321,126
District activity programs	-	-	11,979,652	11,979,652
Foundation	-	-	2,155,824	2,155,824
Assigned to:				
Self insurance	8,561,277	-	-	8,561,277
Employee benefits	3,143,576	-	-	3,143,576
Planned projects	4,507,529	-	-	4,507,529
Unassigned	7,949,448	-	-	7,949,448
<b>Total fund balances</b>	<b>94,485,095</b>	<b>18,944,990</b>	<b>28,970,579</b>	<b>142,400,664</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 268,667,970</b>	<b>\$ 44,393,111</b>	<b>\$ 50,942,245</b>	<b>\$ 364,003,326</b>

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

# GRANITE 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 \$ 142,400,664

Total net position reported for governmental activities in the statement of net position are different because:

Capital assets used by governmental funds are not financial resources and, therefore, are not reported in the funds. Those assets consist of:

Land	\$ 37,730,207	
Construction in progress	97,512,553	
Water stock	33,221	
Buildings and improvements, net of \$324,384,559 accumulated depreciation	363,711,886	
Land improvements, net of \$25,468,903 accumulated depreciation	14,277,658	
Vehicles, net of \$18,836,737 accumulated depreciation	6,213,429	
Furniture and equipment, net of \$29,657,459 accumulated depreciation	9,064,730	528,543,684

Some of the District's receivables will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds:

Unavailable property tax revenue	3,237,963	
Unavailable interest subsidies on Build America Bonds	521,871	3,759,834

Certain retirement benefit payments in excess of actuarially required amounts are recognized as expenditures in governmental funds.

Net OPEB asset		1,703,583
Net pension asset		143,027

Internal service funds are used by the District to charge the costs of printing and risk management (medical, industrial, and unemployment compensation insurance) services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position balances at year-end are:

12,048,009

Long-term liabilities applicable to the District's governmental funds are not due and payable in the current period and therefore are not reported in the funds. All liabilities--both current and long-term--are reported in the statement of net position. These and related balances at year-end are:

Bonds payable	(181,355,000)	
Unamortized bond issuance premiums	(11,629,941)	
Accrued interest	(735,085)	
Compensated absences payable	(3,357,634)	
Early retirement compensation and insurance payable	(18,754,984)	
Net pension obligation - district retirement plan	(2,573,705)	
Net pension liability - state retirement plans	(203,188,730)	
Deferred outflows of resources related to pensions	30,455,766	
Deferred inflows of resources related to pensions	(19,014,287)	(410,153,600)

**Total net position of governmental activities \$ 278,445,201**

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

# GRANITE SCHOOL DISTRICT

## Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

Year Ended June 30, 2015

	Major Funds		Other	Total
	<i>General</i>	<i>Capital Projects</i>	Governmental Funds	Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 117,411,168	\$ 20,385,865	\$ 17,275,725	\$ 155,072,758
Incremental taxes	-	-	5,193,756	5,193,756
Earnings on investments	823,177	120,283	178,347	1,121,807
Other local	11,339,127	214,311	19,020,606	30,574,044
State	274,774,354	-	4,820,316	279,594,670
Federal	40,163,860	829,327	23,149,817	64,143,004
<b>Total revenues</b>	<b>444,511,686</b>	<b>21,549,786</b>	<b>69,638,567</b>	<b>535,700,039</b>
<b>Expenditures:</b>				
Current:				
Instructional services	308,217,928	-	11,753,041	319,970,969
Supporting services:				
Students	20,538,158	-	-	20,538,158
Instructional staff	15,431,611	-	-	15,431,611
District administration	3,394,556	-	-	3,394,556
School administration	29,877,428	-	-	29,877,428
Central	9,780,646	-	-	9,780,646
Operation and maintenance of facilities	54,752,894	-	-	54,752,894
Transportation	9,112,787	-	-	9,112,787
School lunch services	-	-	29,528,913	29,528,913
Community services	-	-	6,308,598	6,308,598
Debt service:				
Principal	-	-	8,330,000	8,330,000
Interest	-	-	8,604,651	8,604,651
Paying agent fees	-	-	2,500	2,500
Capital outlay	-	18,097,591	-	18,097,591
<b>Total expenditures</b>	<b>451,106,008</b>	<b>18,097,591</b>	<b>64,527,703</b>	<b>533,731,302</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(6,594,322)</b>	<b>3,452,195</b>	<b>5,110,864</b>	<b>1,968,737</b>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	-	4,501,810	-	4,501,810
Transfers in	9,470,268	-	937,753	10,408,021
Transfers (out)	(937,753)	-	-	(937,753)
<b>Total other financing sources (uses)</b>	<b>8,532,515</b>	<b>4,501,810</b>	<b>937,753</b>	<b>13,972,078</b>
<b>Net change in fund balances</b>	<b>1,938,193</b>	<b>7,954,005</b>	<b>6,048,617</b>	<b>15,940,815</b>
<b>Fund balances - beginning</b>	<b>92,546,902</b>	<b>10,990,985</b>	<b>22,921,962</b>	<b>126,459,849</b>
<b>Fund balances - ending</b>	<b>\$ 94,485,095</b>	<b>\$ 18,944,990</b>	<b>\$ 28,970,579</b>	<b>\$ 142,400,664</b>

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

# GRANITE SCHOOL DISTRICT

## Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended June 30, 2015

Net change in fund balances--total governmental funds \$ 15,940,815

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 with an initial, individual cost of more than \$5,000 for vehicles and equipment and \$100,000 for buildings and improvements and land improvements are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the current period:

Outlays for purchase of capital assets	\$ 12,066,651	
Gain on sale of capital assets	3,556,277	
Proceeds from sale of capital assets	(4,501,810)	
Depreciation expense	<u>(28,877,396)</u>	(17,756,278)

Some of the District's revenues will be collected after year-end, but are not available soon enough to pay for the current period's expenditures, and therefore are reported as deferred inflows of resources in the funds. The changes in unavailable revenue is:

Unavailable property tax revenue	(284,549)	
Unavailable federal interest subsidy	<u>447,318</u>	162,769

The actuarially required amount to be paid for certain retirement costs is recorded as an expense in the statement of activities whereas in governmental funds only the amount actually paid is recorded as an expenditure. Actual payments exceeded actuarially required amounts by:

119,762

The governmental funds report bond principal payments as expenditures, whereas these amounts are reductions in the bond liability in the statement of activities. The net changes in bond related long-term liabilities are:

Bond principal payments	8,330,000	
Amortization of bond issuance premium	917,465	
Interest expense	<u>34,007</u>	9,281,472

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.

Compensated absences expense	(243,958)	
Early retirement compensation and insurance expense	375,986	
District retirement expense	(154,964)	
Pension expense	<u>16,010,335</u>	15,987,399

Internal service funds are used by the District to charge the costs of printing and risk management (medical, industrial, and unemployment compensation insurance) services to individual funds. The internal service fund change in net position is reported with governmental activities.

(9,172,545)

**Change in net position of governmental activities \$ 14,563,394**

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

**GRANITE SCHOOL DISTRICT****Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual****General Fund**

Year Ended June 30, 2015

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues:</b>				
Property taxes	\$ 113,803,745	\$ 116,995,436	\$ 117,411,168	\$ 415,732
Earnings on investments	1,035,000	1,227,574	823,177	(404,397)
Other local	10,584,322	11,132,500	11,339,127	206,627
State	282,948,413	275,516,586	274,774,354	(742,232)
Federal	39,083,049	41,356,297	40,163,860	(1,192,437)
<b>Total revenues</b>	<b>447,454,529</b>	<b>446,228,393</b>	<b>444,511,686</b>	<b>(1,716,707)</b>
<b>Expenditures:</b>				
Current:				
Instructional services	315,822,094	310,565,727	308,217,928	2,347,799
Supporting services:				
Students	21,278,595	20,990,283	20,538,158	452,125
Instructional staff	15,867,382	16,279,741	15,431,611	848,130
District administration	3,500,331	3,437,499	3,394,556	42,943
School administration	29,968,138	30,316,726	29,877,428	439,298
Central	10,050,701	10,032,123	9,780,646	251,477
Operation and maintenance of facilities	56,845,831	55,673,342	54,752,894	920,448
Transportation	9,735,626	9,200,278	9,112,787	87,491
<b>Total expenditures</b>	<b>463,068,698</b>	<b>456,495,719</b>	<b>451,106,008</b>	<b>5,389,711</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(15,614,169)</b>	<b>(10,267,326)</b>	<b>(6,594,322)</b>	<b>3,673,004</b>
<b>Other financing (uses):</b>				
Transfers in	10,321,096	10,192,169	9,470,268	(721,901)
Transfers (out)	(1,713,917)	(1,673,272)	(937,753)	735,519
<b>Total other financing (uses)</b>	<b>8,607,179</b>	<b>8,518,897</b>	<b>8,532,515</b>	<b>13,618</b>
<b>Net change in fund balances</b>	<b>(7,006,990)</b>	<b>(1,748,429)</b>	<b>1,938,193</b>	<b>3,686,622</b>
<b>Fund balances - beginning</b>	<b>90,237,344</b>	<b>92,546,902</b>	<b>92,546,902</b>	<b>-</b>
<b>Fund balances - ending</b>	<b>\$ 83,230,354</b>	<b>\$ 90,798,473</b>	<b>\$ 94,485,095</b>	<b>\$ 3,686,622</b>

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



**GRANITE SCHOOL DISTRICT**  
**Statement of Fund Net Position - Proprietary Funds**  
June 30, 2015

	Governmental Activities - Internal Service Funds
<b>Assets:</b>	
Current assets:	
Cash and investments	\$ 25,003,565
Accounts receivable - other local	22,071
Prepaid items	6,786
Inventories	34,106
<b>Total current assets</b>	<b>25,066,528</b>
Noncurrent assets:	
Capital assets:	
Equipment	875,550
Accumulated depreciation	(603,474)
<b>Total noncurrent assets</b>	<b>272,076</b>
<b>Total assets</b>	<b>25,338,604</b>
<b>Liabilities:</b>	
Current liabilities:	
Accounts payable	7,660
Accrued salaries and related benefits	1,027
Due to other funds	266,510
Unearned revenue - local	691
Health and accident claims payable	11,669,645
Dental claims payable	216,745
Workers compensation claims payable	1,060,936
Unemployment claims payable	45,729
<b>Total current liabilities</b>	<b>13,268,943</b>
Noncurrent liabilities:	
Workers compensation payable	21,652
<b>Total liabilities</b>	<b>13,290,595</b>
<b>Net position:</b>	
Investment in capital assets	272,076
Unrestricted	11,775,933
<b>Total net position</b>	<b>\$ 12,048,009</b>

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

**GRANITE SCHOOL DISTRICT****Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds**

Year Ended June 30, 2015

	Governmental Activities - Internal Service Funds
<b>Operating revenues:</b>	
Charges for services	\$ 64,705,795
<b>Operating expenses:</b>	
Salaries	444,294
Employee benefits	209,004
Medical and prescription claims	56,147,442
Dental claims	1,582,759
Medical administrative fees	2,624,249
ACA fees	725,760
Medical reinsurance premiums	849,872
Workers compensation claims	1,301,208
Unemployment claims	79,225
Purchased services	246,141
Supplies and materials	119,279
Depreciation	78,514
Other	325
Total operating expenses	64,408,072
Operating income before transfers	297,723
Transfers (out)	(9,470,268)
Change in net position	(9,172,545)
Net position - beginning	21,220,554
Net position - ending	\$ 12,048,009

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

**GRANITE SCHOOL DISTRICT**  
**Statement of Fund Cash Flows - Proprietary Funds**  
Year Ended June 30, 2015

	Governmental Activities - Internal Service Funds
<b>Cash flows from operating activities:</b>	
Receipts from interfund services provided	\$ 64,704,760
Receipts of assessments to other funds	130,758
Payments to employees	(653,116)
Payments to suppliers for goods and services	(369,295)
Payments for medical fees and insurance claims	(60,400,182)
Net cash provided by operating activities	3,412,925
<b>Cash flows from noncapital financing activities:</b>	
Transfers (out) to other funds	(9,470,268)
<b>Cash flows from capital and related financing activities:</b>	
Purchase of capital assets	(268,512)
Net change in cash and cash equivalents	(6,325,855)
<b>Cash and cash equivalents - beginning</b>	31,329,420
<b>Cash and cash equivalents - ending*</b>	\$ 25,003,565

\* Displayed as cash and investments on the statement of fund net position - proprietary funds.

Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 297,723
Adjustments to reconcile operating income to net cash provided by operating activities:	
Non cash item - depreciation	78,514
(Increase) decrease in operating assets:	
Accounts receivable - other local	(1,726)
Inventories	2,288
Prepaid items	182
Increase (decrease) in operating liabilities:	
Accounts payable	(6,020)
Due to other funds	130,758
Unearned revenue - local	691
Accrued salaries and related benefits	182
Health and accident insurance payable	2,635,195
Dental insurance payable	216,745
Workers compensation payable	44,798
Unemployment insurance payable	13,595
Total adjustments	3,115,202
Net cash provided by operating activities	\$ 3,412,925
Noncash investing, capital, and financing activities:	none

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

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Granite School District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental 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.

#### A) Reporting Entity

The District is a legally separate, fiscally independent government entity of the State of Utah with its own elected governing body. As required by GAAP, these financial statements present all the fund types of the District and a blended component unit for which the District is considered to be financially accountable. The blended component unit, although legally separate, is in substance, part of the District's operations. The District is not a component unit of any other government.

The Board of Education (the Board) is the governing authority for the District, and is comprised of seven members elected by the qualified voters who reside within the boundaries serviced by the District. Each member serves for four years and is elected from the precinct in which the member resides. 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/treasurer with responsibilities for fiscal activities. In addition, the Board is authorized to issue bonds, incur short-term debt, and levy property taxes. All funds, including financial activity over which the Board has governance, are included in the financial statements.

**Blended Component Unit.** The Granite Education Foundation (the Foundation) is a legally separate nonprofit organization classified as tax-exempt under IRS regulations that raises funds and secures donations that exclusively benefit the District by providing additional funding for educational related purposes within the District. The Foundation is governed by a board comprised of 35 members, eight of whom are designated as executive members. The Foundation's board appoints all members. Certain Foundation board members are employees or administrators of the District. Most of the Foundation's administrative costs are paid for by the District through an interfund transfer. The Foundation is presented as a nonmajor special revenue fund included in the other governmental funds of the District and does not issue a separate set of financial statements.

#### B) Government-Wide and Fund Financial Statements

Government-wide and fund financial statements are presented separately; however, they are interrelated. The governmental activities column on the Statement of Activities incorporates data from governmental funds and internal service funds. Separate financial statements are provided for the District's governmental funds and proprietary funds.

The government-wide financial statements (i.e., the statement of net position and statement of changes in net position) report on all of the activities of the District and the Foundation. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule occur only when the elimination of such activity would distort the expenses and revenues reported by function. The statement of activities demonstrates the degree to which the direct expense of a given function is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues. Restrictions imposed on a portion of the District's net position by binding laws and regulations of other entities are reported as restricted net position and are net of any related liabilities.

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

financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

### C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*, as are the proprietary fund financial statements. 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 revenue as soon as all eligibility requirements imposed by the provider have been met. All significant receivable balances at June 30, 2015 are expected to be collected.

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 in the current period. For this purpose, the District considers revenues as available if they are collected within 30 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, early retirement, pension benefits, and early retirement healthcare benefits are recognized to the extent they have matured (when payment is due). General capital asset acquisitions are reported as expenditures in governmental funds.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual because of legal and other requirements and so have been recognized as revenues of the current fiscal period. Revenue is recognized for expenditure-driven grants when the terms of the grant are met. Any prepayments for such grants are shown as unearned revenue. All other revenue items are considered to be measurable and available only when cash is received by the District.

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 District, except those required to be accounted for in another fund.
- The *Capital Projects 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 students within the District.

Additionally, the District reports the following fund types:

- The District has two internal service funds (proprietary funds). 1) The *Printing Services Fund* is used to account for the revenues and expenses associated with providing printing services by the District's printing services department to schools and other departments of the District on a cost-reimbursement basis. 2) The *Employee Benefits Self-Insurance Fund* is used to account for the costs of the District's self-insured plans for medical insurance, industrial insurance, and unemployment compensation. Annual premiums are charged to the other funds based upon total projected expenses. Benefit payments and administrative fee payments are made to third-party administrators who approve and process all claims. Operating revenue in these two funds consists of direct charges for services provided. Operating expenses in these two funds consist of the cost of providing services, administrative expenses, and depreciation on capital assets. Nonoperating revenues would be those not directly related to services provided.

### D) Budget Policies and Procedures

Budgets are presented on the modified accrual basis of accounting for all governmental funds. Budgets are legally required and have been adopted for each governmental fund. Budgets are also adopted for the internal service funds; budgets for the internal service funds are presented on the accrual basis of accounting. Unencumbered

annual appropriations lapse at fiscal year end with the exception of contractual obligations. The laws of the state govern budget policies. The District's budget procedures are in accordance with those laws and are summarized as follows:

- 1) Prior to June 1 each year, the District superintendent submits to the Board a proposed operating budget for the fiscal year commencing July 1st. This budget includes proposed expenditures and the means of financing them. Included also is a final budget for the year ended June 30, 2015.
- 2) Copies of the proposed budget are made available for public inspection for a period of at least 15 days.
- 3) A public hearing is held prior to June 22 in which the budget is legally adopted by resolution of the Board after obtaining taxpayer input.
- 4) Once adopted, the budget can be amended by subsequent Board action. The Board, upon recommendation of the Superintendent, can approve reductions in appropriations, but increased appropriations by fund require a public hearing prior to amending the budget. Management may make interim transfers from one appropriation to another within any given fund. All such interim transfers made by management are reviewed and approved by the Board. All interim transfers made in the year ended June 30, 2015 were approved by the Board on or before June 22, 2015.
- 5) Minor interim adjustments in estimated revenue and appropriations during the fiscal year have been included in the fiscal budget approved by the Board, as presented in the financial statements.
- 6) Expenditures may not legally exceed budgeted appropriations at the fund level, which is the level at which the Board must approve any over expenditures of appropriations or transfers of appropriated amounts. Because of this, the budget of the District is usually amended once each year, when the Board also takes action on the new fiscal year budget. The amendments made to the budget for the year ended June 30, 2015 are not considered significant.

**E) Deposits and Investments**

The District's investments in the Utah Public Treasurers' Investment Fund or PTIF (an external investment pool) are valued at fair value (based on the corresponding liability to pool participants). The reported value of the pool is the same as the value of the pool shares. See Note 2 for further information regarding cash and investments.

**F) Inventories**

Inventories consist of various school supplies, custodial and maintenance supplies, house projects constructed by students, and various food items. Inventories are valued at cost or, if donated, at acquisition value when received, using the average cost method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Accordingly, a portion of fund balance is reported as nonspendable in each fund equal to the carrying value of inventory in that fund. Donated food commodities are reported in the governmental funds as revenue when received.

**G) Prepaid Items**

Prepaid items are accounted for in the government-wide and fund financial statements and consist of textbooks and various school supplies that will be utilized in future periods and reported as expenses/expenditures when consumed.

**H) Capital Assets**

Capital assets include both depreciable and nondepreciable assets and are reported in the government-wide financial statements and the internal service funds. Nondepreciable assets include land, water stock, and current construction in progress. Depreciable assets include buildings and improvements, certain land improvements, vehicles, and equipment. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for land, vehicles, and equipment and \$100,000 for buildings and improvements and land improvements. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated acquisition value at

the date of donation. The cost of normal maintenance or repairs that do not add to the value of the asset or materially extend asset lives is not capitalized.

Buildings and improvements, land improvements, vehicles, and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

Capital Assets	Years
Buildings	40
Building and improvements	10
Buses and vehicles	10
Playground equipment and furniture	10
Computer equipment	5

### I) Net Position/Fund Balances

The residual of all other elements presented in a statement of net position is *net position* on the government-wide and proprietary fund financial statements and the residual of all other elements presented in a balance sheet on the governmental fund financial statements is *fund balance*.

Net position is divided into three components: net investment in capital assets (capital assets net of related debt 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 and prepaid items 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 included the following:

- 1) Unspent tax revenues levied for specific purposes, such as capital projects and debt service.
- 2) Remaining fund balances in the school lunch fund.
- 3) Donations held in the Granite School District Education Foundation Fund.

The District itself can establish limitations on the use of spendable, unrestricted resources through either a commitment (committed fund balance) or an assignment (assigned fund balance) as follows:

**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 (or 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 in the General Fund to the following purposes:

- 1) Economic stabilization. As defined by Utah law, an "undistributed reserve" up to five percent of the general fund budgeted expenditures may be maintained by the District. The commitment is not to be used "in the



negotiation or settlement of contract salaries for school district employees.” The reserve requires a written resolution adopted by a majority vote of the Board of Education which is filed with the Utah State Board of Education and the Utah State Auditor. These resources may be used to cover potential state budget cuts, disasters, immediate capital needs, and other significant events that are circumstances or conditions that signal the need for stabilization.

- 2) Employee benefit obligations include net OPEB and pension obligations and unpaid compensated absences.

- 3) Contractual obligations made by the District before June 30, 2015 that will be completed after that date.

The District's Board of Education has also committed resources in other governmental funds to District activity programs and the Foundation.

**Assigned.** This category includes general fund balance amounts that the District intends to use for a specific purpose but they are neither restricted nor committed. The authority to assign fund balance is given to the Superintendent as the budget officer of the District (*Utah Code* 53A-19-101) and the Business Administrator per Board Policy (*Fiscal Policy Manual* 1.C.3.). The District has assigned *General Fund* resources that are to be used for self insurance, employee benefits, and planned projects.

**Unassigned.** Residual balances in the *General Fund* are classified as unassigned.

### J) Net Position/Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report in each category of net position and fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider net position to have been depleted before unrestricted net position. It is the District's 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.

### K) Compensated Absences

Full-time, twelve-month employees earn varying amounts of vacation and sick leave according to salary classification and years of employment. Vacation leave accrues at between 10 to 20 days per year. The unused balance carries forward up to a maximum of one and one half times the annual vacation accrual. Accrued unused vacation days are paid in full at termination or retirement at the then current pay rate. Sick leave accrues at up to 13.2 sick days per year with no maximum imposed on the unused sick leave balance. Only classified and secretarial employees are paid for accrued unused sick days. Classified employees are paid 30% of the balance of their unused sick days at the then current pay rate only upon retirement. Secretaries, having a minimum of five full consecutive years of service, are entitled to a payment of 30% of the balance of their unused sick days at the then current pay rate either upon retirement or termination. All other employees are not paid for unused sick days.

Compensated absence obligations plus related payroll taxes are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if matured, for example, as a result of employee resignations and retirements. The District has committed resources in the General Fund to meet this obligation. Compensated absences are typically liquidated by the General Fund.

### L) 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 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.

### M) Deferred Outflows / Inflows of Resources

In addition to assets, 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 has the following sources 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(s) arise only under a modified accrual basis of accounting and are reported in the governmental funds balance sheet; these items are 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 sources are 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.

### N) Statement of Cash Flows and Supplemental Cash Flows Information

For the purpose of the statement of fund cash flows, the proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Investments in the PTIF are also considered cash equivalents.

## NOTE 2 - DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2015, as shown on the financial statements is summarized as follows:

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

Carrying amount of deposits	\$ 8,252,996
Carrying amount of investments	188,523,289
Total cash and investments	<u>\$ 196,776,285</u>
Governmental funds cash and investments	\$ 171,772,720
Internal service funds cash and investments	25,003,565
Statement of net assets cash and investments	<u>\$ 196,776,285</u>

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

The 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. 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 actions of the Council to be helpful oversight for protection of its uninsured bank deposits.

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

All of the District's investments are with the PTIF. The Foundation has deposits separate from the District and invests private funds through a broker. The Foundation's deposits and investments comprise a significant portion of the other governmental funds and those deposits and investments bear risks that differ from those of the District. Accordingly, the Foundation's deposits and investments are reported separately in the following schedules:

## A) Deposits:

At June 30, 2015, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Granite School District	\$ 8,001,878	\$ 14,524,916	\$ 657,768
Granite Education Foundation	251,118	265,891	265,891
Total deposits	<u>\$ 8,252,996</u>	<u>\$ 14,790,807</u>	<u>\$ 923,659</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, \$13,867,148 of the District's bank deposits were uninsured and uncollateralized.

## B) Investments:

At June 30, 2015, the District and the Foundation have the following investments summarized by investment type and maturities:

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

Investment Type	Fair Value	Investment Maturity (in Years)			
		< 1	1-5	5-10	> 10
Granite School District:					
Utah Public Treasurers'					
Investment Fund (PTIF)	\$ 186,121,381	\$ 186,121,381	\$ -	\$ -	\$ -
Granite Education Foundation, a special revenue fund:					
Mutual funds investing in:					
Money market deposits	40,420	40,420	-	-	-
Bonds	500,337	-	-	500,337	-
U.S. common stocks	640,850	640,850	-	-	-
Int'l common stocks	1,220,301	1,220,301	-	-	-
Total Foundation	2,401,908	1,901,571	-	500,337	-
Total investments	\$ 188,523,289	\$ 188,022,952	\$ -	\$ 500,337	\$ -

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy regarding interest rate risk but manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments to not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years.

The Foundation can invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal investment policy regarding credit risks but manages its exposure to credit risk by complying with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service or by Standard & Poor's.

The District's and Foundation's investments are not rated.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District does not have a formal investment policy for concentration of credit risks but manages this risk by complying with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5% of the District's total portfolio with a single issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than 5% of all funds are invested in any one issuer and no more than 25% of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than 75% may be invested in equity securities and no more than 5% in collateralized mortgage obligations.

**Custodial Credit Risk.** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District does not have a formal investment policy for custodial credit risk but manages this risk by complying with the Act and related rules. The Act requires the Foundation's public treasurer to have custody of all securities purchased or held or deposit these securities with a bank or trust company to be held in

# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

safekeeping by that custodian. The Foundation's investments at brokerage accounts are covered by Securities Investor Protection Corporation up to \$500,000.

### NOTE 3 – PROPERTY TAXES

The Salt Lake County treasurer acts as agent for the District in collecting and distributing property tax revenues. 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 valuation by May 15. By July 21, the county treasurer mails property tax notices to the owners. Between August 1 and August 15, a property owner may petition the county board of equalization for an adjustment. The county auditor approves all changes by November 1, at which date, the completed assessments are to be delivered to the county treasurer. Property tax notices with a due date of November 30 are mailed to property owners. Delinquent taxes are subject to a 2.5% penalty, with a minimum of ten dollars. If the taxes are not paid by January 31 of the following year, they are subject to an interest charge. The interest accrues from January 1st. If taxes remain delinquent by May of the fifth year, the county will advertise and sell the property at a tax sale. As of June 30, 2015, the District reported the following property tax balances:

	Major Funds		Other	
	General	Capital Projects	Governmental Funds	Total
Property taxes - receivable:				
Levied for current and prior years:				
Collected in July 2015	\$ 1,191,575	\$ 219,618	\$ 138,344	\$ 1,549,537
Delinquent	2,395,243	441,464	401,256	3,237,963
Levied for future year	120,376,959	22,186,510	20,332,467	162,895,936
Prepayments of future year	(1,296,004)	(238,865)	(150,468)	(1,685,337)
	<u>\$ 122,667,773</u>	<u>\$ 22,608,727</u>	<u>\$ 20,721,599</u>	<u>\$ 165,998,099</u>
Property taxes - deferred inflows of resources:				
Levied for current and prior years:				
Unavailable (delinquent)	\$ 2,395,243	\$ 441,464	\$ 401,256	\$ 3,237,963
Levied for future year	120,376,958	22,186,510	20,332,467	162,895,935
	<u>\$ 122,772,201</u>	<u>\$ 22,627,974</u>	<u>\$ 20,733,723</u>	<u>\$ 166,133,898</u>

### NOTE 4 - FEDERAL AND STATE GOVERNMENTAL ASSISTANCE

The District receives significant 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 auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable fund. Based on prior experience, the District administration believes such disallowance, if any, would be insignificant.

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

## NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated				
Land	\$ 35,238,851	\$ 3,396,173	\$ (904,817)	\$ 37,730,207
Construction in progress	212,156,732	5,272,027	(119,916,206)	97,512,553
Water stock	33,221	-	-	33,221
Total capital assets, not being depreciated	247,428,804	8,668,200	(120,821,023)	135,275,981
Capital assets, being depreciated:				
Buildings and improvements	568,889,983	119,797,539	(591,077)	688,096,445
Land improvements	39,627,894	118,667	-	39,746,561
Vehicles	24,901,523	970,741	(822,098)	25,050,166
Furniture and equipment	37,835,356	2,696,222	(933,838)	39,597,740
Total capital assets, being depreciated	671,254,756	123,583,169	(2,347,013)	792,490,912
Accumulated depreciation for:				
Buildings and improvements	(302,490,828)	(22,484,808)	591,077	(324,384,559)
Land improvements	(23,234,421)	(2,234,482)	-	(25,468,903)
Vehicles	(18,262,709)	(1,396,126)	822,098	(18,836,737)
Furniture and equipment	(28,313,562)	(2,840,494)	893,122	(30,260,934)
Total accumulated depreciation	(372,301,520)	(28,955,910)	2,306,297	(398,951,133)
Total capital assets, being depreciated, net	298,953,236	94,627,259	(40,716)	393,539,779
Governmental activity capital assets, net	<u>\$ 546,382,040</u>	<u>\$ 103,295,459</u>	<u>\$ (120,861,739)</u>	<u>\$ 528,815,760</u>

Depreciation expense for governmental activities was charged to functions of the District as follows:

<b>Governmental activities:</b>	
Instructional services	\$ 20,799,470
Supporting services:	
Students	247,193
Instructional staff	5,200
District administration	-
School administration	836,699
Business	477,396
Operation and maintenance of facilities	4,025,894
Transportation	802,772
School lunch services	1,680,122
Community services	2,650
Capital assets held by the District's internal service funds are charged to the various functions based on their usage of the assets	78,514
Total depreciation expense, governmental activities	<u>\$ 28,955,910</u>

# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

At June 30, 2015 the District was involved with several long-term construction and remodeling projects summarized as follows:

Project	Expected Cost	Cost to Date	Cost to Complete
Rebuild of Granger High School	\$ 69,416,717	\$ 69,400,806	\$ 15,911
Air Conditioning Upgrade of Hunter High School	3,363,944	3,361,744	2,200
Air Conditioning Upgrade of Kearns High School	6,386,057	6,385,359	698
Remodel of Stansbury Elementary School	10,104,368	9,914,213	190,155
All other	12,477,161	8,450,431	4,026,730
Total	\$ 101,748,247	\$ 97,512,553	\$ 4,235,694

The remaining costs to complete the capital asset projects will be funded from resources restricted for capital projects in the Capital Projects Fund and property tax proceeds levied specifically for such purposes.

### NOTE 6 – RISK MANAGEMENT

The District maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$10 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 actual value less a deductible; other liability is limited to the lesser of \$10 million or the statutory limit. The Fund obtains independent coverage for insured events, up to \$25 million per location. The Fund is a pooled arrangement where the participants pay experienced rated annual premiums, which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The District's annual premium is accounted for in the General Fund. The pool reinsures excess losses to preserve the capital base. During the year ended June 30, 2015, there were no significant reductions in coverage. Insurance settlements have not exceeded coverage for the past three years.

### NOTE 7 – 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 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:

# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

Beginning net position, as previously stated	\$ 471,496,366
Net pension asset	40,788
Net pension liability	(232,295,909)
Deferred outflows of resources related to pensions	24,640,562
Beginning net position, as restated	<u>\$ 263,881,807</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.

The District's unrestricted net position at June 30, 2015 is a deficit balance of \$88.8 million. This balance includes the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by the URS as described in Note 8 to the basic financial statements. The existence of an unrestricted net position deficit indicates the District's overall economic net position, but it does not necessarily reflect positively or negatively on the District's ability to meet its obligations as they come due.

### NOTE 8 – 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)
- Public Employees Contributory Retirement System (Tier 1 Contributory 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](http://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 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



# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

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 22.70%. 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	\$ 48,756,845	\$ -
Tier 1 Contributory System	652,137	39,484
Tier 2 Contributory System	1,947,203	-
401(k) Plan	3,816,946	4,733,004
457 Plan and other individual plans	-	545,305

### 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 \$143,027 and a net pension liability of \$203,188,730. 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	8.0401108%	\$ -	\$ 202,010,089
Tier 1 Contributory System	10.7492708%	-	1,178,641
Tier 2 Contributory System	4.7196557%	143,027	-
Total		<u>\$ 143,027</u>	<u>\$ 203,188,730</u>

For the year ended December 31, 2014, the District recognized pension expense of \$37,805,682 for the defined benefit pension plans and of \$3,816,946 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:



# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 12,247,631
Changes of assumptions	-	6,766,656
Net difference between projected and actual earnings on pension plan investments	3,761,329	-
District contributions subsequent to the measurement date	26,694,437	-
Total	<u>\$ 30,455,766</u>	<u>\$ 19,014,287</u>

The \$26,694,437 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	\$ (3,944,232)
2017	(3,944,232)
2018	(3,944,232)
2019	(3,263,896)
2020	(25,019)
Thereafter	(131,347)

**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% - 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.

# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

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	Target Allocation	Expected Return Arithmetic Basis	
		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:

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension (asset) liability	\$ 413,412,138	\$ 203,045,703	\$ 26,890,607

**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 \$7,697,198 for contributions to defined benefit pension plans and \$206,236 for contributions to defined contribution plans.

## NOTE 9 – DISTRICT RETIREMENT PLAN

**Plan Description.** In addition to the State Retirement Plans, the Board of Education of the District, offers and administers under its own authority a single-employer retirement plan which provides a retirement benefit stipend whereby any employee would qualify if they retire under the guidelines of the URS and if they have been employed by the District for ten years. The benefit is equal to the employee's final base salary multiplied by the number of years employed and then multiplied by 0.5%. The Plan does not issue a publically available financial report.

**Funding Policy.** The retirement plan is funded by the *General Fund*. As of July 1, 2015, the most recent actuarial valuation date, the net pension obligation is \$2,573,705 and is recorded as a long-term liability on the Statement of Net Position (see Note 13 for long-term liabilities). The actuarial accrued liability (AAL) of \$14,821,176 is unfunded. However, the District has established resources for the AAL by committing fund balance in the *General Fund*. The covered payroll (annual payroll of active employees covered by the Plan) was \$243,458,199 and the ratio of the unfunded actuarial accrued liability (UAAL) to the covered payroll was 6.1%. The District contributed \$1,608,368 to the plan for the year ended June 30, 2015.

**Annual Pension Cost and Net Pension Obligation.** The District's annual pension benefit cost is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize the unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual pension cost for the year, the amount actually contributed to the Plan, and change in the District's net pension obligation of the Plan:

Normal cost	\$ 823,168
Amortization of UAAL	1,015,822
Annual required contribution (ARC)	1,838,990
Interest on net pension obligation	96,750
Adjustment to ARC	(172,408)
Annual pension cost	1,763,332
Contributions made	(1,608,368)
Change in net pension obligation	154,964
Net pension obligation - at July 1, 2014	2,418,741
Net pension obligation - at July 1, 2015	\$ 2,573,705

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

**Actuarial Methods and Assumptions.** Projections of the retirement benefit for financial reporting are based on a substantive agreement between the District and its eligible employees. The actuarial methods and assumptions used included techniques that are designed to reduce short-term volatility in the actuarial accrued liability, consistent with the long-term perspective of the calculations. In the July 1, 2015 actuarial valuation (the latest valuation), the actuarial cost method was projected unit credit using full accrual at full eligibility. An interest rate and investment return of 4% was used. The inflation rate was assumed to be 2.5%. The unfunded actuarial accrued liability was amortized over a 30-year closed period with 22 years remaining on July 1, 2015. Total salary increases were based on years of service and ranged from 14.50% for employees just beginning their service to 4.25% for employees with 15 or more years of service. Demographic and other assumptions included: 1) mortality rates based on sex-distinct RP-2000 Mortality Tables along with sex-distinct RP-2000 AA Generational Projection Scales, 2) retirement rates based on the 2010 actuarial valuation of the Utah Retirement System pension plan, 3) termination rates by age, gender, and years of service based on the 2010 actuarial valuation of the Utah Retirement System pension plan, and 4) the District's salary schedules.

Three-Year Trend Information			
Actuarial Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
7/1/2013	\$ 1,761,770	79.4%	\$ 2,556,256
7/1/2014	1,787,951	107.7%	2,418,741
7/1/2015	1,763,332	91.2%	2,573,705

## NOTE 10 - LONG-TERM DISABILITY BENEFIT PLAN (POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS)

**Plan Description.** The District administers a single-employer defined benefit plan (the Plan) for former employees. The District is the only employer participating and contributing to the Plan. The Plan does not issue a publicly available financial report.

The Plan offers long-term disability awards in the form of medical insurance to former employees who were deemed disabled while employed by the District. The District's disability carrier determines if employees are qualified for the benefits. The Plan is operating under two programs both funded by the *General Fund*: a pre January 1, 2005 program and a post January 1, 2005 program. Under the pre January 1, 2005 program, former employees are awarded medical insurance from the time their disability occurred until they turn 65. There are currently 23 former employees in this program. Under the post January 1, 2005 program, employees are given medical insurance for 24 months from the time of their disability occurrence. There are currently 30 former employees being covered by this program and 4,858 active employees who are eligible to receive benefits should they become disabled.

**Funding Policy.** The District contributes the full cost of the current-year premiums for eligible retirees. The contribution is based on pay-as-you-go financing (that is, no plan assets are being accumulated). District contributions to the Plan (or payments for current healthcare premiums to Plan members) totaled \$873,796 for the year ended June 30, 2015.

**Annual OPEB Cost and Net OPEB Asset.** The District's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize the unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's net OPEB (asset) of the Plan:

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

	Pre 1/1/2005 LTD Program	Post 1/1/2005 LTD Program	Total Plan
Normal cost	\$ -	\$ 381,891	\$ 381,891
Amortization of UAAL	66,071	256,530	322,601
Annual required contribution (ARC)	66,071	638,421	704,492
Interest on (from) net OPEB (asset)	(46,607)	(16,746)	(63,353)
Adjustment to ARC	83,053	29,842	112,895
Annual OPEB cost (AOC)	102,517	651,517	754,034
Contributions made	(171,618)	(702,178)	(873,796)
Change in net OPEB (asset)	(69,101)	(50,661)	(119,762)
Net OPEB (asset) - at July 1, 2014	(1,165,164)	(418,657)	(1,583,821)
Net OPEB (asset) - at July 1, 2015	<u>\$ (1,234,265)</u>	<u>\$ (469,318)</u>	<u>\$ (1,703,583)</u>

The District's percentage of annual OPEB cost contributed to the Plan was 115.9% for the year ended June 30, 2015.

**Funded Status and Funding Progress.** As of July 1, 2015, the most recent actuarial valuation date, the net OPEB asset for the pre January 1, 2005 benefits was \$1,234,265 and the net OPEB asset for the post January 1, 2005 benefits was \$469,318. Combined, the LTD plans report a net OPEB asset of \$1,703,583.

The actuarial accrued liability (AAL) of \$4,706,839 is unfunded. However, the District has established resources for the AAL by committing fund balance in the *General Fund*. The covered payroll (annual payroll of active employees covered by the Plan) was \$243,458,199 and the ratio of the overfunded UAAL to the covered payroll was 1.9%.

The projected benefit payments for an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions.** Projections of the long-term disability benefit for financial reporting purposes are based on a substantive agreement between the District and its eligible employees. The actuarial methods and assumptions used included techniques that are designed to reduce short-term volatility in the actuarial accrued liability, consistent with the long-term perspective of the calculations. In the July 1, 2015 actuarial valuation (the latest valuation), the actuarial cost method was projected unit credit using full accrual at full eligibility age. The following economic assumptions were used; 1) an interest rate of 4%, 2) an inflation rate of 2.50%, and 3) an annual healthcare cost trend rate for Pre-65 of 6.1% initially, reduced by decrements to an ultimate rate of 5.6% for 2017 grading to 4.6% beginning in 2089. The unfunded actuarial accrued liability is amortized over a 30-year closed period with 21 years remaining on July 1, 2015. Demographic and other assumptions included: 1) mortality rates based on sex-distinct RP-2000 Mortality Tables along with sex-distinct RP-2000 AA projected to 2010, 2) cost claim assumptions based on current premiums by age and gender, 3) retirement rates based on the 2010 actuarial valuation of the Utah Retirement System pension plan, 4) termination rates by age, gender, and years of service based on the 2010 actuarial valuation of the Utah Retirement System pension plan, and 5) disability rates by age based on the 1987 Group Long Term Disability (GLTD) Table published by the National Association of Insurance Commissioners.

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

Three-Year Trend Information			
Actuarial Date	Annual OPEB Cost (AOC)	Percentage of AOC Contributed	Net OPEB Asset
7/1/2013	\$ 586,120	116.7%	\$ 962,548
7/1/2014	809,633	175.4%	1,583,821
7/1/2015	754,034	115.8%	1,703,583

## NOTE 11 – EARLY RETIREMENT INCENTIVE PROGRAM AND OTHER TERMINATION BENEFITS

**Plan Description.** In addition to the state and district retirement plans, the District provides an "Early Retirement Incentive Program" as a termination benefit. Eligibility is restricted to those administrators and teachers with a minimum of ten years in the District who have reached age 60 (except teachers under age 60 who retire under provisions of the Utah State Retirement and Insurance Benefit Act.) Those qualifying under this program may receive benefits as outlined for up to five consecutive years or until age 65, whichever comes first. The District's direct payments to retired employees under this plan for the years ended June 30, 2015 and 2014 were \$6,160,259 and \$6,249,925, respectively. The participants entering the program subsequent to 1991 pay a nominal fee. During the year ended June 30, 2015, 521 former employees were included in the program. The District's estimated cost of claim payments for the year ended June 30, 2015 cannot be reasonably estimated because the insurance carrier has not disclosed the information. The District's liability for future early retirement benefits is \$5,002,105 and medical and life insurance costs will be \$13,752,879 for a total liability of \$18,754,984. Resources in the General Fund have been committed to meet this obligation. See Note 13 for long-term liabilities.

**Calculation Methods.** Projections of the retirement benefit for financial reporting are based on a substantive agreement between the District and its eligible employees. The projections include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the District and eligible employees to that point. The following economic assumptions were used; 1) an interest rate of 4%, 2) an inflation rate of 2.50%, 3) an annual healthcare cost trend rate for Pre-65 of 6.8% initially, reduced by decrements to an ultimate rate of 5.8% for 2018 grading to 4.6% beginning in 2098, and 4) an annual healthcare cost trend rate for Post-65 of 4.5% initially, reduced by decrements to an ultimate rate of 5.1% for 2018 grading to 4.7% beginning in 2096 (the healthcare cost trend rates include additional costs due to eventual Federal Excise "Cadillac" Tax). The unfunded actuarial accrued liability is amortized over a 30-year closed period with 21 years remaining on July 1, 2015. Demographic and other assumptions included: 1) mortality rates based on sex-distinct RP-2000 Mortality Tables along with sex-distinct RP-2000 AA Generational Projection Scales, 2) retirement rates based on the 2010 actuarial valuation of the Utah Retirement System pension plan, and 3) claim costs assumptions based on current premiums and census data by age and gender. The projections do not include any termination liability for COBRA not included nor individual severance benefits. The method used to calculate the projections was the projected unit credit, using full accrual at full eligibility age.

## NOTE 12 – SELF-INSURANCE LIABILITIES (MEDICAL, DENTAL, UNEMPLOYMENT, AND WORKER'S COMPENSATION)

The District is self-insured for employee medical and life insurance, unemployment compensation, and worker's compensation, which are reported in the *Self Insurance Fund*, an internal service fund.

### A) Self-Insured Medical Insurance Plan:

Benefit payments plus an administrative charge are made to a third-party administrator who approves and processes all claims. A liability of \$11,669,645 was recorded at June 30, 2015 for claims outstanding at year-end and includes claims made by full-time employees and by employees who work less than twelve months but are covered by the District's policy during July and August. The district medical insurance plan has a December year-end and has a stop-loss provision of \$350,000 per claim. Included in this liability are claims that have been estimated by the District

# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

as being incurred but not reported (IBNR) in the amount of \$4,531,165 and \$263,139 for the years ended June 30, 2015 and 2014, respectively. Changes in the balances of claims liabilities during the years ended June 30, 2015 and 2014 are as follows:

	2015	2014
Unpaid claims - beginning of year	\$ 9,034,450	\$ 8,819,176
Incurred claims (including IBNRs)	58,782,637	46,380,179
Medical claims payments	(56,147,442)	(46,164,905)
Unpaid claims - end of year	<u>\$ 11,669,645</u>	<u>\$ 9,034,450</u>

### B) Self-Insured Dental Insurance Plan:

The district dental insurance plan is a voluntary copay plan that is fully funded by covered employees. Benefit payments plus an administrative charge are made to a third-party claims administrator who approves and processes all claims. A liability of \$216,745 was recorded at June 30, 2015 for claims outstanding at year-end and includes claims made by full-time employees and by employees who work less than twelve months but are covered by the District's policy during July and August. The district dental insurance plan has a December year-end. Included in this liability are claims that have been estimated by the District as being incurred but not reported (IBNR) in the amount of \$6,313 for the year ended June 30, 2015. The change in the balance of claims liabilities during the year ended June 30, 2015 is as follows:

	2015
Unpaid claims - beginning of year	\$ -
Incurred claims (including IBNRs)	1,799,504
Dental claims payments	(1,582,759)
Unpaid claims - end of year	<u>\$ 216,745</u>

### C) Self-Insured Unemployment Compensation Plan:

Benefit payments plus an administrative charge are made to the Utah Department of Workforce Services who approves and processes all claims. A liability of \$45,729 was recorded at June 30, 2015 for claims outstanding at year-end. Included in this liability is an estimate by a separate third-party administrator for future claims, incurred during 2015, but which have not been billed as of year-end. Changes in the balances of claims liabilities during the years ended June 30, 2015 and 2014 are as follows:

	2015	2014
Unpaid claims - beginning of year	\$ 32,134	\$ 51,198
Incurred claims (including estimate)	92,820	64,729
Unemployment claims payments	(79,225)	(83,793)
Unpaid claims - end of year	<u>\$ 45,729</u>	<u>\$ 32,134</u>

### D) Self-Insured Worker's Compensation Plan:

Benefit payments plus an administrative charge are made to a third-party administrator who approves and processes all claims. A liability of \$1,082,588 was recorded at June 30, 2015 for claims outstanding at year-end with \$1,060,936 representing the current portion of the liability. The plan has a stop-loss provision of \$350,000 per claim. Included in this liability is an estimate by the District's third-party administrator of outstanding claims that have not been billed. Changes in the balances of claims liabilities during the years ended June 30, 2015 and 2014 are as follows:



# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

	2015	2014
Unpaid claims - beginning of year	\$ 1,037,791	\$ 756,041
Incurred claims (including estimate)	1,346,005	1,683,104
Workers compensation claims payments	(1,301,208)	(1,401,354)
Unpaid claims - end of year	<u>\$ 1,082,588</u>	<u>\$ 1,037,791</u>

## NOTE 13 - LONG-TERM LIABILITIES

The following is a summary of general long-term liability activity for the year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Payments	Balance at June 30, 2015	Due within One Year
Bonds payable	\$ 189,685,000	\$ -	\$ (8,330,000)	\$ 181,355,000	\$ 6,830,000
Bond premium	12,547,406	-	(917,465)	11,629,941	-
Net bond liabilities	202,232,406	-	(9,247,465)	192,984,941	6,830,000
Workers compensation claims	1,037,790	1,346,006	(1,301,208)	1,082,588	1,060,936
Unemployment claims	32,134	92,820	(79,225)	45,729	45,729
Health and accident claims	9,034,450	58,782,637	(56,147,442)	11,669,645	11,669,645
Dental claims	-	1,799,504	(1,582,759)	216,745	216,745
Compensated absences	3,113,676	3,201,950	(2,957,992)	3,357,634	3,189,752
Obligation for early retirement compensation and insurance	19,130,970	5,784,273	(6,160,259)	18,754,984	-
Net pension obligation - district retirement plan	2,418,741	1,763,332	(1,608,368)	2,573,705	-
Net pension liability - state retirement plans**	232,295,909	24,708,838	(53,816,017)	203,188,730	-
Total long-term liabilities	<u>\$ 469,296,076*</u>	<u>\$ 97,479,360</u>	<u>\$ (132,900,735)</u>	<u>\$ 433,874,701</u>	<u>\$ 23,012,807</u>

\* as restated

\*\* recognized for first time effective with the District's implementation of GASBS 68 and 71 (see Note 7.)

General obligation bonds are direct obligations and pledge the full faith and credit of the District under the provisions of the Utah School Bond Guaranty Act, *Utah Code*, Title 53A, Chapter 28; therefore, they are rated AAA. In addition, as of the date of this comprehensive annual financial report, the District has an underlying rating of AAA from Fitch Ratings and an underlying rating of Aa1 and an enhanced rating of Aaa from Moody's Investors Service.

General obligation school building and improvement bonds payable at June 30, 2015, with their outstanding balances are comprised of the following individual issuances:

Series 2010 - Tax exempt bonds, \$27,600,000 originally issued, due in remaining annual installments \$ 6,600,000 from \$1,950,000 to \$2,500,000, from June 2015 through June 2018, interest from 4.00% to 5.00%.



# GRANITE SCHOOL DISTRICT

## Notes to the Basic Financial Statements...Continued – June 30, 2015

Series 2010 -	Build America Bonds, \$52,400,000 originally issued, due in remaining annual installments from \$2,700,000 to \$5,700,000, from June 2019 through June 2030, interest from 4.12% to 5.35%.	52,400,000
Series 2011 -	Tax exempt bonds, \$102,925,000 originally issued, due in remaining annual installments from \$2,925,000 to \$18,725,000, from June 2015 through June 2031, interest from 2.00% to 5.00%.	85,600,000
Series 2012 -	Tax exempt bonds, \$36,500,000 originally issued, due in remaining annual installments from \$1,330,000 to \$2,560,000, from June 2015 through June 2032, interest from 2.00% to 5.00%.	29,565,000
Series 2013 -	Tax exempt bonds, \$11,575,000 originally issued, due in remaining annual installments from \$250,000 to \$2,125,000, from June 2015 through June 2033, interest from 3.00% to 5.00%.	7,190,000
		<u>\$ 181,355,000</u>

The annual requirements to amortize all general obligation bonds outstanding to maturity as of June 30, 2015, including interest payments, are listed as follows:

Year Ending June 30,	Tax Exempt Bonds		Build America Bonds		Total	
	Principal	Interest	Principal	Interest*	Principal	Interest
2016	\$ 6,830,000	\$ 5,792,450	\$ -	\$ 2,556,101	\$ 6,830,000	\$ 8,348,551
2017	7,000,000	5,553,850	-	2,556,101	7,000,000	8,109,951
2018	7,530,000	5,273,350	-	2,556,101	7,530,000	7,829,451
2019	5,475,000	4,896,850	2,700,000	2,556,101	8,175,000	7,452,951
2020	5,670,000	4,623,100	3,000,000	2,444,888	8,670,000	7,067,988
2021-2025	31,985,000	18,940,725	20,000,000	9,886,097	51,985,000	28,826,822
2026-2030	42,400,000	10,911,425	26,700,000	4,258,510	69,100,000	15,169,935
2031-2033	22,065,000	1,174,150	-	-	22,065,000	1,174,150
Total	<u>\$ 128,955,000</u>	<u>\$ 57,165,900</u>	<u>\$ 52,400,000</u>	<u>\$ 26,813,899</u>	<u>\$ 181,355,000</u>	<u>\$ 83,979,799</u>

\* Subsidized at 32% by the federal government.

Remaining authorization to be issued is \$25,000,000.

### NOTE 14 – ENCUMBRANCES

An encumbrance accounting system, in which purchase order commitments for the expenditure of funds are recorded in order to commit that portion of the applicable appropriation, is used in all governmental funds except for the District Activity Programs Fund, a special revenue fund. Because an encumbrance is only a commitment, it does not meet the expenditure or liability recognition criteria. Encumbrances and appropriations outstanding at the end of the fiscal year lapse with the exception of contractual obligations. The District had significant encumbrances as of June 30, 2015 in the Capital Projects Fund as follows:

# GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2015

Description	Capital Projects Fund
Re-roof and Seismic Upgrade at West Lake Junior High School	\$ 311,717
Re-roof at Eastwood Elementary School	314,188
Boiler Replacement at Cyprus High School	351,215
Soccer Field Repair at Hunter High School	270,000
Remodel 9th Grade Areas of Hunter High School	298,050
New Artificial Turf for Sports Field at Cyprus High School	651,086
New Artificial Turf for Sports Field at Kearns High School	546,437
New Artificial Turf for Sports Field at Hunter High School	793,451
New Artificial Turf for Sports Field at Skyline High School	786,397
	<u>\$ 4,322,541</u>

The District intends to honor these commitments and provides for the expenditure in subsequent year(s).

## NOTE 15 – INTERFUND BALANCES AND ACTIVITY

**Due To/From Other Funds.** Amounts reported as 'due from other funds' and 'due to other funds' are the result of cash pooling among the funds of the District. The General Fund receives all cash deposits and makes all warrants payments on behalf of the other funds resulting in interfund payables and receivables. Outstanding balances resulting from these transactions between funds as of June 30, 2015 consist of the following:

Fund	Due from other funds	Due to other funds
General Fund	\$ 266,561	\$ -
Other Governmental Funds		51
Internal Service Funds	-	266,510
Total	<u>\$ 266,561</u>	<u>\$ 266,561</u>

**Transfers.** Transfers between funds during the year ended June 30, 2015 are as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 9,470,268	\$ (937,753)
Other Governmental Funds	937,753	-
Internal Service Funds	-	(9,470,268)
Total	<u>\$ 10,408,021</u>	<u>\$ (10,408,021)</u>

The General Fund transferred \$623,023 to the District Activity Fund (other governmental fund) for amounts allocated to the schools by the District. The General Fund transferred \$314,730 to the Granite Education Foundation Fund (other governmental fund) to fund a portion of the salaries of the Foundation. The General Fund received a transfer of \$9,470,268 from the Self Insurance Fund (an internal service fund) to fund a portion of negotiated salary commitments.

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

	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System
District's proportion of the net pension liability (asset)	8.0401108%	10.7492708%	4.7196557%
District's proportionate share of the net pension liability (asset)	\$ 202,010,089	\$ 1,178,641	\$ (143,027)
District's covered employee payroll	\$ 226,516,338	\$ 3,948,385	\$ 23,102,726
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	89.2%	29.9%	-6.0%
Plan fiduciary net position as a percentage of the total pension liability	87.2%	98.7%	103.5%

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

**Schedules of District Contributions**  
**Utah Retirement Systems**  
**Year Ended December 31, 2014**

	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System
Contractually required contribution	\$ 48,756,845	\$ 652,137	\$ 1,947,203
Contributions in relation to the contractually required contribution	<u>(48,756,845)</u>	<u>(652,137)</u>	<u>(1,947,203)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 226,516,338	\$ 3,948,385	\$ 23,102,726
Contributions as a percentage of covered-employee payroll	21.5%	16.5%	8.4%

Notes: These schedules only present 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.

### Schedule of Funding Progress District Retirement Plan

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]
7/1/2013	\$ -	\$ 14,994,353	\$ 14,994,353	0%	\$ 269,357,662	5.6%
7/1/2014	-	15,347,698	15,347,698	0%	274,617,657	5.6%
7/1/2015	-	14,821,176	14,821,176	0%	243,458,199	6.1%

The accounting for the *District Retirement Plan* began in fiscal year 2006 as a new benefit. The District has elected to establish additional resources for the unfunded actuarial accrued liability by committing fund balance in the General Fund rather than making contributions to a pension trust fund.

### Schedule of Funding Progress Long-Term Disability Plan

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]
7/1/2013	\$ -	\$ 4,568,018	\$ 4,568,018	0%	\$ 269,357,662	1.7%
7/1/2014	-	5,553,101	5,553,101	0%	274,617,657	2.0%
7/1/2015	-	4,706,839	4,706,839	0%	243,458,199	1.9%

Effective July 1, 2007, the District implemented GASB Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. Annual actuarial valuations have been conducted since that date. The District has elected to establish additional resources for the unfunded actuarial accrued liability by committing fund balance in the *General Fund* rather than making contributions to an employee benefit trust fund.

## Combining and Individual Fund 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. Utah law refers to this fund as the Maintenance and Operation Fund.

## CAPITAL PROJECTS FUND

***Capital Projects 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 educational programs for all students within the District. Financing is provided by property tax levies as authorized by the *Utah Code 53A-16-113*.

# GRANITE SCHOOL DISTRICT

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

### General Fund

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 116,995,436	\$ 117,411,168	\$ 415,732	\$ 109,537,454
Earnings on investments	1,227,574	823,177	(404,397)	889,683
Other local	11,132,500	11,339,127	206,627	10,928,379
State	275,516,586	274,774,354	(742,232)	270,160,476
Federal	41,356,297	40,163,860	(1,192,437)	38,766,157
<b>Total revenues</b>	<b>446,228,393</b>	<b>444,511,686</b>	<b>(1,716,707)</b>	<b>430,282,149</b>
<b>Expenditures:</b>				
Instructional services:				
Salaries	194,889,831	194,582,921	306,910	190,576,572
Employee benefits	94,789,934	93,514,265	1,275,669	91,364,779
Purchased services	3,314,801	3,053,924	260,877	2,425,922
Supplies and materials	7,966,727	7,119,428	847,299	7,692,300
Equipment	7,814,435	7,906,638	(92,203)	6,981,284
Other	1,789,999	2,040,752	(250,753)	-
<b>Total instructional services</b>	<b>310,565,727</b>	<b>308,217,928</b>	<b>2,347,799</b>	<b>299,040,857</b>
Supporting services:				
Students	20,990,283	20,538,158	452,125	19,850,939
Instructional staff	16,279,741	15,431,611	848,130	16,649,551
District administration	3,437,499	3,394,556	42,943	3,152,450
School administration	30,316,726	29,877,428	439,298	28,194,855
Central	10,032,123	9,780,646	251,477	9,150,691
Operation and maintenance of facilities	55,673,342	54,752,894	920,448	54,122,795
Transportation	9,200,278	9,112,787	87,491	9,504,264
<b>Total supporting services</b>	<b>145,929,992</b>	<b>142,888,080</b>	<b>3,041,912</b>	<b>140,625,545</b>
<b>Total expenditures</b>	<b>456,495,719</b>	<b>451,106,008</b>	<b>5,389,711</b>	<b>439,666,402</b>
(Deficiency) of revenues (under) expenditures	(10,267,326)	(6,594,322)	3,673,004	(9,384,253)
<b>Other financing sources (uses):</b>				
Transfers in	10,192,169	9,470,268	(721,901)	4,352,233
Transfers (out)	(1,673,272)	(937,753)	735,519	(1,112,782)
<b>Total other financing sources (uses)</b>	<b>8,518,897</b>	<b>8,532,515</b>	<b>13,618</b>	<b>3,239,451</b>
<b>Net change in fund balances</b>	<b>(1,748,429)</b>	<b>1,938,193</b>	<b>3,686,622</b>	<b>(6,144,802)</b>
<b>Fund balances - beginning</b>	<b>92,546,902</b>	<b>92,546,902</b>	<b>-</b>	<b>98,691,704</b>
<b>Fund balances - ending</b>	<b>\$ 90,798,473</b>	<b>\$ 94,485,095</b>	<b>\$ 3,686,622</b>	<b>\$ 92,546,902</b>

# GRANITE SCHOOL DISTRICT

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

### Capital Projects Fund

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Property taxes	\$ 20,325,380	\$ 20,385,865	\$ 60,485	\$ 20,452,356
Earnings on investments	77,436	120,283	42,847	66,905
Other local	573,375	214,311	(359,064)	321,972
State	420,023	-	(420,023)	420,023
Federal	-	829,327	829,327	-
<b>Total revenues</b>	<b>21,396,214</b>	<b>21,549,786</b>	<b>153,572</b>	<b>21,261,256</b>
<b>Expenditures:</b>				
Current:				
Instructional services	-	1,237,788	(1,237,788)	2,230,652
Supporting services:				
Instructional staff	-	589	(589)	1,158
District administration	-	34,220	(34,220)	24,979
Central	-	3,236,308	(3,236,308)	3,306,754
Operation and maintenance of facilities	-	661,963	(661,963)	852,050
Capital outlay:				
Salaries	155,558	47,588	107,970	138,671
Employee benefits	61,699	13,924	47,775	55,204
Purchased services	30,743,028	7,446,538	23,296,490	23,364,837
Supplies and materials	56,160	26,340	29,820	28,416
Land and improvements	453,880	3,402,749	(2,948,869)	458,356
Buildings and improvements	-	537,388	(537,388)	733,983
Equipment	5,477,700	546,293	4,931,407	4,138
Vehicles	418,000	238,362	179,638	-
Other	-	667,541	(667,541)	100
<b>Total current expenditures</b>	<b>37,366,025</b>	<b>18,097,591</b>	<b>19,268,434</b>	<b>31,199,298</b>
Debt service:				
Bond issuance costs	13,000	-	13,000	13,000
<b>Total expenditures</b>	<b>37,379,025</b>	<b>18,097,591</b>	<b>19,281,434</b>	<b>31,212,298</b>
(Deficiency) of revenues (under) expenditures	(15,982,811)	3,452,195	19,435,006	(9,951,042)
<b>Other financing sources:</b>				
Proceeds from sale of capital assets	850,285	4,501,810	3,651,525	890,208
Bonds issued	-	-	-	-
Premium on bonds issued	-	-	-	-
<b>Total other financing sources</b>	<b>850,285</b>	<b>4,501,810</b>	<b>3,651,525</b>	<b>890,208</b>
<b>Net change in fund balances</b>	<b>(15,132,526)</b>	<b>7,954,005</b>	<b>23,086,531</b>	<b>(9,060,834)</b>
<b>Fund balances - beginning</b>	<b>10,990,985</b>	<b>10,990,985</b>	<b>-</b>	<b>20,051,819</b>
<b>Fund balances - ending</b>	<b>\$ (4,141,541)</b>	<b>\$ 18,944,990</b>	<b>\$ 23,086,531</b>	<b>\$ 10,990,985</b>



# Nonmajor Governmental Funds

## SPECIAL REVENUE FUNDS

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

***Incremental Tax Fund*** - The purpose of this fund is to account for the tax increment financing (TIF) authorized by the Community Development and Renewal Agencies Act (Utah Code 17C-1) to finance urban renewal, economic development, and community development projects by earmarking property tax revenue from increases in assessed values within a designated TIF district. The incremental taxes are collected by Salt Lake County and paid directly to the CDRA within the District.

***Granite Education Foundation Fund*** - The purpose of this fund is to account for donations received on behalf of the District. The Foundation is a tax-exempt nonprofit organization formed for the benefit of Granite School District. Although the Foundation's activities and records are operated and maintained separate from the District, its activities and operations exclusively benefit the District. The Foundation, therefore, is reported as a blended component unit of the District.

***School Lunch Fund*** - The purpose of this fund is to account for the food service 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.

## DEBT SERVICE FUND

***Debt Service Fund*** - The purpose of this fund is to account for the accumulation of resources and the payment of general obligation bond principal and interest. The voters of the District have authorized the issuance of general obligation bonds for the purpose of acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing quality educational programs for all students within the District. The bonds are general obligations payable from the proceeds of a property tax levy that is sufficient to pay the principal and interest as it becomes due.

**GRANITE SCHOOL DISTRICT**  
**Combining Balance Sheet - Nonmajor Governmental Funds**  
June 30, 2015

	Special Revenue					Total
	<i>District Activity Programs</i>	<i>Incremental Tax</i>	<i>Granite Education Foundation</i>	<i>School Lunch</i>	<i>Debt Service</i>	<i>Nonmajor Governmental Funds</i>
<b>Assets:</b>						
Cash and investments	\$ 12,009,354	\$ -	\$ 2,653,026	\$ 11,126,234	\$ 564,100	\$ 26,352,714
Receivables:						
Property taxes	-	6,479,701	-	-	14,241,898	20,721,599
Other local	(10,482)	-	-	69,688	-	59,206
State	-	-	-	1,358,298	-	1,358,298
Federal	-	-	-	707,788	447,318	1,155,106
Inventories	-	-	-	1,287,541	-	1,287,541
Prepaid items	6,989	-	51	741	-	7,781
<b>Total assets</b>	<b>\$ 12,005,861</b>	<b>\$ 6,479,701</b>	<b>\$ 2,653,077</b>	<b>\$ 14,550,290</b>	<b>\$ 15,253,316</b>	<b>\$ 50,942,245</b>
<b>Liabilities:</b>						
Accounts and contracts payable	\$ 7,451	\$ -	\$ 37,258	\$ 31,501	\$ -	\$ 76,210
Accrued salaries and related payables	11,721	-	24,132	678,463	-	714,316
Unearned revenue - local	48	-	-	-	-	48
Due to other funds	-	-	51	-	-	51
<b>Total liabilities</b>	<b>19,220</b>	<b>-</b>	<b>61,441</b>	<b>709,964</b>	<b>-</b>	<b>790,625</b>
<b>Deferred inflows of resources:</b>						
Property taxes levied for future year	-	6,356,536	-	-	13,975,931	20,332,467
Unavailable property tax revenue	-	123,165	-	-	278,091	401,256
Unavailable federal interest subsidy	-	-	-	-	447,318	447,318
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>6,479,701</b>	<b>-</b>	<b>-</b>	<b>14,701,340</b>	<b>21,181,041</b>
<b>Fund balances:</b>						
Nonspendable:						
Inventories	-	-	-	1,287,541	-	1,287,541
Prepaid items	6,989	-	51	741	-	7,781
Restricted for:						
Debt service	-	-	-	-	551,976	551,976
Schools	-	-	272,937	-	-	272,937
Scholarships	-	-	162,824	-	-	162,824
School lunch	-	-	-	12,552,044	-	12,552,044
Committed to:						
District activity programs	11,979,652	-	-	-	-	11,979,652
Foundation	-	-	2,155,824	-	-	2,155,824
<b>Total fund balances</b>	<b>11,986,641</b>	<b>-</b>	<b>2,591,636</b>	<b>13,840,326</b>	<b>551,976</b>	<b>28,970,579</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 12,005,861</b>	<b>\$ 6,479,701</b>	<b>\$ 2,653,077</b>	<b>\$ 14,550,290</b>	<b>\$ 15,253,316</b>	<b>\$ 50,942,245</b>

# GRANITE SCHOOL DISTRICT

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

### Nonmajor Governmental Funds

Year Ended June 30, 2015

	Special Revenue					Total
	<i>District Activity Programs</i>	<i>Incremental Tax</i>	<i>Granite Education Foundation</i>	<i>School Lunch</i>	<i>Debt Service</i>	Nonmajor Governmental Funds
<b>Revenues:</b>						
Local:						
Property tax	\$ -	\$ -	\$ -	\$ -	\$ 17,275,725	\$ 17,275,725
Incremental tax	-	5,193,756	-	-	-	5,193,756
Earnings on investments	49,206	-	69,502	59,639	-	178,347
Student activities	12,262,155	-	-	-	-	12,262,155
Foundation activities	-	-	1,618,056	-	-	1,618,056
School lunch program activities	-	-	-	5,140,395	-	5,140,395
Total local	12,311,361	5,193,756	1,687,558	5,200,034	17,275,725	41,668,434
State	-	-	-	4,820,316	-	4,820,316
Federal	-	-	-	23,149,817	-	23,149,817
Total revenues	12,311,361	5,193,756	1,687,558	33,170,167	17,275,725	69,638,567
<b>Expenditures:</b>						
Current:						
Instructional services	11,753,041	-	-	-	-	11,753,041
School lunch services	-	-	-	29,528,913	-	29,528,913
Community services	-	5,193,756	1,114,842	-	-	6,308,598
Debt service:						
Principal	-	-	-	-	8,330,000	8,330,000
Interest	-	-	-	-	8,604,651	8,604,651
Paying agent fees	-	-	-	-	2,500	2,500
Total expenditures	11,753,041	5,193,756	1,114,842	29,528,913	16,937,151	64,527,703
Excess of revenues over expenditures	558,320	-	572,716	3,641,254	338,574	5,110,864
<b>Other financing sources:</b>						
Transfers in	623,023	-	314,730	-	-	937,753
Net change in fund balances	1,181,343	-	887,446	3,641,254	338,574	6,048,617
<b>Fund balances - beginning</b>	10,805,298	-	1,704,190	10,199,072	213,402	22,921,962
<b>Fund balances - ending</b>	\$ 11,986,641	\$ -	\$ 2,591,636	\$ 13,840,326	\$ 551,976	\$ 28,970,579

# GRANITE SCHOOL DISTRICT

## Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual District Activity Programs - A Nonmajor Special Revenue Fund Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Earnings on investments	\$ 35,754	\$ 49,206	\$ 13,452	\$ 34,820
Student activities:				
Tuition	51,732	54,167	2,435	47,018
Transportation fees	31,122	32,587	1,465	55,986
Admissions and gate fees	679,815	711,810	31,995	692,589
Student fees	6,394,765	6,695,734	300,969	6,287,526
Vending and bookstore sales	272,119	284,926	12,807	440,153
Proceeds from fundraising activities	2,425,933	2,540,109	114,176	2,688,214
Facility and field rental fees	143,456	150,208	6,752	39,585
Donations	1,004,097	1,051,355	47,258	856,504
Other student activities	707,940	741,259	33,319	332,221
Total student activities	11,710,979	12,262,155	551,176	11,439,796
Total revenues	11,746,733	12,311,361	564,628	11,474,616
<b>Expenditures:</b>				
Current:				
Instructional services:				
Salaries	134,018	89,048	44,970	108,707
Benefits	29,490	22,010	7,480	24,509
Purchased services	3,931,017	4,131,323	(200,306)	3,769,554
Supplies	6,918,636	5,679,399	1,239,237	5,758,909
Textbooks	-	544,891	(544,891)	1,101,769
Equipment	696,353	977,622	(281,269)	769,467
Other	386,508	308,748	77,760	307,980
Total expenditures	12,096,022	11,753,041	342,981	11,840,895
Excess (deficiency) of revenues over (under) expenditures	(349,289)	558,320	907,609	(366,279)
<b>Other financing sources:</b>				
Transfers in (out)	572,200	623,023	50,823	649,893
Net change in fund balances	222,911	1,181,343	958,432	283,614
Fund balances - beginning	10,805,298	10,805,298	-	10,521,684
Fund balances - ending	\$ 11,028,209	\$ 11,986,641	\$ 958,432	\$ 10,805,298

**GRANITE SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
Incremental Tax - A Nonmajor Special Revenue Fund**

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Incremental property taxes	\$ 5,300,000	\$ 5,193,756	\$ (106,244)	\$ -
Total revenues	5,300,000	5,193,756	(106,244)	-
<b>Expenditures:</b>				
Current:				
Community services:				
Taxes remitted to CDRA's	5,300,000	5,193,756	106,244	-
Total expenditures	5,300,000	5,193,756	106,244	-
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

**GRANITE SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual*****Granite Education Foundation - A Nonmajor Special Revenue Fund***

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Earnings on investments	\$ 243,000	\$ 69,502	\$ (173,498)	\$ 335,413
Foundation activities:				
Donations and fundraising proceeds	862,000	1,618,056	756,056	816,488
<b>Total revenues</b>	<b>1,105,000</b>	<b>1,687,558</b>	<b>582,558</b>	<b>1,151,901</b>
<b>Expenditures:</b>				
Current:				
Community services:				
Salaries	253,457	207,229	46,228	255,860
Employee benefits	119,540	108,832	10,708	120,475
Purchased services	834,960	255,984	578,976	562,300
Supplies	120,750	173,142	(52,392)	134,396
Equipment	120,750	24,868	95,882	34,109
Other	400	344,787	(344,387)	713
<b>Total expenditures</b>	<b>1,449,857</b>	<b>1,114,842</b>	<b>335,015</b>	<b>1,107,853</b>
Excess (deficiency) of revenues over (under) expenditures	(344,857)	572,716	917,573	44,048
<b>Other financing sources:</b>				
Transfers in	363,551	314,730	(48,821)	351,305
Net change in fund balances	18,694	887,446	868,752	395,353
<b>Fund balances - beginning</b>	<b>1,704,190</b>	<b>1,704,190</b>	<b>-</b>	<b>1,308,837</b>
<b>Fund balances - ending</b>	<b>\$ 1,722,884</b>	<b>\$ 2,591,636</b>	<b>\$ 868,752</b>	<b>\$ 1,704,190</b>

# GRANITE SCHOOL DISTRICT

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

### *School Lunch - A Nonmajor Special Revenue Fund*

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Earnings on investments	\$ 55,412	\$ 59,639	\$ 4,227	\$ 73,693
School lunch program activities:				
Lunch sales - children	2,112,851	1,833,226	(279,625)	2,104,059
Lunch sales - adult	383,981	377,082	(6,899)	383,123
Other	2,694,323	2,930,087	235,764	2,589,545
Total school lunch program activities	5,191,155	5,140,395	(50,760)	5,076,727
Total local	5,246,567	5,200,034	(46,533)	5,150,420
State lunch program	4,321,890	4,820,316	498,426	4,212,725
Federal lunch program	19,666,324	23,149,817	3,483,493	18,569,948
Total revenues	29,234,781	33,170,167	3,935,386	27,933,093
<b>Expenditures:</b>				
Current:				
School lunch services:				
Salaries	8,253,498	8,620,255	(366,757)	8,248,214
Employee benefits	3,100,136	3,000,661	99,475	3,045,530
Purchased services	1,685,386	1,826,771	(141,385)	1,558,794
Supplies	967,601	957,286	10,315	965,245
Food	10,862,275	11,012,881	(150,606)	10,821,900
Equipment	1,093,110	632,901	460,209	987,908
Indirect cost allocation	2,353,560	3,478,158	(1,124,598)	2,312,562
Total expenditures	28,315,566	29,528,913	(1,213,347)	27,940,153
Net change in fund balances	919,215	3,641,254	2,722,039	(7,060)
Fund balances - beginning	10,199,072	10,199,072	-	10,206,132
Fund balances - ending	\$ 11,118,287	\$ 13,840,326	\$ 2,722,039	\$ 10,199,072

**GRANITE SCHOOL DISTRICT****Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual****Debt Service - A Nonmajor Debt Service Fund**

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
<b>Revenues:</b>				
Local:				
Property taxes	\$ 16,222,105	\$ 17,275,725	\$ 1,053,620	\$ 16,122,936
Federal:				
Build America Bonds interest subsidy	827,969	-	(827,969)	827,969
<b>Total revenues</b>	<b>17,050,074</b>	<b>17,275,725</b>	<b>225,651</b>	<b>16,950,905</b>
<b>Expenditures:</b>				
Debt service:				
Principal	8,100,000	8,330,000	(230,000)	8,100,000
Interest	8,806,546	8,604,651	201,895	8,806,546
Paying agent fees	10,000	2,500	7,500	500
<b>Total expenditures</b>	<b>16,916,546</b>	<b>16,937,151</b>	<b>(20,605)</b>	<b>16,907,046</b>
<b>Net change in fund balances</b>	<b>133,528</b>	<b>338,574</b>	<b>205,046</b>	<b>43,859</b>
<b>Fund balances - beginning</b>	<b>213,402</b>	<b>213,402</b>	<b>-</b>	<b>169,543</b>
<b>Fund balances - ending</b>	<b>\$ 346,930</b>	<b>\$ 551,976</b>	<b>\$ 205,046</b>	<b>\$ 213,402</b>



# Nonmajor Proprietary Funds

## INTERNAL SERVICE FUNDS

***Printing Services Fund*** - The purpose of this fund is to account for printing services provided to departments and schools by the District printing department. Costs are recovered by charges to user departments and schools.

***Self Insurance Fund*** - The purpose of this fund is to account for the costs of the District's self-insured plans for medical insurance, industrial insurance, and unemployment compensation. 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.

# GRANITE SCHOOL DISTRICT

## Combining Statement of Fund Net Position - Internal Service Funds

June 30, 2015 with Comparative Totals for 2014

	2015			2014
	<i>Printing Services Fund</i>	<i>Self Insurance Fund</i>	Total	Total
<b>Assets:</b>				
Current assets:				
Cash and investments	\$ -	\$ 25,003,565	\$ 25,003,565	\$ 31,329,420
Receivables - local	19,293	2,778	22,071	20,345
Prepaid items	6,786	-	6,786	6,968
Inventories	34,106	-	34,106	36,394
Total current assets	60,185	25,006,343	25,066,528	31,393,127
Noncurrent assets:				
Capital assets:				
Equipment	875,550	-	875,550	977,220
Accumulated depreciation	(603,474)	-	(603,474)	(895,142)
Total noncurrent assets	272,076	-	272,076	82,078
Total assets	332,261	25,006,343	25,338,604	31,475,205
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable	2,928	4,732	7,660	13,680
Accrued salaries and related benefits	1,027	-	1,027	845
Due to other funds	266,510	-	266,510	135,752
Unearned revenue - local	-	691	691	-
Health and accident claims payable	-	11,669,645	11,669,645	9,034,450
Dental claims payable	-	216,745	216,745	-
Workers compensation claims payable	-	1,060,936	1,060,936	1,017,034
Unemployment claims payable	-	45,729	45,729	32,134
Total current liabilities	270,465	12,998,478	13,268,943	10,233,895
Noncurrent liabilities:				
Workers compensation payable	-	21,652	21,652	20,756
Total liabilities	270,465	13,020,130	13,290,595	10,254,651
<b>Net position:</b>				
Investment in capital assets	272,076	-	272,076	82,078
Unrestricted	(210,280)	11,986,213	11,775,933	21,138,476
<b>Total net position</b>	<b>61,796</b>	<b>\$ 11,986,213</b>	<b>\$ 12,048,009</b>	<b>\$ 21,220,554</b>

**GRANITE SCHOOL DISTRICT****Combining Statement of Revenues, Expenses, and Changes in Fund Net Position****Internal Service Funds**

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	<i>Printing Services Fund</i>	<i>Self Insurance Fund</i>	Total	Total
<b>Operating revenues:</b>				
Charges for services:				
Medical insurance premiums	\$ -	\$ 62,230,281	\$ 62,230,281	\$ 59,851,916
Unemployment insurance premiums	-	150,000	150,000	150,000
Industrial insurance premium	-	1,406,222	1,406,222	1,927,681
Other services	919,292	-	919,292	722,384
<b>Total operating revenues</b>	<b>919,292</b>	<b>63,786,503</b>	<b>64,705,795</b>	<b>62,651,981</b>
<b>Operating expenses:</b>				
Salaries	287,041	157,253	444,294	452,210
Employee benefits	140,226	68,778	209,004	212,892
Medical and prescription claims	-	56,147,442	56,147,442	46,164,905
Dental claims	-	1,582,759	1,582,759	-
Medical administrative fees	-	2,624,249	2,624,249	2,540,386
ACA fees	-	725,760	725,760	23,350
Medical reinsurance premiums	-	849,872	849,872	899,787
Workers compensation claims	-	1,301,208	1,301,208	1,401,354
Unemployment claims	-	79,225	79,225	83,793
Purchased services	233,641	12,500	246,141	180,088
Supplies and materials	117,749	1,530	119,279	120,455
Depreciation	78,514	-	78,514	116,262
Other	325	-	325	-
<b>Total operating expenses</b>	<b>857,496</b>	<b>63,550,576</b>	<b>64,408,072</b>	<b>52,195,482</b>
<b>Operating income</b>	<b>61,796</b>	<b>235,927</b>	<b>297,723</b>	<b>10,456,499</b>
Transfers in	-	-	-	111,584
Transfers (out)	-	(9,470,268)	(9,470,268)	(4,352,233)
<b>Change in net position</b>	<b>61,796</b>	<b>(9,234,341)</b>	<b>(9,172,545)</b>	<b>6,215,850</b>
<b>Total net position - beginning</b>	<b>-</b>	<b>21,220,554</b>	<b>21,220,554</b>	<b>15,004,704</b>
<b>Total net position - ending</b>	<b>\$ 61,796</b>	<b>\$ 11,986,213</b>	<b>\$ 12,048,009</b>	<b>\$ 21,220,554</b>

# GRANITE SCHOOL DISTRICT

## Combining Statement of Fund Cash Flows - Internal Service Funds

Year Ended June 30, 2015 with Comparative Totals for 2014

	2015			2014
	<i>Printing Services Fund</i>	<i>Self Insurance Fund</i>	Totals	Totals
<b>Cash flows from operating activities:</b>				
Receipts from interfund services provided	\$ 914,267	\$ 63,790,493	\$ 64,704,760	\$ 62,668,242
Payments of assessments from other funds	130,758	-	130,758	7,837
Payments to employees	(427,085)	(226,031)	(653,116)	(764,205)
Payments to suppliers for goods and services	(349,428)	(19,867)	(369,295)	(322,298)
Payments for medical fees and insurance claims	-	(60,400,182)	(60,400,182)	(50,635,616)
Net cash provided by operating activities	268,512	3,144,413	3,412,925	10,953,960
<b>Cash flows from noncapital financing activities:</b>				
Transfers in from other funds	-	-	-	111,584
Transfers (out) to other funds	-	(9,470,268)	(9,470,268)	(4,352,233)
Net cash provided (used) by noncapital financing activities	-	(9,470,268)	(9,470,268)	(4,240,649)
<b>Cash flows from capital and related financing activities:</b>				
Purchase of capital assets	(268,512)	-	(268,512)	(17,510)
Net change in cash and cash equivalents	-	(6,325,855)	(6,325,855)	6,695,801
<b>Cash and cash equivalents - beginning</b>	-	31,329,420	31,329,420	24,633,619
<b>Cash and cash equivalents - ending*</b>	\$ -	\$ 25,003,565	\$ 25,003,565	\$ 31,329,420

\* Displayed as cash and investments on the statement of fund net position - proprietary funds.

### Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ 61,796	\$ 235,927	\$ 297,723	\$ 10,456,499
Adjustments to reconcile operating income to net cash provided by operating activities:				
Noncash item - depreciation	78,514	-	78,514	116,262
(Increase) decrease in operating assets:				
Accounts receivable - other local	(5,025)	3,299	(1,726)	16,261
Inventories	2,288	-	2,288	741
Prepaid items	182	-	182	(5,234)
Increase (decrease) in operating liabilities:				
Accounts payable	(183)	(5,837)	(6,020)	(17,262)
Due to other funds	130,758	-	130,758	7,837
Unearned revenue - local	-	691	691	-
Accrued salaries and related benefits	182	-	182	(99,103)
Health and accident insurance payable	-	2,635,195	2,635,195	215,274
Dental insurance payable	-	216,745	216,745	-
Workers compensation payable	-	44,798	44,798	281,749
Unemployment insurance payable	-	13,595	13,595	(19,064)
Total adjustments	206,716	2,908,486	3,115,202	497,461
Net cash provided by operating activities	\$ 268,512	\$ 3,144,413	\$ 3,412,925	\$ 10,953,960
Noncash investing, capital, and financing activities:	none	none	none	none

Section III  
*Statistical*





# GRANITE SCHOOL DISTRICT

## Statistical Section - Financial Trends

### Table of Contents

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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.

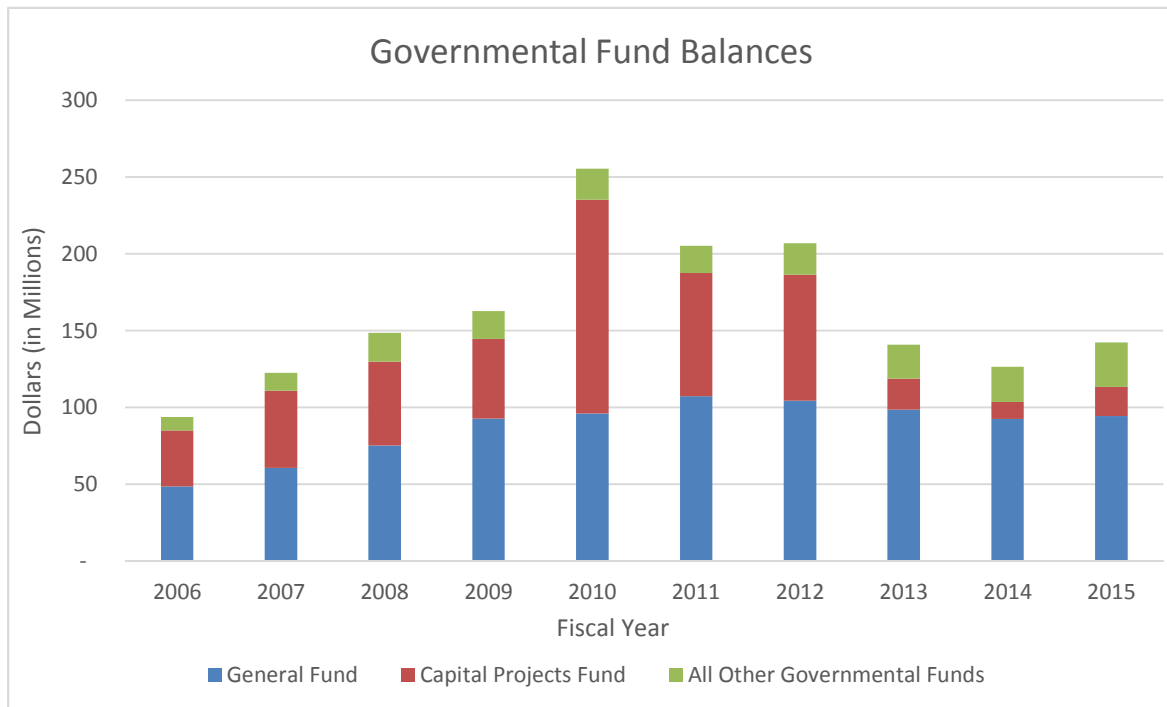
## Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Contents	Page
Comparative Statements of Net Position.....	76
Net Position by Component.....	77
Changes in Net Position.....	78
Fund Balances - Governmental Funds.....	79
Changes in Fund Balances - Governmental Funds.....	80
Comparative Balance Sheets - General Fund .....	81
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund.....	82

#### Sources:

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



# Granite School District

## Comparative Statements of Net Position

Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Assets:</b>										
Cash and investments	\$ 132,788,738	\$ 171,611,161	\$ 207,458,012	\$ 197,719,153	\$ 285,154,233	\$ 246,660,988	\$ 272,632,468	\$ 215,574,818	\$ 187,938,498	\$ 196,776,285
Receivables:										
Property taxes	130,785,271	125,455,968	124,142,709	125,982,727	132,521,058	131,905,864	138,078,689	138,935,297	140,117,948	165,998,099
Other local	7,544,943	7,298,202	1,837,456	2,087,250	840,395	2,017,171	1,774,001	1,809,789	1,389,313	1,060,149
State	1,056,229	1,087,827	1,704,672	1,940,109	1,123,269	2,286,160	1,959,228	2,343,606	2,608,600	1,766,000
Federal	13,770,210	10,916,534	12,472,701	27,008,698	36,585,184	29,895,483	19,006,668	16,785,055	18,522,446	16,236,671
Prepaid items	545,819	494,189	472,265	464,609	351,864	394,551	418,293	442,017	440,926	1,640,388
Lease receivable	-	-	-	-	-	-	9,084,045	-	-	-
Inventories	4,318,116	4,617,240	5,000,700	7,954,446	4,685,021	4,174,442	4,614,854	4,850,741	4,416,320	5,400,254
Net other post employment benefit asset	-	-	304,253	355,237	561,382	609,335	864,391	962,548	1,583,821	1,703,583
Net pension asset	-	-	-	-	-	-	-	-	40,788	143,027
Capital assets:										
Land, construction in progress, and water stock	40,949,797	38,743,718	46,258,299	49,232,881	55,000,220	99,471,695	166,043,007	241,402,460	247,798,755	135,275,981
Other capital assets, net of accumulated depreciation	208,746,482	219,383,344	230,253,710	244,884,690	244,279,676	250,553,057	292,615,046	298,506,536	298,583,285	393,539,779
Total assets	540,505,605	579,608,183	629,904,777	657,629,800	761,102,302	767,968,746	907,090,690	921,612,867	903,440,700	919,540,216
<b>Deferred Outflows of Resources:</b>										
Related to pensions	-	-	-	-	-	-	-	-	24,640,562	30,455,766
<b>Liabilities:</b>										
Accounts and contracts payable	8,107,288	8,620,973	10,807,811	6,017,206	8,588,487	15,054,886	24,412,684	15,853,511	4,338,899	3,604,607
Accrued interest	-	-	-	-	433,006	271,698	670,287	754,417	769,092	735,085
Accrued salaries and related benefits	32,464,738	36,048,258	39,606,609	44,779,667	42,628,041	42,904,209	43,386,016	48,017,721	40,909,960	40,060,600
Unearned revenue:										
Local	720,057	1,197,890	1,152,197	1,538,570	1,214,568	1,065,499	9,948,581	1,527,180	1,507,466	1,021,448
State	11,594,501	14,259,661	16,667,642	10,392,205	8,691,770	9,522,950	9,439,856	8,678,669	7,436,856	6,353,051
Federal	110,569	607,947	161,895	144,249	801,901	1,285,615	1,699,097	1,880,782	2,960,022	3,991,067
Long-term liabilities:										
Portion due or payable within one year	10,140,925	10,302,645	10,500,100	11,416,261	13,636,794	13,791,605	16,260,601	20,394,650	21,371,610	23,012,807
Portion due or payable after one year	13,853,640	25,215,021	25,733,809	29,149,187	109,960,914	89,963,247	180,566,007	222,274,831	447,924,466	410,861,894
Total liabilities	76,991,718	96,252,395	104,630,063	103,437,345	185,955,481	173,859,709	286,383,129	319,381,761	527,218,371	489,640,559
<b>Deferred Inflows of Resources:</b>										
Related to pensions	-	-	-	-	-	-	-	-	-	19,014,287
Property taxes levied for future year	126,702,150	121,090,851	120,686,699	121,870,805	130,454,807	126,750,223	133,854,460	135,851,267	136,981,084	162,895,935
Total deferred inflows of resources	126,702,150	121,090,851	120,686,699	121,870,805	130,454,807	126,750,223	133,854,460	135,851,267	136,981,084	181,910,222
<b>Net Position:</b>										
Net investment in capital assets	249,696,279	258,127,062	276,512,009	294,117,571	294,292,996	312,828,850	320,933,467	338,844,364	344,867,541	336,548,726
Restricted for:										
Capital projects	43,953,598	57,383,665	56,785,410	53,619,369	62,709,491	50,798,448	52,011,476	10,351,497	10,772,697	18,500,839
Debt service	-	-	-	-	-	360,073	-	-	-	542,300
Schools and scholarships	1,279,242	1,470,572	1,163,315	632,595	894,675	411,517	411,517	411,517	408,728	435,761
School lunch	5,292,700	7,120,779	7,353,969	8,163,090	9,519,525	6,831,041	8,848,379	10,206,132	10,199,072	12,552,044
Community recreation	1,888,317	2,733,673	1,805,530	1,091,222	1,279,785	446,335	-	-	-	-
Unrestricted	34,701,601	35,429,186	60,967,782	74,697,803	75,995,542	95,682,550	104,648,262	106,566,329	(102,366,231)	(90,134,469)
Total net position	\$ 336,811,737	\$ 362,264,937	\$ 404,588,015	\$ 432,321,650	\$ 444,692,014	\$ 467,358,814	\$ 486,853,101	\$ 466,379,839	\$ 263,881,807	\$ 278,445,201

Note: Certain amounts prior to 2013 have been restated to implement new accounting and reporting standards.

Note: Certain amounts for 2014 have been restated to implement a new accounting and reporting standard (GASBS 68 and 71).

Source: District records

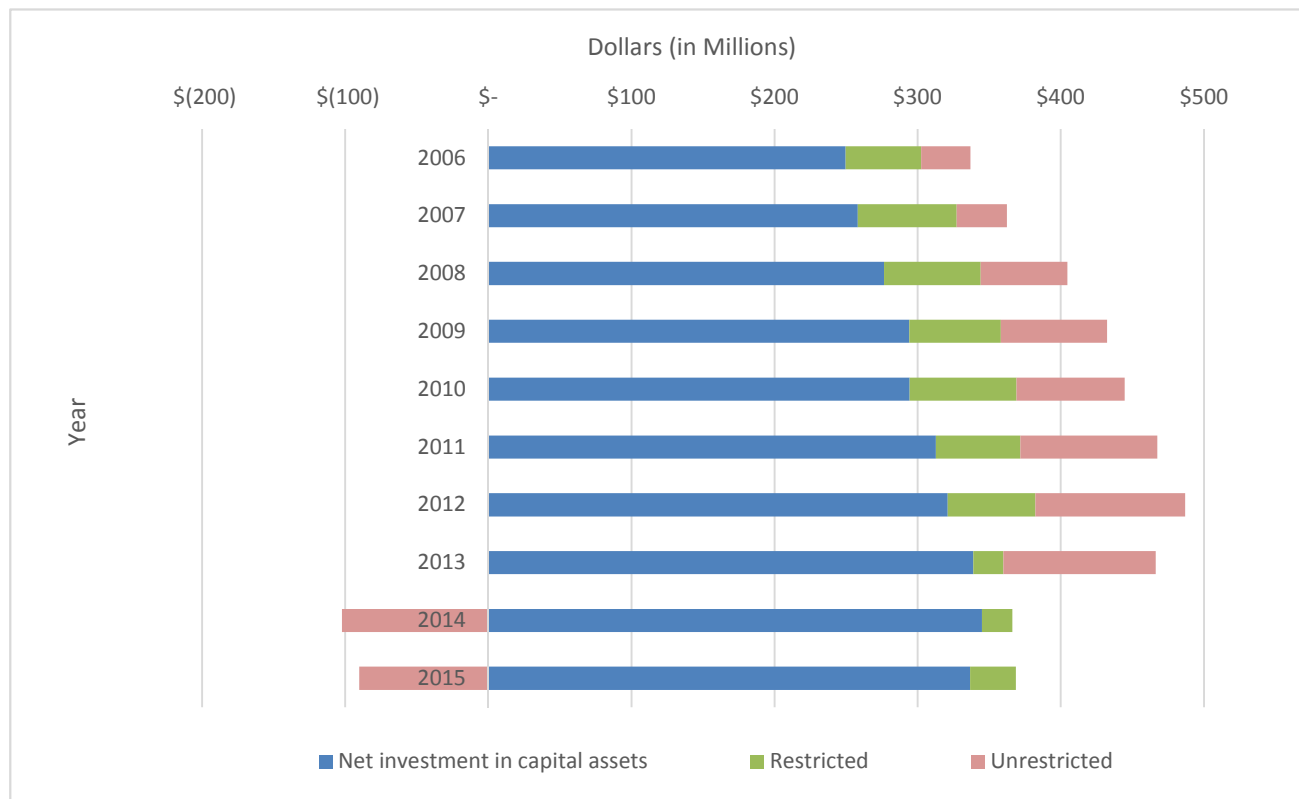


# Granite School District

## Net Position by Component

Last Ten Fiscal Years - June 30, 2006 through June 30, 2015  
(Accrual basis of accounting)

June 30,	Net investment in capital assets	Restricted	Unrestricted	Total governmental activities net position
2006	\$ 249,696,279	\$ 52,778,721	\$ 34,336,737	\$ 336,811,737
2007	258,127,062	69,137,132	35,000,743	362,264,937
2008	276,512,009	67,589,085	60,486,921	404,588,015
2009	294,117,571	63,987,422	74,216,657	432,321,650
2010	294,292,996	74,782,717	75,616,301	444,692,014
2011	312,828,850	58,847,414	95,682,550	467,358,814
2012	320,933,467	61,271,372	104,648,262	486,853,101
2013	338,844,364	20,969,146	106,566,329	466,379,839
2014	344,867,541	21,380,497	(102,366,231)	263,881,807
2015	336,548,726	32,030,944	(90,134,469)	278,445,201



Note: Certain amounts prior to 2013 have been restated to implement new accounting and reporting standards.  
 Note: Certain amounts for 2014 have been restated to implement a new accounting and reporting standard (GASBS-68).  
 Source: District records

**Granite School District**  
**Changes in Net Position**  
 Last Ten Fiscal Years - June 30, 2006 through 2015  
 (Accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses:</b>										
Instructional services	\$ (259,632,284)	\$ (275,393,510)	\$ (312,044,102)	\$ (330,747,520)	\$ (323,526,457)	\$ (318,583,268)	\$ (297,867,401)	\$ (348,317,377)	\$ (320,423,548)	\$ (335,493,515)
Supporting services:										
Students	(16,422,751)	(17,883,649)	(19,191,183)	(20,130,916)	(18,495,907)	(18,310,997)	(18,140,134)	(19,224,610)	(19,904,590)	(19,970,557)
Instructional staff	(23,633,966)	(20,098,116)	(19,929,351)	(19,382,010)	(17,121,922)	(16,452,790)	(15,094,205)	(15,745,255)	(16,713,385)	(14,946,518)
District administration	(3,106,869)	(3,269,725)	(3,008,245)	(3,142,855)	(3,212,270)	(3,172,168)	(3,261,514)	(3,311,703)	(3,459,222)	(3,231,125)
School administration	(22,004,663)	(23,519,432)	(24,902,500)	(26,447,443)	(25,939,635)	(25,899,389)	(26,259,590)	(26,437,244)	(28,301,884)	(29,413,760)
Central	(7,468,722)	(8,072,048)	(8,744,300)	(9,443,494)	(9,641,355)	(9,510,994)	(9,823,667)	(10,471,785)	(10,299,162)	(9,931,181)
Operation and maintenance of facilities	(38,317,134)	(39,965,104)	(40,263,931)	(45,094,109)	(42,959,293)	(39,397,257)	(48,472,612)	(53,044,065)	(55,594,893)	(57,466,624)
Transportation	(8,576,469)	(9,404,718)	(9,613,882)	(9,543,162)	(9,022,545)	(9,267,172)	(10,199,851)	(11,119,258)	(10,340,619)	(9,588,698)
School lunch services	(17,981,777)	(18,643,034)	(21,990,249)	(22,756,762)	(22,304,140)	(21,471,654)	(24,604,691)	(25,185,316)	(28,341,452)	(27,396,973)
Community services	(13,664,629)	(13,954,715)	(16,036,280)	(14,774,146)	(14,934,127)	(14,764,773)	(15,722,329)	(224,767)	(393,701)	(6,159,773)
Interest on long-term liabilities	-	-	-	-	(1,281,355)	(3,289,197)	(7,467,967)	(7,928,415)	(7,917,255)	(7,655,679)
Total expenses	(410,809,264)	(430,204,051)	(475,724,023)	(501,462,417)	(488,439,006)	(486,119,659)	(476,914,021)	(521,009,795)	(501,689,711)	(521,254,369)
<b>Program Revenues:</b>										
Charges for services:										
Instructional services	2,504,539	2,174,387	13,319,053	13,290,734	14,630,732	13,149,620	13,377,552	13,069,292	12,881,018	12,165,512
Supporting services	1,576,991	1,908,203	2,037,486	2,184,825	2,821,266	2,318,265	2,250,317	2,876,063	2,719,894	2,745,088
School lunch services	5,130,456	5,226,128	5,234,813	5,131,865	4,164,925	5,192,512	5,009,691	4,848,097	5,076,727	5,140,395
Operating grants and contributions	104,191,558	106,402,208	138,267,627	145,834,845	150,681,486	158,348,843	148,761,817	158,707,697	157,027,337	165,044,006
Capital grants and contributions	-	-	-	-	151,107	-	-	-	-	-
Total program revenues	113,403,544	115,710,926	158,858,979	166,442,269	172,449,516	179,009,240	169,399,377	179,501,149	177,704,976	185,095,001
<b>Net (Expense) and Changes in Net Position</b>	<b>(297,405,720)</b>	<b>(314,493,125)</b>	<b>(316,865,044)</b>	<b>(335,020,148)</b>	<b>(315,989,490)</b>	<b>(307,110,419)</b>	<b>(307,514,644)</b>	<b>(341,508,646)</b>	<b>(323,984,735)</b>	<b>(336,159,368)</b>
<b>General Revenue and Other Changes in Net Position:</b>										
Property taxes	122,416,698	122,480,457	132,546,482	136,707,897	133,224,919	143,699,068	144,940,295	148,561,205	146,177,626	159,858,801
Federal and state aid not restricted to specific programs	185,424,215	198,463,920	205,368,598	214,392,417	188,872,801	180,777,434	174,482,377	165,766,056	175,929,961	179,140,986
Earnings on investments	5,278,726	8,789,993	8,241,020	4,412,267	2,367,634	2,028,527	747,585	1,860,492	1,400,514	1,121,807
Miscellaneous	6,445,789	10,211,955	5,268,377	7,241,202	3,894,500	3,272,190	6,838,674	4,847,631	5,593,161	10,601,168
Extraordinary item - gain on insurance recovery	15,500,000	-	-	-	-	-	-	-	-	-
Total general revenue and other changes in net position	335,065,428	339,946,325	351,424,477	362,753,783	328,359,854	329,777,219	327,008,931	321,035,384	329,101,262	350,722,762
<b>Change in Net Position</b>	<b>37,659,708</b>	<b>25,453,200</b>	<b>34,559,433</b>	<b>27,733,635</b>	<b>12,370,364</b>	<b>22,666,800</b>	<b>19,494,287</b>	<b>(20,473,262)</b>	<b>5,116,527</b>	<b>14,563,394</b>
<b>Net Position - Beginning</b>	<b>299,152,029</b>	<b>336,811,737</b>	<b>370,028,582</b>	<b>404,588,015</b>	<b>432,321,650</b>	<b>444,692,014</b>	<b>467,358,814</b>	<b>486,853,101</b>	<b>466,379,839</b>	<b>263,881,807*</b>
<b>Net Position - Ending</b>	<b>\$ 336,811,737</b>	<b>\$ 362,264,937</b>	<b>\$ 404,588,015</b>	<b>\$ 432,321,650</b>	<b>\$ 444,692,014</b>	<b>\$ 467,358,814</b>	<b>\$ 486,853,101</b>	<b>\$ 466,379,839</b>	<b>\$ 471,496,366</b>	<b>\$ 278,445,201</b>

Certain amounts prior to 2013 have been restated to implement new accounting and reporting standards.

District activity programs fund was reported as special revenue fund beginning in FY08. The fund balance of the District activity fund on July 1, 2007 was \$7,763,645 which was previously reported as a fiduciary fund. Prior years have not been restated.

\* Beginning net position as of 7/1/2014 has been restated with the implementation of GASB 68 and 71 as follows:

Beginning net position, as previously stated	\$ 471,496,366
Net pension asset	40,788
Net pension liability	(232,295,909)
Deferred outflows of resources related to pensions	24,640,562
Beginning net position, as restated	<u>\$ 263,881,807</u>

Source: District records

# Granite School District Fund Balances - Governmental Funds

Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General fund balance:</b>										
Nonspendable	\$ 3,856,917	\$ 3,922,604	\$ 4,291,312	\$ 6,998,853	\$ 4,096,604	\$ 3,724,250	\$ 3,847,348	\$ 4,001,748	\$ 3,545,886	\$ 5,536,720
Committed	41,387,258	53,056,649	60,064,382	68,376,060	71,528,522	66,518,121	59,407,142	61,484,871	66,829,024	64,786,545
Assigned	271,211	195,608	6,889,755	10,971,314	10,611,865	27,235,977	31,323,124	26,142,829	14,854,416	16,212,382
Unassigned	3,080,585	3,567,124	3,981,827	6,345,573	9,766,247	9,954,512	9,897,564	7,062,256	7,317,576	7,949,448
<b>Total</b>	<b>48,595,971</b>	<b>60,741,985</b>	<b>75,227,276</b>	<b>92,691,800</b>	<b>96,003,238</b>	<b>107,432,860</b>	<b>104,475,178</b>	<b>98,691,704</b>	<b>92,546,902</b>	<b>94,485,095</b>
<b>Capital project's fund balance:</b>										
Nonspendable	110,245	68,643	63,123	65,418	66,391	113,975	117,616	97,666	128,994	167,708
Restricted	36,331,249	50,172,332	54,485,251	51,801,230	139,087,750	80,055,628	81,811,179	19,954,153	10,861,991	18,777,282
<b>Total</b>	<b>36,441,494</b>	<b>50,240,975</b>	<b>54,548,374</b>	<b>51,866,648</b>	<b>139,154,141</b>	<b>80,169,603</b>	<b>81,928,795</b>	<b>20,051,819</b>	<b>10,990,985</b>	<b>18,944,990</b>
<b>All other governmental fund balances:</b>										
Nonspendable	816,721	1,056,598	1,075,100	1,309,248	824,708	690,278	1,026,508	1,154,475	1,139,004	1,295,322
Restricted	7,553,857	10,039,102	17,177,358	16,377,602	10,784,531	6,862,422	8,233,388	9,633,312	9,683,000	13,539,781
Committed	134,384	142,891	126,218	111,093	8,374,241	10,204,549	11,359,296	11,418,409	12,099,958	14,135,476
Assigned	182,499	364,864	428,443	481,146	379,241	-	-	-	-	-
<b>Total</b>	<b>8,687,461</b>	<b>11,603,455</b>	<b>18,807,119</b>	<b>18,279,089</b>	<b>20,362,721</b>	<b>17,757,249</b>	<b>20,619,192</b>	<b>22,206,196</b>	<b>22,921,962</b>	<b>28,970,579</b>
<b>Total governmental fund balances</b>	<b>\$ 93,724,926</b>	<b>\$ 122,586,415</b>	<b>\$ 148,582,769</b>	<b>\$ 162,837,537</b>	<b>\$ 255,520,100</b>	<b>\$ 205,359,712</b>	<b>\$ 207,023,165</b>	<b>\$ 140,949,719</b>	<b>\$ 126,459,849</b>	<b>\$ 142,400,664</b>

## Note:

Nonspendable includes inventories and prepaid items that are not expected to be converted to cash.

Restricted includes net fund resources of the District that are subject to external constraints due to state or federal laws or externally imposed conditions by grantors or creditors.

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

Assigned balances in the General Fund and other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes.

Unassigned fund balances are all other available net fund resources.

Source: District records

**Granite School District**  
**Changes in Fund Balances - Governmental Funds**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues:</b>										
Property taxes	\$ 122,960,911	\$ 121,739,043	\$ 131,687,338	\$ 138,095,494	\$ 134,773,196	\$ 141,393,902	\$ 145,264,279	\$ 149,490,678	\$ 146,112,746	\$ 160,266,514
Earnings on investments	4,813,218	8,786,913	8,227,906	4,410,900	2,367,634	2,028,527	747,585	1,860,492	1,400,514	1,121,807
Tuitions	1,657,800	1,376,547	1,635,855	1,646,362	2,225,975	1,921,243	1,961,552	2,013,019	1,991,572	1,766,485
School lunch sales	5,130,456	5,226,128	5,234,813	5,131,865	4,164,975	5,192,512	5,009,691	4,848,097	5,076,727	5,140,395
School fees	-	-	5,094,985	5,705,941	5,319,978	6,105,400	6,201,669	6,399,545	6,302,516	6,697,958
Proceeds from fundraising activities	-	-	2,481,316	2,377,116	2,196,939	2,294,869	2,734,829	2,581,748	2,688,214	2,540,109
Other local	15,964,531	9,011,366	13,663,191	11,119,093	12,903,402	11,358,835	11,708,175	12,212,830	12,524,333	14,429,097
State	239,484,538	254,427,670	288,482,122	279,235,273	260,424,666	259,520,754	257,203,373	261,025,516	274,793,224	279,594,670
Federal	49,179,192	49,504,061	53,941,037	80,337,914	78,273,044	78,835,447	64,560,913	62,666,703	58,164,074	64,143,004
Total revenues	439,190,646	450,071,728	510,448,563	528,059,958	502,649,759	508,651,489	495,392,066	503,098,628	509,053,920	535,700,039
<b>Expenditures:</b>										
Current:										
Instructional services	220,970,742	239,062,959	277,489,359	296,160,837	290,027,780	289,764,079	286,380,238	303,094,147	310,881,752	319,970,969
Supporting services:										
Students	15,773,681	16,985,596	18,902,673	19,671,125	18,215,196	18,265,051	18,185,870	19,177,739	19,850,939	20,538,158
Instructional staff	23,080,330	19,347,842	19,711,431	19,042,866	16,881,822	16,410,218	15,130,458	15,898,421	16,649,551	15,431,611
District administration	2,799,177	2,903,166	2,678,068	2,795,553	2,909,550	2,807,675	2,884,608	3,042,966	3,152,450	3,394,556
School administration	21,150,316	22,361,260	24,521,494	25,817,923	25,568,334	25,868,977	26,359,396	26,386,676	28,194,855	29,877,428
Central	6,825,886	7,303,328	8,280,791	8,906,904	9,130,132	9,982,270	9,305,637	9,387,883	9,150,691	9,780,646
Operation and maintenance of facilities	35,823,201	37,158,835	40,695,887	42,737,268	40,581,482	37,798,294	47,250,856	51,964,424	54,122,795	54,752,894
Transportation	7,111,688	7,906,272	8,508,292	8,382,599	8,030,734	8,326,966	9,371,995	10,247,348	9,504,264	9,112,787
School lunch services	18,778,312	19,643,580	21,829,026	22,767,961	23,882,583	29,034,911	24,710,050	26,753,082	27,940,153	29,528,913
Community services	13,646,845	13,940,316	16,160,102	14,929,141	15,107,978	14,773,436	15,831,020	1,189,333	1,107,853	6,308,598
Capital outlay	51,024,413	41,549,919	58,940,480	56,230,944	42,928,321	89,298,616	133,263,686	137,959,749	31,212,298	18,097,591
Debt service:										
Principal	5,512,022	-	-	-	-	14,220,000	10,450,000	8,545,000	8,100,000	8,330,000
Interest and fiscal charges	105,800	-	-	-	-	3,703,889	6,967,129	8,304,364	8,806,546	8,604,651
Bond issuance costs	-	-	-	-	876,503	-	799,448	405,013	500	2,500
Total expenditures	422,602,413	428,163,073	497,717,603	517,443,121	494,140,415	559,254,382	606,890,391	622,356,145	528,674,647	533,731,302
Excess (deficiency) of revenues over (under) expenditures	16,588,233	21,908,655	12,730,960	10,616,837	8,509,344	(50,602,893)	(111,498,325)	(119,257,517)	(19,620,727)	1,968,737
<b>Other financing sources (uses):</b>										
Proceeds from sale of capital assets	51,909	98,892	28,759	155,197	116,707	642,036	1,245,424	762,898	890,208	4,501,810
Proceeds from sale of real property	1,239,575	6,004,988	548,047	3,695,127	2,295,415	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	223,425	-	-	-
Bond proceeds	-	-	-	-	80,000,000	-	102,925,000	48,075,000	-	-
Bond premium	-	-	-	-	2,027,068	-	8,876,310	4,405,323	-	-
Transfer to (from) internal service funds/proprietary funds	(113,240)	(170,693)	(172,745)	(212,393)	(265,971)	(199,531)	(108,381)	(59,150)	4,240,649	9,470,268
Total other financing sources (uses)	1,178,244	5,933,187	404,061	3,637,931	84,173,219	442,505	113,161,778	53,184,071	5,130,857	13,972,078
<b>Extraordinary item:</b>										
Insurance proceeds	9,336,192	1,019,647	5,097,688	-	-	-	-	-	-	-
<b>Net change in fund balances</b>	27,102,669	28,861,489	18,232,709	14,254,768	92,682,563	(50,160,388)	1,663,453	(66,073,446)	(14,489,870)	15,940,815
<b>Fund balances - beginning</b>	66,622,257	93,724,926	130,350,060	148,582,769	162,837,537	255,520,100	205,359,712	207,023,165	140,949,719	126,459,849
<b>Fund balances - ending</b>	<u>\$ 93,724,926</u>	<u>\$ 122,586,415</u>	<u>\$ 148,582,769</u>	<u>\$ 162,837,537</u>	<u>\$ 255,520,100</u>	<u>\$ 205,359,712</u>	<u>\$ 207,023,165</u>	<u>\$ 140,949,719</u>	<u>\$ 126,459,849</u>	<u>\$ 142,400,664</u>
Debt service as a percentage of noncapital expenditures	1.41%	0.00%	0.00%	0.00%	0.00%	3.66%	3.66%	3.25%	3.43%	3.27%

District activity programs fund was reported as special revenue fund beginning in FY08. The fund balance of the District activity fund on July 1, 2007 of \$7,763,645 was previously reported as a fiduciary fund. Prior years have not been restated.  
 Source: District records.

**Granite School District**  
**Comparative Balance Sheets - General Fund**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Assets:</b>										
Cash and investments	\$ 131,051,359	\$ 70,057,105	\$ 84,799,443	\$ 113,508,241	\$ 108,654,214	\$ 131,870,229	\$ 138,025,909	\$ 134,844,685	\$ 120,865,657	\$ 123,816,801
Receivables:										
Property taxes	78,839,516	75,376,925	78,975,609	74,025,512	92,915,999	94,267,604	104,050,366	104,112,081	106,659,003	122,667,773
Other local	877,535	1,224,557	939,927	1,365,487	583,887	1,117,626	1,372,009	1,519,629	1,259,112	965,401
State	330,920	318,383	569,042	1,047,636	635,364	1,039,051	526,134	523,513	658,359	407,702
Federal	12,098,630	9,315,717	11,193,340	25,234,529	34,774,677	28,609,033	16,162,815	16,149,504	17,859,225	15,007,012
Inventories	3,432,346	3,524,537	3,884,697	6,603,979	3,814,200	3,448,713	3,553,368	3,669,481	3,243,980	4,078,607
Prepaid items	424,571	398,067	406,615	394,874	282,404	275,537	293,980	332,267	301,906	1,458,113
Due from other funds	-	-	-	73,999	632,691	-	392,125	154,633	135,752	266,561
Total assets	\$ 227,054,877	\$ 160,215,291	\$ 180,768,673	\$ 222,254,257	\$ 242,293,436	\$ 260,627,795	\$ 264,376,706	\$ 261,305,793	\$ 250,982,994	\$ 268,667,970
<b>Liabilities:</b>										
Accounts and contracts payable	\$ 3,156,800	\$ 2,153,885	\$ 2,655,747	\$ 1,955,451	\$ 1,824,520	\$ 903,812	\$ 757,538	\$ 1,112,408	\$ 1,228,108	\$ 851,972
Accrued salaries and related benefits	8,064,018	6,501,915	5,664,092	42,760,851	41,388,390	41,156,118	42,702,387	44,968,638	40,171,266	39,340,629
Unearned revenue:										
Local	439,735	552,222	462,271	428,051	575,676	599,954	1,054,995	1,506,997	1,214,181	873,955
State	11,560,363	14,214,833	16,422,106	10,341,017	8,641,076	9,522,950	9,439,856	8,678,669	7,436,856	6,353,051
Federal	110,569	602,907	161,895	144,249	800,654	1,281,968	1,773,650	1,955,335	1,433,119	3,991,067
Due to other funds	76,493,997	-	-	-	-	5,780,232	-	-	-	-
Total liabilities	99,825,482	24,025,762	25,366,111	55,629,619	53,230,316	59,245,034	55,728,426	58,222,047	51,483,530	51,410,674
<b>Deferred Inflows of Resources:</b>										
Property taxes levied for future year	76,378,143	72,754,259	76,777,006	71,414,974	91,544,790	90,890,695	101,011,881	101,786,514	104,271,195	120,376,958
Unavailable property tax revenue	2,255,281	2,693,285	3,398,280	2,517,864	1,515,092	3,059,206	3,161,221	2,605,528	2,681,367	2,395,243
Total deferred inflows of resources	78,633,424	75,447,544	80,175,286	73,932,838	93,059,882	93,949,901	104,173,102	104,392,042	106,952,562	122,772,201
<b>Fund Balances:</b>										
Nonspendable:										
Inventories	3,432,346	3,524,537	3,884,697	6,603,979	3,814,200	3,448,713	3,553,368	3,669,481	3,243,980	4,078,607
Prepaid items	424,571	398,067	406,615	394,874	282,404	275,537	293,980	332,267	301,906	1,458,113
Committed to:										
Economic stabilization	9,500,000	9,500,000	12,000,000	17,000,000	20,349,243	20,419,262	20,547,753	21,811,871	22,229,221	22,824,786
Employee benefits	31,488,675	43,354,058	47,643,376	50,825,306	50,787,529	44,714,591	37,336,656	38,799,309	43,001,662	41,640,633
Contractual obligations	398,583	202,591	421,006	550,754	391,750	1,384,268	1,522,733	873,691	1,598,141	321,126
Assigned to:										
Success Charter School	-	-	-	-	-	313,776	-	-	-	-
Self insurance	-	-	6,000,000	9,924,400	9,517,407	14,838,733	16,123,466	12,405,824	8,561,277	8,561,277
Employee benefits	-	-	-	-	-	6,050,000	6,914,504	5,451,851	1,394,806	3,143,576
Planned projects	271,211	195,608	889,755	1,046,914	1,094,458	6,033,468	8,285,154	8,285,154	4,898,333	4,507,529
Unassigned	3,080,585	3,567,124	3,981,827	6,345,573	9,766,247	9,954,512	9,897,564	7,062,256	7,317,576	7,949,448
Total fund balances	48,595,971	60,741,985	75,227,276	92,691,800	96,003,238	107,432,860	104,475,178	98,691,704	92,546,902	94,485,095
Total liabilities, deferred inflows of resources, and fund balances	\$ 227,054,877	\$ 160,215,291	\$ 180,768,673	\$ 222,254,257	\$ 242,293,436	\$ 260,627,795	\$ 264,376,706	\$ 261,305,793	\$ 250,982,994	\$ 268,667,970

Source: District records

**Granite School District**  
**Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund**  
 Last Ten Fiscal Years - June 30, 2006 through 2015 and Proposed Budget for 2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Proposed Budget 2016
<b>Revenues:</b>											
Property taxes	\$ 73,891,784	\$ 73,143,714	\$ 83,775,271	\$ 87,411,731	\$ 85,068,472	\$ 91,921,843	\$ 105,081,687	\$ 113,045,326	\$ 109,537,454	\$ 117,411,168	\$ 125,794,578
Earnings (loss) on investments	2,129,331	4,307,590	4,090,444	3,221,399	1,401,278	1,204,839	(46,142)	1,212,292	889,683	823,177	1,185,000
Other local	9,092,757	7,304,079	6,823,146	6,670,218	7,855,547	7,709,658	8,311,120	9,777,622	10,928,379	11,339,127	10,387,249
State	230,754,050	246,173,062	274,717,288	271,171,606	252,412,503	251,934,781	249,504,811	256,869,852	270,160,476	274,774,354	289,512,245
Federal	32,697,345	32,846,301	36,383,144	62,370,769	58,863,351	57,305,579	40,159,901	41,809,790	38,766,157	40,163,860	41,181,406
Total revenue	<u>348,565,267</u>	<u>363,774,746</u>	<u>405,789,293</u>	<u>430,845,723</u>	<u>405,601,151</u>	<u>410,076,700</u>	<u>403,011,377</u>	<u>422,714,882</u>	<u>430,282,149</u>	<u>444,511,686</u>	<u>468,060,478</u>
<b>Expenditures:</b>											
Current:											
Instruction	220,476,389	238,640,958	265,252,631	283,602,781	278,180,311	278,464,936	275,344,998	292,231,153	299,040,857	308,217,928	325,388,628
Supporting services:											
Students	15,773,681	16,985,596	18,902,673	19,671,125	18,215,196	18,265,051	18,185,870	19,177,739	19,850,939	20,538,158	21,134,254
Instructional staff	23,080,330	19,347,842	19,711,431	19,042,866	16,881,822	16,410,218	15,130,458	15,898,421	16,649,551	15,431,611	16,823,470
District administration	2,799,177	2,903,166	2,678,068	2,795,553	2,909,550	2,807,675	2,884,608	3,042,966	3,152,450	3,394,556	3,713,966
School administration	21,150,316	22,361,260	24,521,494	25,817,923	25,568,334	25,868,977	26,359,396	26,386,676	28,194,855	29,877,428	31,018,917
Central	6,825,886	7,303,328	8,280,791	8,906,904	9,130,132	8,982,270	9,305,637	9,387,883	9,150,691	9,780,646	10,438,856
Operation and maintenance of facilities	35,823,201	37,158,835	40,695,887	42,737,268	40,581,482	37,798,294	47,250,856	51,964,424	54,122,795	54,752,894	58,403,229
Transportation	7,111,688	7,906,272	8,508,292	8,382,599	8,030,734	8,326,966	9,371,995	10,247,348	9,504,264	9,112,787	9,869,445
Total expenditures	<u>333,040,668</u>	<u>352,607,257</u>	<u>388,551,267</u>	<u>410,957,019</u>	<u>399,497,561</u>	<u>396,924,387</u>	<u>403,833,818</u>	<u>428,336,610</u>	<u>439,666,402</u>	<u>451,106,008</u>	<u>476,790,765</u>
Excess (deficiency) of revenues over (under) expenditures	15,524,599	11,167,489	17,238,026	19,888,704	6,103,590	13,152,313	(822,441)	(5,621,728)	(9,384,253)	(6,594,322)	(8,730,287)
Other financing sources (uses):											
Transfers in (out)	1,177,564	978,525	(2,752,735)	(2,424,180)	(2,792,152)	(1,722,691)	(2,135,241)	(161,746)	3,239,451	8,532,515	4,254,185
Net change in fund balances	16,702,163	12,146,014	14,485,291	17,464,524	3,311,438	11,429,622	(2,957,682)	(5,783,474)	(6,144,802)	1,938,193	(4,476,102)
Fund balances - beginning	31,893,808	48,595,971	60,741,985	75,227,276	92,691,800	96,003,238	107,432,860	104,475,178	98,691,704	92,546,902	90,798,473
Fund balances - ending	<u>\$ 48,595,971</u>	<u>\$ 60,741,985</u>	<u>\$ 75,227,276</u>	<u>\$ 92,691,800</u>	<u>\$ 96,003,238</u>	<u>\$ 107,432,860</u>	<u>\$ 104,475,178</u>	<u>\$ 98,691,704</u>	<u>\$ 92,546,902</u>	<u>\$ 94,485,095</u>	<u>\$ 86,322,371</u>

Source: District records.

# GRANITE SCHOOL DISTRICT

## Statistical Section - Revenue Capacity

### 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.

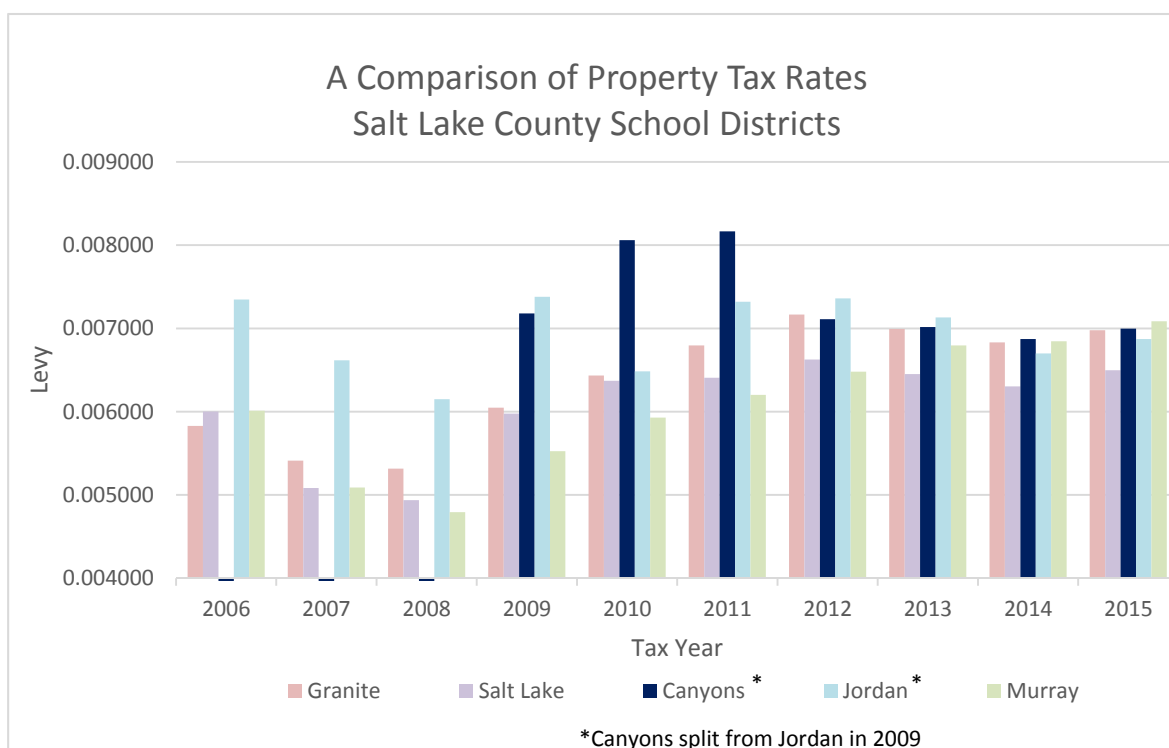
## Revenue Capacity

These schedules contain information to help the reader assess one of the District's most significant local revenue source, the property tax.

Contents	Page
Historical Summaries of Taxable Values of Property.....	84
Assessed Value and Estimated Actual Value of Taxable Property.....	85
Direct and Overlapping Property Tax Rates.....	86
Principal Property Tax Payers.....	87
Property Tax Levies and Collections.....	88

### Sources:

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



**Granite School District**  
**Historical Summaries of Taxable Values of Property**  
 Last Ten Tax Years - For the Tax Years Ended December 31, 2005 through 2014

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Set by State Tax Commission: Centrally Assessed	\$ 1,545,562,862	\$ 1,565,368,137	\$ 1,753,741,243	\$ 1,952,066,864	\$ 1,676,842,492	\$ 2,029,948,798	\$ 2,147,557,466	\$ 2,318,777,740	\$ 1,909,724,105	\$ 2,020,058,045
Set by County Assessor: Locally Assessed										
Real Property:										
Residential real estate-primary use	10,044,328,140	11,493,028,307	13,902,613,370	14,729,753,317	13,008,368,623	12,515,386,495	12,258,416,057	11,602,096,890	12,107,463,442	12,979,459,323
Residential real estate-not primary use	400,748,700	484,776,770	565,314,690	742,507,870	621,683,380	530,648,060	478,858,170	445,747,730	449,861,180	433,165,380
Commercial and industrial real estate	4,143,992,420	4,876,571,030	5,613,321,760	6,063,623,670	4,940,975,810	4,861,606,550	4,879,587,270	4,881,426,400	5,121,010,250	5,325,372,810
Agriculture-FAA	12,601,820	11,729,730	12,330,600	3,122,790	2,546,500	2,641,160	2,484,800	2,446,640	2,488,520	2,275,710
Unimproved non FAA	798,290	1,034,410	914,010	9,959,730	8,714,040	7,432,850	7,716,940	7,338,740	7,679,100	6,538,360
Total Real Property	14,602,469,370	16,867,140,247	20,094,494,430	21,548,967,377	18,582,288,353	17,917,715,115	17,627,063,237	16,939,056,400	17,688,502,492	18,746,811,583
Personal Property:										
Fee in lieu property	2,638,922,990	1,530,971,598	1,571,961,716	1,561,885,885	1,443,973,546	1,489,159,055	* 611,175,504	585,561,977	567,068,999	572,977,971
Mobile home-primary residential use	39,355,196	37,152,386	40,090,137	42,311,722	44,365,634	41,853,103	40,966,709	40,302,850	39,128,490	38,194,141
Mobile home-other use	1,458,034	1,750,357	1,512,221	2,751,923	3,002,319	1,685,719	1,486,580	1,596,921	2,008,240	1,335,284
Commercial and industrial property	1,078,624,814	1,216,132,336	1,315,426,157	1,422,273,525	1,527,200,703	1,454,916,023	1,319,166,296	1,310,971,049	1,330,178,802	1,387,651,899
Total Personal Property	3,758,361,034	2,786,006,677	2,928,990,231	3,029,223,055	3,018,542,202	2,987,613,900	1,972,795,089	1,938,432,797	1,938,384,531	2,000,159,295
Total Locally Assessed	18,360,830,404	19,653,146,924	23,023,484,661	24,578,190,432	21,600,830,555	20,905,329,015	19,599,858,326	18,877,489,197	19,626,887,023	20,746,970,878
Total Taxable Property	\$ 19,906,393,266	\$ 21,218,515,061	\$ 24,777,225,904	\$ 26,530,257,296	\$ 23,277,673,047	\$ 22,935,277,813	\$ 21,747,415,792	\$ 21,196,266,937	\$ 21,536,611,128	\$ 22,767,028,923

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

\* Reflects a change in the formula used by the Utah State Tax Commission to calculate the value of fee in lieu property.



**Granite School District**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Years - December 31, 2005 through 2014**

Tax Year	Taxable Assessed Value *				Total Direct Tax Rate	Estimated Actual Value (FMV)	Assessed Value as a Percentage of Actual Value	
	Residential	Industrial & Commercial	Agriculture	Personal				
2005	\$ 10,445,076,840	\$ 6,768,180,096	\$ 13,400,110	\$ 2,679,736,220	\$ 19,906,393,266	0.006604	\$ 28,156,679,632	70.70%
2006	11,977,805,077	7,658,071,503	12,764,140	1,569,874,341	21,218,515,061	0.005828	30,652,299,264	69.22%
2007	14,467,928,060	8,682,489,160	13,244,610	1,613,564,074	24,777,225,904	0.005411	36,184,966,896	68.47%
2008	15,472,261,187	9,437,964,059	13,082,520	1,606,949,530	26,530,257,296	0.005316	38,616,498,368	68.70%
2009	13,630,052,003	8,145,019,005	11,260,540	1,491,341,499	23,277,673,047	0.006047	36,380,507,985	63.98%
2010	13,046,034,555	8,346,471,371	10,074,010	1,532,697,877	22,935,277,813	0.006434	33,209,173,404	69.06%
2011	12,737,274,227	8,346,311,032	10,201,740	653,628,793	21,747,415,792	0.006796	31,810,547,146	68.37%
2012	12,047,844,620	8,511,175,189	9,785,380	627,461,748	21,196,266,937	0.007166	30,721,866,724	68.99%
2013	12,557,324,622	8,360,913,157	10,167,620	608,205,729	21,536,611,128	0.006994	31,474,731,800	68.43%
2014	13,412,624,703	8,733,082,754	8,814,070	612,507,396	22,767,028,923	0.006831	33,417,836,303	68.13%

\* Taxable assessed values includes the taxable value used to determine uniform fees on tangible personal property.

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

**Granite School District**  
**Direct and Overlapping Property Tax Rates**  
 Last Ten Years - December 31, 2005 through 2014  
 (Rate per \$1 of assessed value)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Granite School District Rates:</b>										
<b>General fund:</b>										
Basic state supported program for regular K-12 instruction (set by state legislature)	0.001720	0.001515	0.001311	0.001250	0.001433	0.001495	0.001591	0.001651	0.001535	0.001419
Voted leeway program for regular K-12 instruction	0.001600	0.001419	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001526
Board local levy (1)	-	-	-	-	-	-	-	0.002149	0.002106	0.002227
School board leeway program for class size reduction (2)	0.000400	0.000356	0.000307	0.000290	0.000333	0.000336	0.000400	-	-	-
Board reading improvement program (2)	0.000121	0.000121	0.000121	0.000121	0.000139	0.000141	0.000121	-	-	-
Tort liability levy (2)	0.000047	0.000042	0.000022	0.000021	0.000027	0.000029	0.000030	-	-	-
10% additional basic program for textbooks and supplies (1)(2)	-	-	-	-	0.000249	0.000427	0.000968	-	-	-
Student transportation (2)	0.000070	0.000049	0.000022	0.000021	0.000027	0.000150	0.000187	-	-	-
Judgment levy	0.000023	-	-	0.000082	-	-	-	-	-	-
Total general fund	0.003981	0.003502	0.003383	0.003385	0.003808	0.004178	0.004897	0.005400	0.005241	0.005172
<b>Capital projects fund:</b>										
Capital outlay equalization	-	-	-	-	0.000600	0.000600	0.000600	0.000600	0.000600	0.000600
Capital outlay for buildings and other capital needs	0.001388	0.001251	0.001150	0.001071	0.000667	0.000226	0.000233	0.000405	0.000392	0.000298
10% additional basic program for construction	0.000992	0.000880	0.000761	0.000740	0.000759	0.000483	-	-	-	-
Total capital projects fund	0.002380	0.002131	0.001911	0.001811	0.002026	0.001309	0.000833	0.001005	0.000992	0.000898
<b>Other:</b>										
Debt Service (1)	-	-	-	-	-	0.000761	0.000761	0.000761	0.000761	0.000761
Community recreation levy (2)	0.000243	0.000195	0.000117	0.000120	0.000213	0.000186	0.000305	-	-	-
Total other	0.000243	0.000195	0.000117	0.000120	0.000213	0.000947	0.001066	0.000761	0.000761	0.000761
Total direct rate	0.006604	0.005828	0.005411	0.005316	0.006047	0.006434	0.006796	0.007166	0.006994	0.006831
<b>Overlapping Rates: (a)</b>										
Salt Lake County, Municipal, and Library	0.003279	0.002909	0.002468	0.002382	0.002756	0.003125	0.003251	0.003622	0.004101	0.003931
Salt Lake Valley Law Enforcement Service Area	-	-	-	-	-	-	-	-	-	0.002145
Salt Lake Valley Fire Service Area (3)	-	-	-	0.001566	0.001972	0.001972	0.002028	0.002079	0.002192	0.002097
Holladay City	0.001983	0.001659	0.001436	0.001312	0.001533	0.001720	0.001767	0.001791	0.001707	0.001596
South Salt Lake City	0.001396	0.002857	0.002465	0.002352	0.002665	0.002729	0.002691	0.002757	0.002725	0.002572
Taylorsville City	0.001801	0.001858	0.001554	0.001514	0.001690	0.001739	0.001794	0.001923	0.002104	0.001294
West Valley City	0.002527	0.003700	0.003194	0.003171	0.003604	0.003644	0.004510	0.004837	0.004633	0.004831
Central Utah Water Project	0.000400	0.000357	0.000302	0.000286	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422
<b>Other local taxing entities:</b>										
Minimum	0.000060	0.000054	0.000047	0.000044	0.000050	0.000050	0.000052	0.000054	0.000021	0.000020
Maximum	0.001502	0.001671	0.002025	0.005850	0.002756	0.002722	0.002804	0.005517	0.005349	0.005675

## Notes:

- (1) Tax rates begin the first year the entity levied a rate.  
 (2) Tax rate discontinued for 2012 and combined into a new board local levy accounted for in the General Fund.  
 (3) Salt Lake Valley Fire Service Area began levying its own rate separate from Salt Lake County in 2008.  
 (a) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all District property owners.  
 Source: Property Tax Division, Utah State Tax Commission-Approved Property Tax Rates by Year.

**Granite School District**  
**Principal Property Tax Payers**  
December 31, 2014 and 2005

Taxpayer	Industry	2014			2005		
		Taxable Value*	Rank	Percent of Total Taxable Value	Taxable Value*	Rank	Percent of Total Taxable Value
Kennecott Utah Copper	Mining	\$ 1,362,884,672	1	6.14 %	\$ 1,118,709,742	1	7.12 %
Hexcel Corporation	Product Design	275,234,259	2	1.24 %	-	-	-
PacificCorp	Utility	242,614,923	3	1.09 %	188,624,178	2	1.20 %
Alliant Techsystems Inc.	Aerospace	143,995,272	4	0.65 %	127,252,268	3	0.81 %
Questar Gas	Utility	139,497,126	5	0.63 %	65,208,367	7	0.41 %
Verizon Wireless	Communications	116,266,395	6	0.52 %	99,241,782	4	0.63 %
EOS at Millrock Park LLC	Real Estate	113,401,200	7	0.51 %	-	-	-
Northern Utah Healthcare Corp.	Health Care	87,386,778	8	0.39 %	-	-	-
TPP 217 Taylorsville, LLC	Commercial	83,026,100	9	0.37 %	-	-	-
Coventry	Health Care	77,416,400	10	0.35 %	-	-	-
Novus Development	Financial	-	-	-	79,205,651	5	0.50 %
Qwest Communications	Communications	-	-	-	67,628,659	6	0.43 %
Hermes Associates & LTD	Retail Shopping	-	-	-	61,925,300	8	0.39 %
VFM-ALC LC	Real Estate	-	-	-	55,379,500	9	0.35 %
Wal-Mart Real Estate Business	Real Estate	-	-	-	49,006,200	10	0.31 %
		<u>\$ 2,641,723,125</u>		<u>11.89 %</u>	<u>\$ 1,912,181,647</u>		<u>12.15 %</u>
Total taxable value		\$ 22,194,050,952			\$ 15,721,904,414		

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

Source: Lewis Young Robertson & Burningham, Inc. from Salt Lake County, Utah State Property Tax Division

**Granite School District**  
**Property Tax Levies and Collections**  
 Last Ten Tax Years December 31, 2005 through 2014

Tax Year	Taxes Levied *	Collections		Total Collections to Date	
		In the Year of Levy	Percentage of Levy	In Subsequent Years	Amount      Percentage of Levy
2005	\$ 124,734,685	\$ 117,753,192	94.40%	\$ 3,371,175	\$ 121,124,367      97.11%
2006	125,307,869	119,835,109	95.63%	3,200,568	123,035,677      98.19%
2007	137,793,700	130,993,568	95.06%	3,908,217	134,901,785      97.90%
2008	144,030,429	133,086,985	92.40%	5,003,508	138,090,493      95.88%
2009	141,174,640	131,216,560	92.95%	4,719,543	135,936,103      96.29%
2010	146,987,818	138,228,607	94.04%	5,897,207	144,125,814      98.05%
2011	152,112,476	142,763,378	93.85%	3,369,440	146,132,818      96.07%
2012	155,812,510	145,755,394	93.55%	2,517,259	148,272,653      95.16%
2013	155,031,549	145,068,290	93.57%	2,243,977	147,312,267      95.02%
2014	160,534,210	151,171,475	94.17%	-	151,171,475      94.17%

\* Includes the taxable value used to determine uniform fees on tangible personal property.

Source: District records and Salt Lake County remittance letters.

# GRANITE SCHOOL DISTRICT

## Statistical Section - Debt Capacity

### 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.

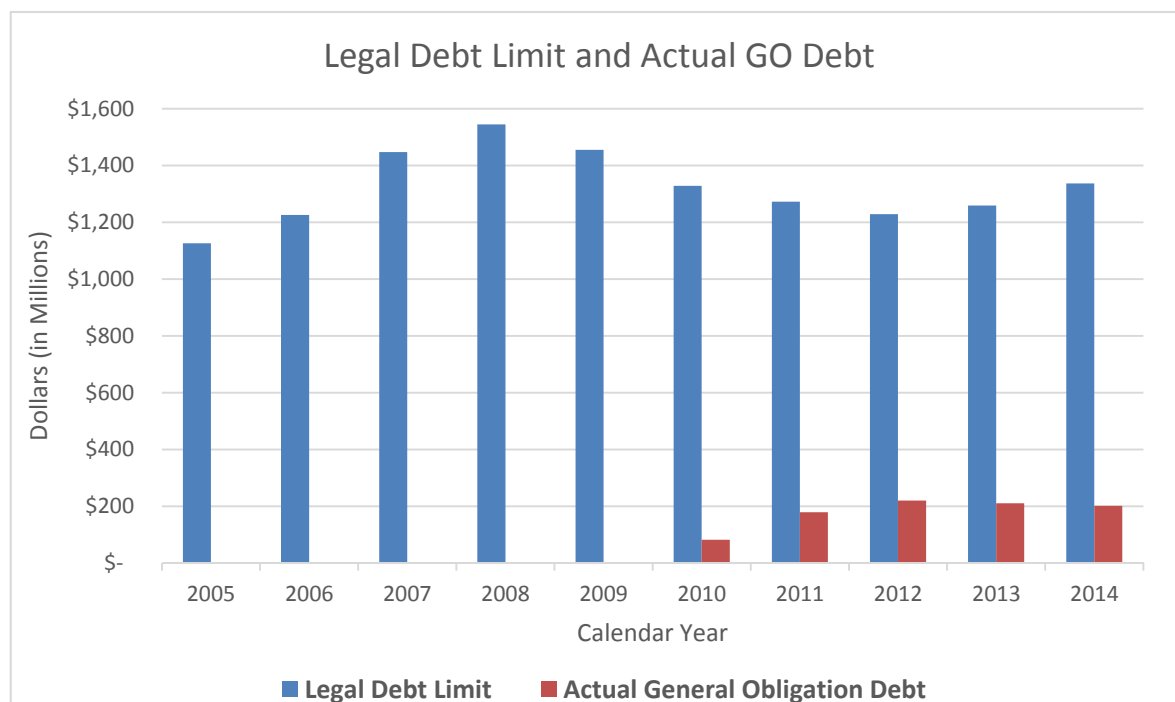
## Debt Capacity

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.

Contents	Page
Ratios of Outstanding Debt.....	90
Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year).....	91
CUSIP Numbers Associated with Outstanding General Obligation Bonded Indebtedness.....	92
Direct and Overlapping General Obligation Debt.....	93
Legal Debt Margin Information.....	94
Pledged Revenue Bonds.....	95

#### Sources:

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



**Granite School District**  
**Ratios of Outstanding Debt**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

Fiscal Year	Outstanding Debt						
	Direct			Overlapping		Total	
	General Obligation Bonds	Net Bond Premiums	Lease Revenue Bonds	Capital Leases	Total	General Obligation Debt	Direct and Overlapping
2006	\$ -	\$ -	\$ -	-	\$ -	\$ 121,737,437	\$ 121,737,437
2007	-	-	-	-	-	122,705,633	122,705,633
2008	-	-	-	-	-	125,438,111	125,438,111
2009	-	-	-	-	-	122,632,536	122,632,536
2010	80,000,000	1,998,914	-	-	81,998,914	135,909,872	217,908,786
2011	65,780,000	1,745,530	-	-	67,525,530	126,879,494	194,405,024
2012	158,255,000	9,924,641	-	-	168,179,641	133,995,309	302,174,950
2013	197,785,000	13,464,872	-	-	211,249,872	120,465,217	331,715,089
2014	189,685,000	12,547,406	-	-	202,232,406	118,505,740	320,738,146
2015	181,355,000	11,629,941	-	-	192,984,941	100,938,960	293,923,901

Fiscal Year	Debt As a Percentage of Taxable Value		Debt As a Percentage of Estimated Actual Value (FMV)		Debt per Personal Income*		Debt per Estimated Capitala		Debt per Student**	
	Direct and Overlapping		Direct and Overlapping		Direct and Overlapping		Direct and Overlapping		Direct and Overlapping	
	Direct	Overlapping	Direct	Overlapping	Direct	Overlapping	Direct	Overlapping	Direct	Overlapping
2006	0.00%	0.61%	0.00%	0.43%	\$ -	\$ 3,561	\$ -	\$ 3,485	\$ -	\$ 1,836
2007	0.00%	0.58%	0.00%	0.40%	-	3,289	-	3,192	-	1,878
2008	0.00%	0.51%	0.00%	0.35%	-	3,347	-	3,161	-	1,889
2009	0.00%	0.46%	0.00%	0.32%	-	3,179	-	3,309	-	1,826
2010	0.35%	0.94%	0.23%	0.60%	2,098	5,575	2,168	5,761	1,226	3,258
2011	0.29%	0.85%	0.20%	0.59%	1,647	4,742	1,728	4,974	1,007	2,899
2012	0.77%	1.39%	0.53%	0.95%	3,852	6,921	4,098	7,363	2,530	4,546
2013	1.00%	1.56%	0.69%	1.08%	4,637	7,282	5,007	7,863	3,190	5,009
2014	0.94%	1.49%	0.64%	1.02%	N/A	N/A	N/A	N/A	3,016	4,783
2015	0.85%	1.29%	0.58%	0.88%	N/A	N/A	N/A	N/A	2,893	4,406

\* The actual per capita income as provided by the Bureau of Economic Analysis lags behind. Therefore, it is not available for the latest two years. Prior year figures are revised as needed.

\*\* Based on average daily membership

Source: Salt Lake County CAFR and CUWCD records for overlapping debt. Otherwise, District records

**Granite School District**  
**Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year)**  
As of June 30, 2015

Year Ending June 30,	Series 2010		Series 2011		Series 2012		Series 2013		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 1,900,000	\$ 2,886,101	\$ 3,300,000	\$ 4,059,125	\$ 1,380,000	\$ 1,062,925	\$ 250,000	\$ 340,400	\$ 6,830,000	\$ 8,348,551
2017	2,200,000	2,791,101	3,350,000	3,953,125	1,200,000	1,035,325	250,000	330,400	7,000,000	8,109,951
2018	2,500,000	2,681,101	3,450,000	3,819,125	1,300,000	1,011,325	280,000	317,900	7,530,000	7,829,451
2019	2,700,000	2,556,101	3,700,000	3,646,625	1,495,000	946,325	280,000	303,900	8,175,000	7,452,951
2020	3,000,000	2,444,888	3,825,000	3,461,625	1,565,000	871,575	280,000	289,900	8,670,000	7,067,988
2021	3,400,000	2,316,818	3,850,000	3,289,500	1,635,000	793,325	280,000	275,900	9,165,000	6,675,543
2022	3,750,000	2,166,572	4,000,000	3,116,250	1,705,000	711,575	380,000	261,900	9,835,000	6,256,297
2023	4,050,000	1,995,235	4,200,000	2,916,250	1,775,000	626,325	380,000	242,900	10,405,000	5,780,710
2024	4,250,000	1,806,140	4,400,000	2,706,250	1,855,000	573,075	480,000	223,900	10,985,000	5,309,365
2025	4,550,000	1,601,332	4,625,000	2,486,250	1,940,000	517,425	480,000	199,900	11,595,000	4,804,907
2026	5,100,000	1,377,518	4,800,000	2,255,000	2,030,000	459,225	530,000	175,900	12,460,000	4,267,643
2027	5,200,000	1,124,864	5,100,000	2,015,000	2,130,000	398,325	590,000	149,400	13,020,000	3,687,589
2028	5,300,000	862,056	5,625,000	1,760,000	2,225,000	334,425	630,000	122,850	13,780,000	3,079,331
2029	5,400,000	588,894	6,150,000	1,478,750	2,330,000	256,550	650,000	94,500	14,530,000	2,418,694
2030	5,700,000	305,178	6,500,000	1,171,250	2,440,000	175,000	670,000	65,250	15,310,000	1,716,678
2031	-	-	18,725,000	911,250	-	89,600	-	35,100	18,725,000	1,035,950
2032	-	-	-	-	2,560,000	89,600	480,000	35,100	3,040,000	124,700
2033	-	-	-	-	-	-	300,000	13,500	300,000	13,500
	<u>\$ 59,000,000</u>	<u>\$ 27,503,899</u>	<u>\$ 85,600,000</u>	<u>\$ 43,045,375</u>	<u>\$ 29,565,000</u>	<u>\$ 9,951,925</u>	<u>\$ 7,190,000</u>	<u>\$ 3,478,600</u>	<u>\$ 181,355,000</u>	<u>\$ 83,979,799</u>

Source: District records

# Granite School District

## CUSIP Numbers Associated with Outstanding General Obligation Bonded Indebtedness As of June 30, 2015

\*Note: The prefix for all CUSIP numbers listed below is 387460

Payment Due June 1,	Series 2010			Series 2011			Series 2012			Series 2013		
	\$80,000,000 Original Par Value			\$102,925,000 Original Par Value			\$36,500,000 Original Par Value			\$11,575,000 Original Par Value		
	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*
2016	\$ 1,900,000	5.000%	JU3	\$ 2,000,000	4.000%	KU1	\$ 1,380,000	2.000%	KZ0	\$ 250,000	4.000%	LT3
2016	-	-	-	1,300,000	2.000%	KB3	-	-	-	-	-	-
2017	2,200,000	5.000%	JV1	3,350,000	4.000%	KC1	1,200,000	2.000%	LA4	250,000	5.000%	LU0
2018	2,500,000	5.000%	JW9	3,450,000	5.000%	KD9	1,300,000	5.000%	LB2	280,000	5.000%	LV8
2019	2,700,000	4.119%	JB5	3,700,000	5.000%	KE7	1,495,000	5.000%	LC0	280,000	5.000%	LW6
2020	3,000,000	4.269%	JC3	3,825,000	4.500%	KF4	1,565,000	5.000%	LD8	280,000	5.000%	LX4
2021	3,400,000	4.419%	JD1	3,850,000	4.500%	KG2	1,635,000	5.000%	LE6	280,000	5.000%	LY2
2022	3,750,000	4.569%	JE9	4,000,000	5.000%	KH0	1,705,000	5.000%	LF3	380,000	5.000%	LZ9
2023	4,050,000	4.669%	JF6	4,200,000	5.000%	KJ6	1,775,000	3.000%	LG1	380,000	5.000%	MA3
2024	4,250,000	4.819%	JG4	4,400,000	5.000%	KK3	1,855,000	3.000%	LH9	480,000	5.000%	MB1
2025	4,550,000	4.919%	JH2	4,625,000	5.000%	KL1	1,940,000	3.000%	LJ5	480,000	5.000%	MC9
2026	5,100,000	4.954%	JJ8	4,800,000	5.000%	KM9	2,030,000	3.000%	LK2	530,000	5.000%	MD7
2027	5,200,000	5.054%	JK5	5,100,000	5.000%	KN7	2,130,000	3.000%	LL0	590,000	4.500%	ME5
2028	5,300,000	5.154%	JL3	5,625,000	5.000%	KP2	2,225,000	3.500%	LM8	630,000	4.500%	MF2
2029	5,400,000	5.254%	JM1	6,150,000	5.000%	KQ0	2,330,000	3.500%	LN6	650,000	4.500%	MG0
2030	5,700,000	5.354%	JN9	6,500,000	4.000%	KR8	2,440,000	3.500%	LP1	670,000	4.500%	MH8
2031	N/A	N/A	N/A	5,000,000	4.500%	KS6	-	-	-	-	-	-
2031	N/A	N/A	N/A	13,725,000	5.000%	KV9	-	-	-	-	-	-
2032	N/A	N/A	N/A	N/A	N/A	N/A	2,560,000	3.500%	LQ9	480,000	4.500%	MJ4
2033	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	300,000	4.500%	MK1
	<u>\$ 59,000,000</u>			<u>\$ 85,600,000</u>			<u>\$ 29,565,000</u>			<u>\$ 7,190,000</u>		

Source: District records



**Granite School District**  
**Direct and Overlapping General Obligation Debt**  
June 30, 2015

---

<u>Taxing Entity</u>	<u>2014 Taxable Value (1)</u>	<u>Granite School District's Portion of Taxable Value</u>	<u>Granite School District's Percentage</u>	<u>Entity's General Obligation Debt</u>	<u>Granite School District's Portion of G.O. Debt</u>
Overlapping:					
Salt Lake County	\$ 78,818,535,206	\$ 22,194,050,952	28.2%	\$ 199,790,000	\$ 56,257,699
CUWCD (2)	122,840,728,380	22,194,050,952	18.1%	247,304,046	44,681,261
				Total overlapping general obligation debt	<u>100,938,960</u>
				Total direct general obligation indebtedness of Granite School District	<u>192,984,941</u>
				Total direct and overlapping general obligation debt	<u>\$ 293,923,901</u>

Notes:

- (1) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (2) Central Utah Water Conservancy District (CUWCD) outstanding general obligation bonds are limited 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 .000400 to pay for operation and maintenance expenses and any outstanding limited ad valorem tax bonds.

Source: Utah State Tax Commission, CUWCD records for overlapping debt. Otherwise, District records.

# Granite School District

## Legal Debt Margin Information

Last Ten Tax Years - December 31, 2005 through 2014

Tax Year	Estimated Fair Market Value	Debt Limit*	Less General Obligation Debt	Legal Debt Margin*	Percentage of Debt to Debt Limit
2005	\$ 28,156,679,632	\$ 1,126,267,185	\$ -	\$ 1,126,267,185	\$ -
2006	30,652,299,264	1,226,091,971	-	1,226,091,971	-
2007	36,184,966,896	1,447,398,676	-	1,447,398,676	-
2008	38,616,498,368	1,544,659,935	-	1,544,659,935	-
2009	36,380,507,985	1,455,220,319	-	1,455,220,319	-
2010	33,209,173,404	1,328,366,936	81,881,379	1,246,485,557	6.57%
2011	31,810,547,146	1,272,421,886	178,964,785	1,093,457,101	16.37%
2012	30,721,866,724	1,228,874,669	220,172,081	1,008,702,588	21.83%
2013	31,474,731,800	1,258,989,272	210,716,952	1,048,272,320	20.10%
2014	33,417,836,303	1,336,713,452	201,682,484	1,135,030,969	17.77%

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

\*\* The District made a payment on June 1, 2015 which reduced the principal balance of the general obligation debt to \$192,984,941 as of June 30, 2015. The general obligation debt includes unamortized bond premiums.

Source: District records

## Granite School District

### Pledged Revenue Bonds

Last Ten Fiscal Years - June 30, 2006 through 2015

Fiscal Year	Revenue	Plus Premium	Net Available Revenue	Less		Operating Expenses	Debt Service		Coverage
							Principal	Interest	
2006	\$ 5,151,000	\$ -	\$ 5,151,000	\$	1,500	\$	5,050,000	\$ 101,000	99.97 %
2007	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-

The District's Municipal Building Authority issued lease revenue bonds in fiscal year 2004, for the purchase and remodel of the Granite Education Center. The bonds were scheduled to be repaid over a two year period with the final payment occurring in fiscal year 2006.

Source: District records

# GRANITE SCHOOL DISTRICT

## Statistical Section - Demographic and Economic Information

### Table of Contents

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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.

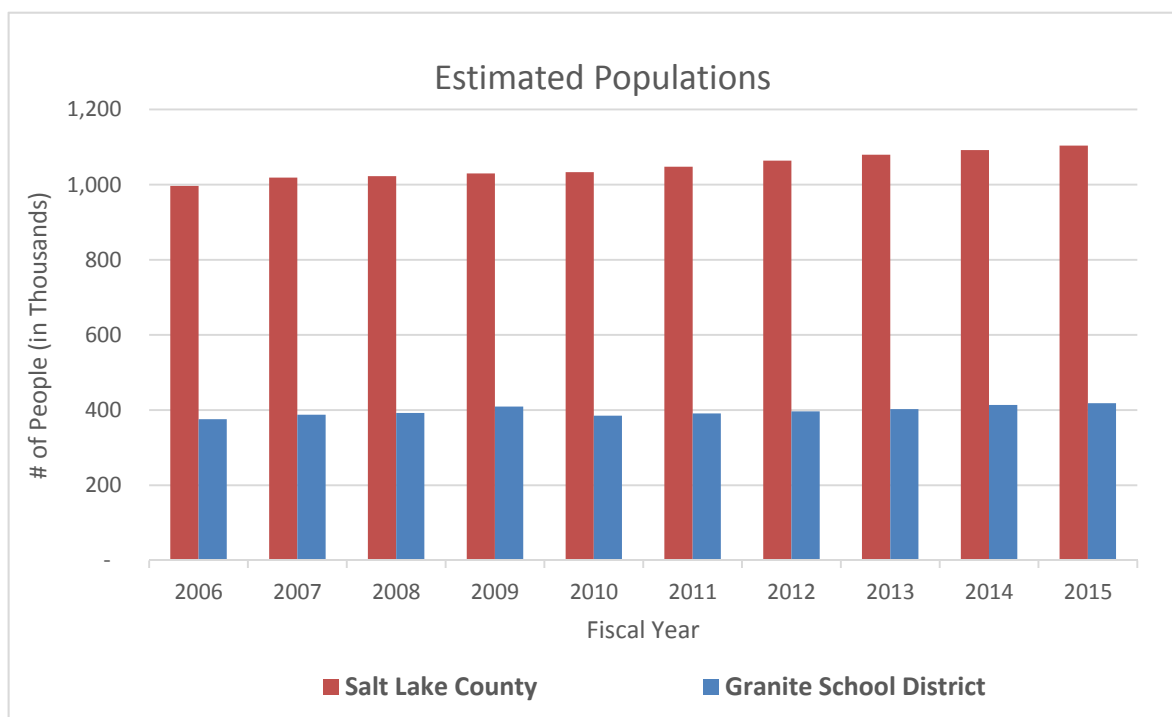
## Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Contents	Page
Demographic and Economic Statistics.....	97
Principal Employers.....	98

### Sources:

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



**Granite School District**  
**Demographic and Economic Statistics**  
 Last ten fiscal years - June 30, 2006 through 2015

Fiscal Year	Granite 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 Ancestry
2006	375,743	996,374	\$ 34,184,000	\$ 34,928	2.9%	\$ 2,073,618,000	22,171
2007	387,574	1,018,904	37,308,800	38,443	2.7%	2,075,492,000	23,601
2008	392,616	1,022,651	37,479,700	39,685	3.5%	2,153,638,000	25,897
2009	409,501	1,029,655	38,580,658	37,057	6.8%	1,656,131,000	27,806
2010	385,194	1,033,196	39,083,765	37,827	7.8%	1,545,119,400	28,533
2011	391,356	1,047,746	40,995,436	39,081	6.5%	1,042,645,900	29,738
2012	396,901	1,063,842	43,658,167	41,038	5.5%	1,561,759,600	29,538
2013	402,802	1,079,721	45,552,565	42,189	4.2%	1,589,472,900	29,983
2014	413,653	1,091,742	N/A	N/A	3.7%	1,583,876,400	30,914
2015	418,244	1,103,897	N/A	N/A	3.3%	1,868,836,000	31,202

\* On U.S. Census years, the District population comes from the NCES Census Data on Utah School Districts. On off-Census years, the data is taken from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) Program.

\*\* The District covers most of the northern half of Salt Lake County, which encompasses several municipalities and unincorporated areas making statistics to the District impracticable to obtain. The 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 behind. Therefore, it is not available for the latest two years. Prior year figures are revised as needed.

Sources: U.S. Census, Salt Lake County CAFR by year, Utah Construction Information Database, District records

**Granite School District**  
**Principal Employers in Salt Lake County**  
December 31, 2014 and 2005

Employer	2014					2005				
	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	
University of Utah	15,000	- 19,999	1	4.2%	11.4%	-	-	-	-	
Intermountain Healthcare	15,000	- 19,999	2	4.2%	11.4%	12,500	1	3.4%	6.4%	
State of Utah	10,000	- 14,999	3	3.0%	8.0%	-	-	-	-	
Granite School District	7,000	- 9,999	4	2.1%	5.5%	8,000	3	2.2%	4.1%	
University of Utah Health Care	7,000	- 9,999	5	2.1%	5.5%	-	-	-	-	
Jordan School District	7,000	- 9,999	6	2.1%	5.5%	-	-	-	-	
Salt Lake County	5,000	- 6,999	7	1.5%	3.9%	-	-	-	-	
Wal-Mart	4,000	- 4,999	8	1.1%	3.0%	2,500	6	0.7%	1.3%	
Canyons School District	4,000	- 4,999	9	1.1%	3.0%	-	-	-	-	
US Government (excl. Post Office & VA)	4,000	- 4,999	10	1.1%	3.0%	-	-	-	-	
Convergys	-	-	-	-	-	8,500	2	2.3%	4.4%	
Novus (Discover Card)	-	-	-	-	-	4,500	4	1.2%	2.3%	
Salt Lake Community College	-	-	-	-	-	3,000	5	0.8%	1.5%	
Albertson's Food Stores	-	-	-	-	-	2,500	7	0.7%	1.3%	
Smith's Food Stores	-	-	-	-	-	2,500	8	0.7%	1.3%	
US Postal Service	-	-	-	-	-	2,000	9	0.5%	1.0%	
Qwest Communications	-	-	-	-	-	2,000	10	0.5%	1.0%	
Totals	78,000	- 106,990		23.0%	60.1%	48,000		13.2%	24.6%	

\* The number of employees reported are those for the whole of Salt Lake County and are only available as a range of the average annual employment. The number of employees within the district's boundaries for these employers is unavailable.

Source: Utah Department of Workforce Services

# GRANITE SCHOOL DISTRICT

## Statistical Section - Operating Information

### 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.

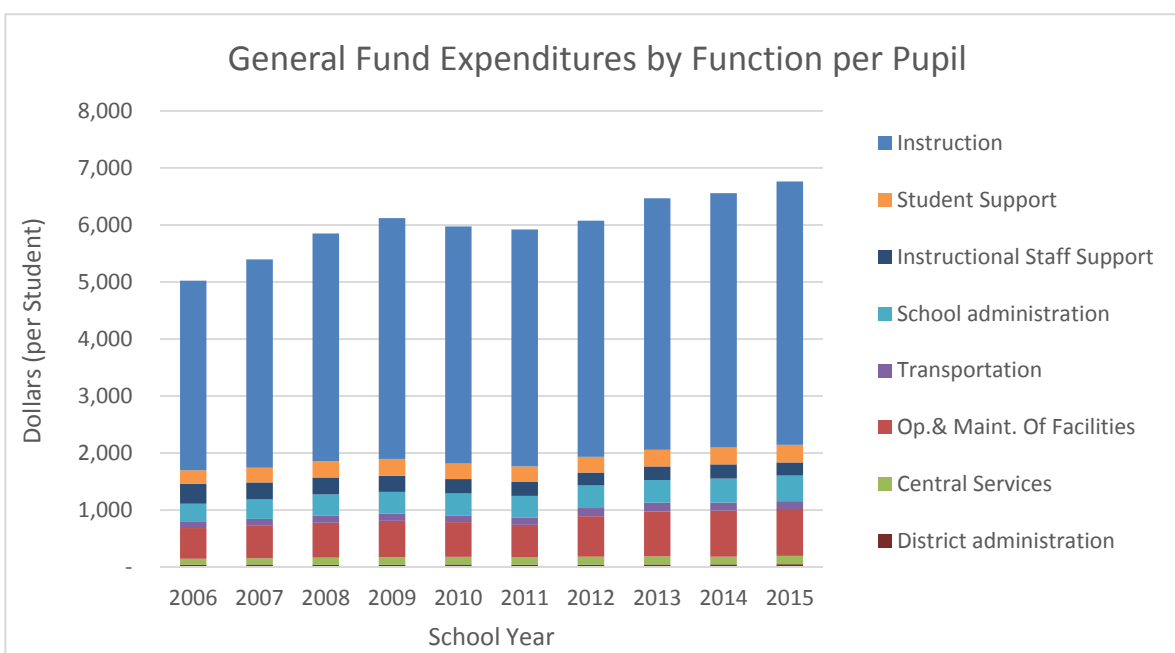
## Operating Information

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.

Contents	Page
Full-Time Equivalents by Functional Category.....	100
Expenses by Function - Statement of Activities.....	101
Expenses by Function per Pupil - Statement of Activities.....	102
Expenditures by Function - General Fund.....	103
Expenditures by Function per Pupil - General Fund.....	104
Average Daily Membership vs. Average Daily Attendance.....	105
History of High School Graduates.....	106
Capital Asset Information.....	107
Teacher Compensation Data.....	108
Students per Instructional Staff.....	109
Nutrition Services - Facts and Figures.....	110

#### Sources:

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



**Granite School District**  
**Full-Time Equivalents by Functional Category**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instructional services	3,272.09	3,267.19	3,338.22	3,366.74	3,339.24	3,330.43	3,289.49	3,367.47	3,324.66	3,378.68
Supporting services:										
Students	226.22	233.32	245.51	238.21	230.95	230.28	233.15	241.37	241.61	247.52
Instructional staff	134.39	134.25	130.00	125.43	125.03	124.53	114.92	125.07	118.79	113.96
District administration	14.75	14.75	13.75	13.75	14.25	13.75	14.25	14.27	14.25	14.30
School administration	282.48	276.08	273.03	277.67	270.70	267.95	274.13	266.00	269.00	277.50
Central	98.00	102.75	101.00	101.00	99.00	97.50	97.50	91.10	88.10	88.10
Operation and maintenance of facilities	357.76	370.26	381.33	384.08	365.08	330.36	433.50	457.90	469.10	469.50
Transportation	126.56	126.15	126.15	126.60	120.24	118.05	119.86	120.85	120.86	121.84
School lunch services	122.10	120.78	134.43	139.03	130.69	125.94	116.46	115.61	116.86	120.11
Community services	82.43	118.80	112.03	114.03	100.60	99.19	121.86	11.00	14.00	12.00
Capital outlay	90.99	90.99	84.92	82.92	80.92	96.64	2.00	2.00	2.00	-
Total full-time equivalents	4,807.77	4,855.32	4,940.37	4,969.46	4,876.70	4,834.62	4,817.12	4,812.64	4,779.23	4,843.51

Source: District records



**Granite School District**  
**Expenses by Function-Statement of Activities**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction	\$ 259,632,284 63.20%	\$ 275,393,510 64.01%	\$ 312,044,102 65.59%	\$ 330,747,520 65.96%	\$ 323,526,457 66.24%	\$ 318,583,268 65.54%	\$ 297,867,401 62.46%	\$ 348,317,377 66.85%	\$ 320,423,548 63.87%	\$ 335,493,515 64.36%
Support services:										
Students	16,422,751 4.00%	17,883,649 4.16%	19,191,183 4.03%	20,130,916 4.01%	18,495,907 3.79%	18,310,997 3.77%	18,140,134 3.80%	19,224,610 3.69%	19,904,590 3.97%	19,970,557 3.83%
Instructional staff	23,633,966 5.75%	20,098,116 4.67%	19,929,351 4.19%	19,382,010 3.87%	17,121,922 3.51%	16,452,790 3.38%	15,094,205 3.16%	15,745,255 3.02%	16,713,385 3.33%	14,946,518 2.87%
District administration	3,106,869 0.76%	3,269,725 0.76%	3,008,245 0.63%	3,142,855 0.63%	3,212,270 0.66%	3,172,168 0.65%	3,261,574 0.68%	3,311,703 0.64%	3,459,222 0.69%	3,231,125 0.62%
School administration	22,004,663 5.36%	23,519,432 5.47%	24,902,500 5.23%	26,447,443 5.27%	25,939,635 5.31%	25,899,389 5.33%	26,259,590 5.51%	26,437,244 5.07%	28,301,884 5.64%	29,413,760 5.64%
Central	7,468,722 1.82%	8,072,048 1.88%	8,744,300 1.84%	9,443,494 1.88%	9,641,355 1.97%	9,510,994 1.96%	9,823,667 2.06%	10,471,785 2.01%	10,299,162 2.05%	9,931,181 1.91%
Operation and maintenance of facilities	38,317,134 9.33%	39,965,104 9.29%	40,263,931 8.46%	45,094,109 8.99%	42,959,293 8.80%	39,397,257 8.10%	48,472,612 10.16%	53,044,065 10.18%	55,594,893 11.08%	57,466,624 11.02%
Transportation	8,576,469 2.09%	9,404,718 2.19%	9,613,882 2.02%	9,543,162 1.90%	9,022,545 1.85%	9,267,172 1.91%	10,199,851 2.14%	11,119,258 2.13%	10,340,619 2.06%	9,588,698 1.84%
School lunch services	17,981,777 4.38%	18,643,034 4.33%	21,990,249 4.62%	22,756,762 4.54%	22,304,140 4.57%	27,471,654 5.65%	24,604,691 5.16%	25,185,316 4.83%	28,341,452 5.65%	27,396,939 5.26%
Community services	13,664,629 3.33%	13,954,715 3.24%	16,036,280 3.37%	14,774,146 2.95%	14,934,127 3.06%	14,764,773 3.04%	15,722,329 3.30%	224,767 0.04%	393,701 0.08%	6,159,773 1.18%
Interest on long-term liabilities	- 0.00%	- 0.00%	- 0.00%	- 0.00%	1,281,355 0.26%	3,289,197 0.68%	7,467,967 1.57%	7,928,415 1.52%	7,917,255 1.58%	7,655,679 1.47%
Total expenses	\$ 410,809,264	\$ 430,204,051	\$ 475,724,023	\$ 501,462,417	\$ 488,439,006	\$ 486,119,659	\$ 476,914,021	\$ 521,009,795	\$ 501,689,711	\$ 521,254,369
Average daily membership	66,299	65,335	66,411	67,159	66,883	67,050	66,465	66,229	67,055	66,717
Average expenses per pupil	\$6,196	\$6,585	\$7,163	\$7,467	\$7,303	\$7,250	\$7,175	\$7,867	\$7,482	\$7,813

Source: District records.

**Granite School District**  
**Expenses by Function Per Pupil-Statement of Activities**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction	\$ 3,917 63.20%	\$ 4,214 64.01%	\$ 4,699 65.59%	\$ 4,926 65.96%	\$ 4,837 66.24%	\$ 4,752 65.54%	\$ 4,482 62.46%	\$ 5,259 66.85%	\$ 4,779 63.87%	\$ 5,029 64.36%
Support services:										
Students	248 4.00%	274 4.16%	289 4.03%	300 4.01%	277 3.79%	273 3.77%	273 3.80%	290 3.69%	297 3.97%	299 3.83%
Instructional staff	356 5.75%	308 4.67%	300 4.19%	289 3.87%	256 3.51%	245 3.38%	227 3.16%	238 3.02%	249 3.33%	224 2.87%
District administration	47 0.76%	50 0.76%	45 0.63%	47 0.63%	48 0.66%	47 0.65%	49 0.68%	50 0.64%	52 0.69%	48 0.62%
School administration	332 5.36%	360 5.47%	375 5.23%	394 5.27%	388 5.31%	386 5.33%	395 5.51%	399 5.07%	422 5.64%	441 5.64%
Central	113 1.82%	124 1.88%	132 1.84%	141 1.88%	144 1.97%	142 1.96%	148 2.06%	158 2.01%	154 2.05%	149 1.91%
Operation and maintenance of facilities	578 9.33%	612 9.29%	606 8.46%	671 8.99%	642 8.80%	588 8.10%	729 10.16%	801 10.18%	829 11.08%	861 11.02%
Transportation	129 2.09%	144 2.19%	145 2.02%	142 1.90%	135 1.85%	138 1.91%	153 2.14%	168 2.13%	154 2.06%	144 1.84%
School lunch services	271 4.38%	285 4.33%	331 4.62%	339 4.54%	333 4.57%	410 5.65%	370 5.16%	380 4.83%	423 5.65%	411 5.26%
Community services	206 3.33%	214 3.24%	241 3.37%	220 2.95%	223 3.06%	220 3.04%	237 3.30%	3 0.04%	6 0.08%	92 1.18%
Interest on long-term liabilities	- 0.00%	- 0.00%	- 0.00%	- 0.00%	19 0.26%	49 0.68%	112 1.57%	120 1.52%	118 1.58%	115 1.47%
Total expenses	\$ 6,196	\$ 6,585	\$ 7,163	\$ 7,467	\$ 7,303	\$ 7,250	\$ 7,175	\$ 7,867	\$ 7,482	\$ 7,813
Average daily membership	66,299	65,335	66,411	67,159	66,883	67,050	66,465	66,229	67,055	66,717

Source: District records

**Granite School District**  
**Expenditures by Function-General Fund**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction	\$ 220,476,389 66.20%	\$ 238,640,958 67.68%	\$ 265,252,631 68.27%	\$ 283,602,781 69.01%	\$ 278,180,311 69.63%	\$ 278,464,936 70.16%	\$ 275,344,998 68.18%	\$ 292,231,153 68.22%	\$ 299,040,857 68.02%	\$ 308,217,928 68.32%
Support services:										
Students	15,773,681 4.74%	16,985,596 4.82%	18,902,673 4.86%	19,671,125 4.79%	18,215,196 4.56%	18,265,051 4.60%	18,185,870 4.50%	19,177,739 4.48%	19,850,939 4.52%	20,538,158 4.55%
Instructional staff	23,080,330 6.93%	19,347,842 5.49%	19,711,431 5.07%	19,042,866 4.63%	16,881,822 4.23%	16,410,218 4.13%	15,130,458 3.75%	15,898,421 3.71%	16,649,551 3.79%	15,431,611 3.42%
District administration	2,799,177 0.84%	2,903,166 0.82%	2,678,068 0.69%	2,795,553 0.68%	2,909,550 0.73%	2,807,675 0.71%	2,884,608 0.71%	3,042,966 0.71%	3,152,450 0.72%	3,394,556 0.75%
School administration	21,150,316 6.35%	22,361,260 6.34%	24,521,494 6.31%	25,817,923 6.28%	25,568,334 6.40%	25,868,977 6.52%	26,359,396 6.53%	26,386,676 6.16%	28,194,855 6.41%	29,877,428 6.62%
Central	6,825,886 2.05%	7,303,328 2.07%	8,280,791 2.13%	8,906,904 2.17%	9,130,132 2.29%	8,982,270 2.26%	9,305,637 2.30%	9,387,883 2.19%	9,150,691 2.08%	9,780,646 2.17%
Operation and maintenance of facilities	35,823,201 10.76%	37,158,835 10.54%	40,695,887 10.47%	42,737,268 10.40%	40,581,482 10.16%	37,798,294 9.52%	47,250,856 11.70%	51,964,424 12.13%	54,122,795 12.31%	54,752,894 12.14%
Transportation	7,111,688 2.14%	7,906,272 2.24%	8,508,292 2.19%	8,382,599 2.04%	8,030,734 2.01%	8,326,966 2.10%	9,371,995 2.32%	10,247,348 2.39%	9,504,264 2.16%	9,112,787 2.02%
Total expenditures	<u>\$ 333,040,668</u>	<u>\$ 352,607,257</u>	<u>\$ 388,551,267</u>	<u>\$ 410,957,019</u>	<u>\$ 399,497,561</u>	<u>\$ 396,924,387</u>	<u>\$ 403,833,818</u>	<u>\$ 428,336,610</u>	<u>\$ 439,666,402</u>	<u>\$ 451,106,008</u>
Average daily membership	66,299	65,335	66,411	67,159	66,883	67,050	66,465	66,229	67,055	66,717
Average expenditures per pupil	\$5,023	\$5,397	\$5,851	\$6,119	\$5,973	\$5,920	\$6,076	\$6,468	\$6,557	\$6,761

Source: District records

**Granite School District**  
**Expenditures by Function Per Pupil-General Fund**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction	\$ 3,325 66.20%	\$ 3,653 67.68%	\$ 3,995 68.27%	\$ 4,223 69.01%	\$ 4,158 69.63%	\$ 4,154 70.16%	\$ 4,143 68.18%	\$ 4,412 68.22%	\$ 4,460 68.02%	\$ 4,619 68.32%
Support services:										
Students	238 4.74%	260 4.82%	284 4.86%	293 4.79%	272 4.56%	272 4.60%	273 4.50%	290 4.48%	296 4.52%	308 4.55%
Instructional staff	348 6.93%	296 5.49%	297 5.07%	283 4.63%	253 4.23%	244 4.13%	228 3.75%	240 3.71%	249 3.79%	231 3.42%
District administration	42 0.84%	44 0.82%	40 0.69%	42 0.68%	44 0.73%	42 0.71%	43 0.71%	46 0.71%	47 0.72%	51 0.75%
School administration	319 6.35%	342 6.34%	369 6.31%	384 6.28%	382 6.40%	386 6.52%	397 6.53%	398 6.16%	420 6.41%	448 6.62%
Central	103 2.05%	112 2.07%	125 2.13%	133 2.17%	137 2.29%	134 2.26%	140 2.30%	142 2.19%	136 2.08%	147 2.17%
Operation and maintenance of facilities	541 10.76%	569 10.54%	613 10.47%	636 10.40%	607 10.16%	564 9.52%	711 11.70%	785 12.13%	807 12.31%	821 12.14%
Transportation	107 2.14%	121 2.24%	128 2.19%	125 2.04%	120 2.01%	124 2.10%	141 2.32%	155 2.39%	142 2.16%	137 2.02%
Total expenditures	<u>\$ 5,023</u>	<u>\$ 5,397</u>	<u>\$ 5,851</u>	<u>\$ 6,119</u>	<u>\$ 5,973</u>	<u>\$ 5,920</u>	<u>\$ 6,076</u>	<u>\$ 6,468</u>	<u>\$ 6,557</u>	<u>\$ 6,762</u>
Average daily membership	66,299	65,335	66,411	67,159	66,883	67,050	66,465	66,229	67,055	66,717

Source: District records

## Granite School District

### Average Daily Membership vs. Average Daily Attendance

Last Ten Fiscal Years - June 30, 2006 through 2015

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<u>Fiscal Year</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>	<u>Ratio of ADA to ADM</u>
2006	66,299	63,400	95.63%
2007	65,335	62,963	96.37%
2008	66,411	63,905	96.23%
2009	67,159	64,282	95.72%
2010	66,883	63,967	95.64%
2011	67,050	64,141	95.66%
2012	66,465	63,614	95.71%
2013	66,229	63,196	95.42%
2014	67,055	64,149	95.67%
2015	66,717	65,173	97.69%

Source: District records

**Granite School District**  
**History of High School Graduates**  
 Last Ten School Years - School Years 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	Totals
Cottonwood	393	386	372	391	407	417	418	408	403	374	3,969
Cyprus	308	261	335	382	363	397	336	373	392	471	3,618
Granger	323	293	330	351	321	363	372	348	486	501	3,688
Granite	146	80	47	75	-	-	-	-	-	-	348
Hunter	566	473	521	520	513	573	523	549	600	575	5,413
Kearns	463	364	367	417	407	399	379	359	402	403	3,960
Olympus	449	404	391	426	433	400	434	433	487	448	4,305
Skyline	464	449	439	429	417	439	435	465	440	490	4,467
Taylorville	499	502	454	516	503	486	459	511	480	456	4,866
Special Programs	478	579	140	367	295	207	305	287	255	163	3,076
Total	<u>4,089</u>	<u>3,791</u>	<u>3,396</u>	<u>3,874</u>	<u>3,659</u>	<u>3,681</u>	<u>3,661</u>	<u>3,733</u>	<u>3,945</u>	<u>3,881</u>	<u>37,710</u>

Source: District records

# Granite School District

## Capital Asset Information

Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Buildings:										
Elementary:										
Number	61	61	60	60	60	61	62	62	63	63
Square feet	3,318,443	3,318,443	3,466,479	3,466,479	3,466,479	3,571,273	3,723,340	3,723,340	3,873,402	3,873,402
Capacity	42,986	42,986	43,686	43,686	43,686	44,145	45,684	45,684	46,872	46,872
Enrollment	36,742	36,733	36,681	37,398	37,792	38,312	38,102	38,042	38,336	42,545
Middle Schools:										
Number	16	16	16	16	16	16	16	16	16	16
Square feet	2,373,826	2,172,202	2,172,202	2,373,826	2,373,826	2,373,826	2,373,826	2,373,826	2,373,826	2,373,826
Capacity	20,871	20,871	20,871	20,871	20,871	20,871	20,871	20,871	20,871	20,871
Enrollment	15,249	15,052	14,769	14,811	14,661	14,925	14,917	15,179	14,363	13,528
High Schools:										
Number	9	9	9	9	9	8	8	8	8	8
Square feet	2,558,940	2,558,940	2,558,940	2,558,940	2,558,940	2,428,502	2,428,502	2,428,502	2,704,094	2,704,094
Capacity	19,404	19,404	19,404	19,404	19,404	18,228	18,228	18,228	19,236	19,236
Enrollment	13,522	13,465	12,796	12,885	13,783	13,945	13,528	13,466	14,483	15,255
Special Schools:										
Number	4	4	4	4	4	4	4	6	6	6
Square feet	135,365	343,046	343,046	343,046	343,046	343,046	343,046	477,885	477,885	477,885
Capacity *										
Enrollment	1,165	1,049	1,089	1,317	1,244	1,248	503	844	382	823
Other Buildings:										
Number	8	9	12	12	12	12	12	17	15	14
Square Feet	612,295	672,848	772,905	772,905	772,905	772,905	817,087	741,232	634,479	585,150
Total School Buildings:										
Number	90	90	89	89	89	89	90	92	93	93
Square Feet	8,386,574	8,392,631	8,540,667	8,742,291	8,742,291	8,716,647	8,868,714	9,003,553	9,429,207	9,429,207
Capacity	83,261	83,261	83,961	83,961	83,961	83,244	84,783	84,783	86,979	86,979
Enrollment	66,678	66,299	65,335	66,411	67,480	68,430	67,050	67,531	67,564	72,151
Acres of Land										
	1,365.7	1,360.7	1,387.1	1,391.1	1,391.1	1,401.0	1,419.2	1,518.3	1,485.8	1,470.5
Number of Portables										
	224	233	237	236	237	235	232	246	255	256
Number of Vehicles										
	653	650	657	663	672	699	672	703	705	707

\* Information for special schools varies depending on needs of students.

Source: District records

## Granite School District

### Teacher Compensation Data

Last Ten Fiscal Years - June 30, 2006 through 2015

Fiscal Year Ending June 30,	Bachelor Degree 1st Year Teacher Wage	Doctorate Degree 20th Year Teacher Wage	District Average* Teacher Wage	District Average* Teacher Benefits**	Total District Average* Teacher Compensation	State Median* Teacher Compensation
2006	\$ 27,561	\$ 57,440	\$ 40,342	\$ 18,050	\$ 58,392	\$ 59,182
2007	28,939	60,313	40,354	17,499	57,853	62,223
2008	31,604	63,770	43,175	18,181	61,356	63,726
2009	33,870	66,620	47,274	19,051	66,325	63,198
2010	33,004	64,799	47,338	19,603	66,941	63,857
2011	33,004	64,799	47,338	20,053	67,391	62,880
2012	33,004	64,799	47,338	21,457	68,795	70,883
2013	33,234	65,283	46,119	23,263	69,382	71,099
2014	33,331	65,485	46,075	23,450	69,525	74,028
2015	33,806	66,485	A	A	A	A

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

A) The 2015 numbers were not available when this schedule was prepared.

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



## Granite School District

### Students per Instructional Staff

Last Ten Fiscal Years - June 30, 2006 through 2015

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<u>Fiscal Year</u>	<u>Average Daily Membership</u>	<u>Teachers and Instructional Staff</u>	<u>Average Ratio of Students to Teachers and Instructional Staff</u>
2006	66,299	3,272	20.26
2007	65,335	3,267	20.00
2008	66,411	3,338	19.89
2009	67,159	3,367	19.95
2010	66,883	3,339	20.03
2011	67,050	3,330	20.13
2012	66,465	3,289	20.21
2013	66,229	3,367	19.67
2014	67,055	3,325	20.17
2015	66,717	3,379	19.75

Source: District records

**Granite School District**  
**Nutrition Services - Facts and Figures**  
 Last Ten Fiscal Years - June 30, 2006 through 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Participating schools:										
Lunch	90	89	89	88	89	90	89	97	104	103
Breakfast	58	62	64	66	66	67	69	73	77	82
Student lunches served:										
Free	2,908,055	2,779,610	2,834,800	3,225,994	3,605,136	3,999,613	3,899,803	3,857,384	4,188,624	4,113,400
Reduced	783,675	822,256	758,814	797,596	738,015	600,159	674,960	640,014	664,534	690,340
Fully paid	2,637,831	2,639,345	2,658,545	2,648,693	2,468,014	2,443,213	2,374,965	2,157,488	2,234,041	2,232,415
Total	6,329,561	6,241,211	6,252,159	6,672,283	6,811,165	7,042,985	6,949,728	6,654,886	7,087,199	7,036,155
Student breakfasts served:										
Free	915,776	900,229	936,232	1,106,993	1,242,399	1,388,333	1,349,266	2,643,404	1,314,999	1,531,911
Reduced	131,302	162,008	152,341	164,062	144,604	117,269	137,451	130,558	142,838	169,619
Fully paid	186,011	231,244	239,521	231,488	211,012	213,687	219,917	210,901	233,110	301,930
Total	1,233,089	1,293,481	1,328,094	1,502,543	1,598,015	1,719,289	1,706,634	2,984,863	1,690,947	2,003,460
Student dinners served:										
Free	-	-	-	-	-	-	-	-	-	16,142
Percentage of free/reduced/fully paid lunch:										
Free	45.94%	44.54%	45.34%	48.35%	52.93%	56.79%	56.11%	57.96%	59.10%	58.46%
Reduced	12.38%	13.17%	12.14%	11.95%	10.84%	8.52%	9.71%	9.62%	9.38%	9.81%
Fully paid	41.67%	42.29%	42.52%	39.70%	36.23%	34.69%	34.17%	32.42%	31.52%	31.73%
Percentage of free/reduced fully paid breakfast:										
Free	74.27%	69.60%	70.49%	73.67%	77.75%	80.75%	79.06%	88.56%	77.77%	76.46%
Reduced	10.65%	12.52%	11.47%	10.92%	9.05%	6.82%	8.05%	4.37%	8.45%	8.47%
Fully paid	15.08%	17.88%	18.03%	15.41%	13.20%	12.43%	12.89%	7.07%	13.79%	15.07%
Average daily participation:										
Lunch	33,803	33,823	35,275	37,852	38,921	39,791	39,487	37,598	40,041	39,752
Breakfast	6,351	6,748	7,290	8,016	9,132	9,715	9,697	16,864	9,553	11,319
Dinner	-	-	-	-	-	-	-	-	-	91
Average daily membership	66,299	65,335	66,411	67,159	66,883	67,050	66,465	66,229	67,055	66,717
Percentage participating in school lunch/breakfast										
Lunch	50.99%	51.77%	53.12%	56.36%	58.19%	59.35%	59.41%	56.77%	59.71%	59.58%
Breakfast	9.58%	10.33%	10.98%	11.94%	13.65%	14.49%	14.59%	25.46%	14.25%	16.97%

Source: District records



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