



2019-20

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the fiscal year ended June 30, 2020
GRANITE SCHOOL DISTRICT
2500 SOUTH STATE
SALT LAKE CITY, UTAH 84115
graniteschools.org



Please note, the PDF version of this CAFR is best viewed with the following options enabled:

- **Two page view**
- **Show cover in two page view**

Comprehensive Annual Financial Report

**for the
Fiscal Year Ended
June 30, 2020**

GRANITE SCHOOL DISTRICT

**2500 South State Street
Salt Lake City, Utah 84115-3110
www.graniteschools.org**

**Karyn Winder, President of the Board
Dr. Martin W. Bates, Superintendent
David F. Garrett, Business Administrator/Treasurer**

**Prepared by:
Chris A. Lewis, Director of Accounting Services
Brian Ipson, Assistant Director of Accounting Services
Charlotte Bacon, Accountant**

GRANITE SCHOOL DISTRICT

Table of Contents

Year Ended June 30, 2020

	Page
Section I - Introductory	
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.....	9
Organizational Chart.....	10
Precinct Map of the Board of Education.....	11
Section II - Financial	
Independent Auditor's Report	13
Management's Discussion and Analysis.....	17
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	27
Statement of Activities.....	28
Fund Financial Statements:	
Balance Sheet - Governmental Funds.....	29
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	30
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.....	31
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	32
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund.....	33
Statement of Fund Net Position - Proprietary Funds.....	34
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Funds.....	35
Statement of Fund Cash Flows - Proprietary Funds.....	36
Table of Contents to the Notes to the Basic Financial Statements.....	37
Notes to the Basic Financial Statements.....	38
Required Supplementary Information:	
Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) - Utah Retirement Systems.....	65
Schedules of District Contributions - Utah Retirement Systems.....	66
Schedule of Changes in Total Pension Liability and Related Ratios - District Retirement Plan.....	68
Schedule of Changes in Total OPEB Liability and Related Ratios - Long-Term Disability.....	70
Notes to the Required Supplementary Information.....	72

GRANITE SCHOOL DISTRICT

Table of Contents

Year Ended June 30, 2020

Page

Section II - Financial (Continued)

Combining and Individual Fund Statements and Schedules:

Major Governmental Funds:	73
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>General Fund</i>	74
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Capital Projects Fund</i>	75
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Debt Service Fund</i>	76
Nonmajor Governmental Funds:	77
Combining Balance Sheet - Nonmajor Governmental Funds	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	79
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>District Activity Programs Fund</i>	80
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Pass-through Taxes Fund</i>	81
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>Granite Education Foundation Fund</i>	82
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - <i>School Lunch Fund</i>	83
Internal Service (Proprietary) Funds:	85
Combining Statement of Fund Net Position	86
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	87
Combining Statement of Fund Cash Flows	88

Section III - Statistical

Financial Trends:	89
Comparative Statements of Net Position	90
Net Position by Component	93
Changes in Net Position	94
Fund Balances - Governmental Funds	96
Changes in Fund Balances - Governmental Funds	98
Comparative Balance Sheets - General Fund	100
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund	102

GRANITE SCHOOL DISTRICT

Table of Contents

Year Ended June 30, 2020

	Page
Section III - Statistical (Continued)	
Revenue Capacity:.....	105
Principal Property Tax Payers.....	106
Property Tax Levies and Collections.....	107
Historical Summaries of Taxable Values of Property.....	108
Taxable Value and Fair Market Value of Taxable Property.....	110
Direct and Overlapping Property Tax Rates.....	112
Debt Capacity:.....	115
Ratios of Outstanding Debt.....	116
Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year).....	118
CUSIP Numbers Associated with Outstanding General Obligation Bonded Indebtedness.....	120
Direct and Overlapping General Obligation Debt.....	122
Legal Debt Margin Information.....	123
Demographic and Economic Information:.....	125
Demographic and Economic Statistics.....	126
Principal Employers.....	127
Operating Information:.....	129
Teacher Compensation Data.....	130
Students per Instructional Staff.....	131
Fall Enrollment, Average Daily Membership, and Average Daily Attendance.....	132
History of High School Graduates.....	133
Full-Time Equivalents by Functional Category.....	134
Expenses by Function - Statement of Activities.....	136
Expenses by Function per Pupil - Statement of Activities.....	138
Expenditures by Function - General Fund.....	140
Expenditures by Function per Pupil - General Fund.....	142
Nutrition Services - Facts and Figures.....	144
Capital Asset Information.....	146

Section I

Introductory



Letter of Transmittal

November 20, 2020

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

In accordance with state law (*Utah Code*, 53G-4-404), the Business Administration division has prepared this Comprehensive Annual Financial Report (CAFR) of the Granite School District (the District) for the fiscal year ended June 30, 2020. 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 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, 2020 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 basic 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 unit. 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

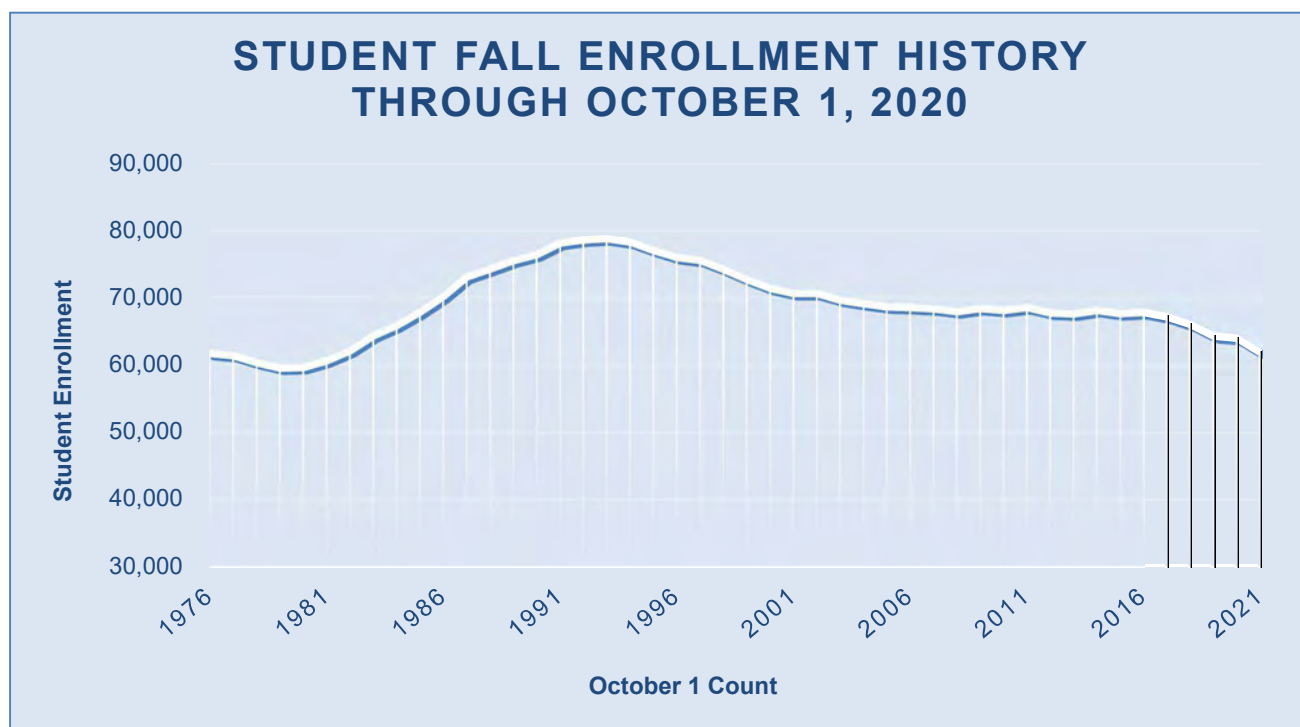
ending June 30. If the proposed budget does not include a tax increase, a public hearing is held before the beginning of the next fiscal year according to Utah law at which time the budget is legally adopted by the Board after obtaining taxpayer input. If the proposed budget does include a tax increase, 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 on 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. Every year, the District looks at student population by school to identify possible closures of underutilized buildings.

ENROLLMENT

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, declined steadily to 68,075 for the 2007-08 school year, and remained steady at that level for a number of years. Enrollment has shown moderate decreases over the past four years. On October 1, 2019, student enrollment was 63,989, a decrease of 395 students from the prior-year. On



October 1, 2020, student enrollment was 61,851, a decrease of 2,138 students. This recent decrease is impacted by the COVID-19 pandemic.

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 constructed, 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 state and national economic conditions. The COVID-19 pandemic and the resulting economic decline and uncertainty on a state, national, and global scale have created significant challenges in 2020.

Each January, the Gardner Policy Institute at the University of Utah produces an Economic Report to the Governor, which gives an economic forecast for the state. Due to rapidly changing conditions as a result of the COVID-19 pandemic, an additional research brief was published in July 2020, updating the outlook provided in January. According to this updated report, the policy measures enacted in Utah to combat the pandemic produced a sharp contraction in economic activity beginning in March 2020. Original forecasts for 2020 showed continued strong economic growth in Utah, with an estimated 2.6 percent annual employment growth rate and a 42,000 job increase. However, updated estimates show an overall annual employment decline of 2.0 percent in 2020, with a 73,000 job decrease.

According to the July 2020 report mentioned above, COVID-19 will have a mixed impact on Utah's economy in 2020 and beyond. Some indicators show

a sizeable swing from expected growth before COVID-19 to contraction due to the virus; others show a COVID induced deceleration in growth, while others show that COVID-19 accelerated a decline already underway. Notable indicators in the forecast are as follows:

- Utah's Gross Domestic Product (GDP) is forecasted to shrink by 5.4% in 2020, a swing of nearly \$16 billion compared to original estimates for the year, and the first time state GDP would decrease in over a decade.
- The unemployment rate is expected to rise to 5.7% in 2020, adding nearly 50,000 workers to the number of unemployed.
- The construction industry was already expected to experience modest declines in 2020 and COVID-19 is expected to accelerate those declines. Residential and nonresidential construction are estimated to decrease by 10% and 23%, respectively.
- Personal income, originally expected to increase by 5.6%, is now only expected to increase by 3.0%, or \$4.7 billion. This has a direct impact on the future income tax revenues of the state.
- One surprising indicator is that of taxable retail sales, originally expected to increase by 3.8% in 2020, but now expected to increase by 8.1%, or nearly \$3 billion. Grocery, general merchandise, and home improvement establishments have been beneficiaries of a shifting distribution of retail sales, while restaurants and bars have seen their sales plummet during the pandemic.
- The leisure and hospitality sector has been particularly hard hit during the pandemic, with a 20.7% reduction in employment and a total loss of 32,400 jobs when comparing June 2020 to June 2019.

Despite the economic shock of COVID-19, some positive signs of recovery have emerged lately. Notably, the recent drop in Utah's unemployment rate to near 5.0% (compared to a national average of 7.9%) and the strength of the state's sales and use tax revenues, which are up nearly 7% from March to June of 2020. But, the recent surge of virus cases

and deaths in both Utah and the nation underscores the economic recovery's fragility. Furthermore, uncertainty surrounds the extension of initial federal assistance programs and the scale of potential additional assistance.

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 in the current environment of economic uncertainty in the state. The state legislature held a special session in June 2020, during which significant reductions to education appropriations for the year ending June 30, 2021 were approved. The total impact of these reductions on the District budget is estimated to be a \$21.7 million decrease in state funding from the original amounts appropriated for the year. We are hopeful that as the state continues its economic recovery, many of these appropriations can be restored to previous levels and continue to increase. On a per pupil basis, Utah's spending for education still ranks last nationally, at \$8,237 per pupil, compared to the national average of \$13,667.

Demographically, Utah's growth rate remained fairly constant at 1.7% in 2019. It is expected that Utah will continue to experience population growth at a rate higher than most states in 2020. Annual changes in population are comprised of two components: natural increase and net migration. In 2019, Utah had a natural increase of 28,609 which accounted for 54% of Utah's population growth and net in-migration of 24,987, or 46% of the total population increase. For 2020, natural increase is anticipated to add approximately 28,845 people and in-migration is projected to increase, adding approximately 35,816 people. Enrollment in the Granite School District is projected using multiple-year cohort survival analysis to regain lost enrollment in school year 2021-22 and then continue a slow decline in the following years (63,653 in 2021-22, 63,076 in 2022-23, 62,545 in 2023-24, and 61,843 in 2024-25). 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.

The economic demographics of the District are unique. The number of free or reduced lunches served as a percentage of total lunches served was 61.6% in 2020. The varied socioeconomic background of District students presents both 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 21st century world. That is the charge and responsibility adopted by the Board in 2011. In 2012, the District prepared a detailed 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 21st 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.

CAPITAL IMPROVEMENTS AND BONDING

Nearly half of the District's schools are more than 50 years old. The District has embarked on a long-term capital improvement plan to address the aging building stock and to make needed security and seismic upgrades. The District plans to finance these capital projects with the existing property tax levy as well as through general obligation bonding approved by voters in November 2017. See gsdfuture.org for more detailed information.

The District, by issuing bonds, has obligations to repay the bondholders over the life of the bonds. The obligation for the bonds and associated premiums at June 30, 2020 was \$256.1 million.

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 October 22, 2020. The District was awarded a prime AAA rating from FitchRatings and a high grade Aa1 rating from Moody's Investors Service. It is worth noting that ratings from both FitchRatings and Moody's Investors Service are backed by the state's ratings of AAA and Aaa, respectively. This is indicative of the financial condition of Utah as a whole.

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, as well as compensated absences, with required components actuarially determined at June

30, 2020 was \$49.7 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 unexpected events endangering these benefits. In addition, the District has set aside \$14.0 million specifically anticipating fluctuations in the calculations associated with these benefits.

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, 2019. 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 29th 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, 2019. 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 29th consecutive year the District has received this prestigious award.

ACKNOWLEDGEMENTS

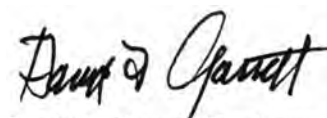
The preparation of this report on a timely basis could not have been performed without the efficient and dedicated employees in all of the business departments. Special appreciation is expressed to Chris Lewis, Charlotte Bacon, and Brian Ipson of the Accounting Services Department, where the major portion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

We would also like to thank President Karyn Winder 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, 2020

Elected Officials

<u>Board of Education</u>	<u>Initial Term Began</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>
Karyn Winder, President Precinct VI	January 2015	January 2019	December 2022
Connie Burgess, Vice President Precinct III	January 2003	January 2019	December 2022
Connie Anderson, Member Precinct II	January 2009	January 2017	December 2020
Terry H. Bawden, Member District V	January 2007	January 2019	December 2022
Kris Nguenyn, Member District VII	January 2007	August 2020	December 2022
Nicole McDermott, Member District IV	January 2019	January 2019	December 2020
Todd Zenger, Member District I	January 2017	January 2017	December 2020

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	July 2020	June 2022
David F. Garrett Business Administrator/Treasurer	September 1987	January 2019	December 2020

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, 2019

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Granite School District

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis
Executive Director



ADMINISTRATION 2020

BOARD of EDUCATION

Superintendent of Schools
Dr. Martin W. Bates

Communications Office
Ben Horsley

Human Resources
Donnette McNeill-Waters

Granite School District Police
Randy Porter

Policy & Legal Services
Doug Larson

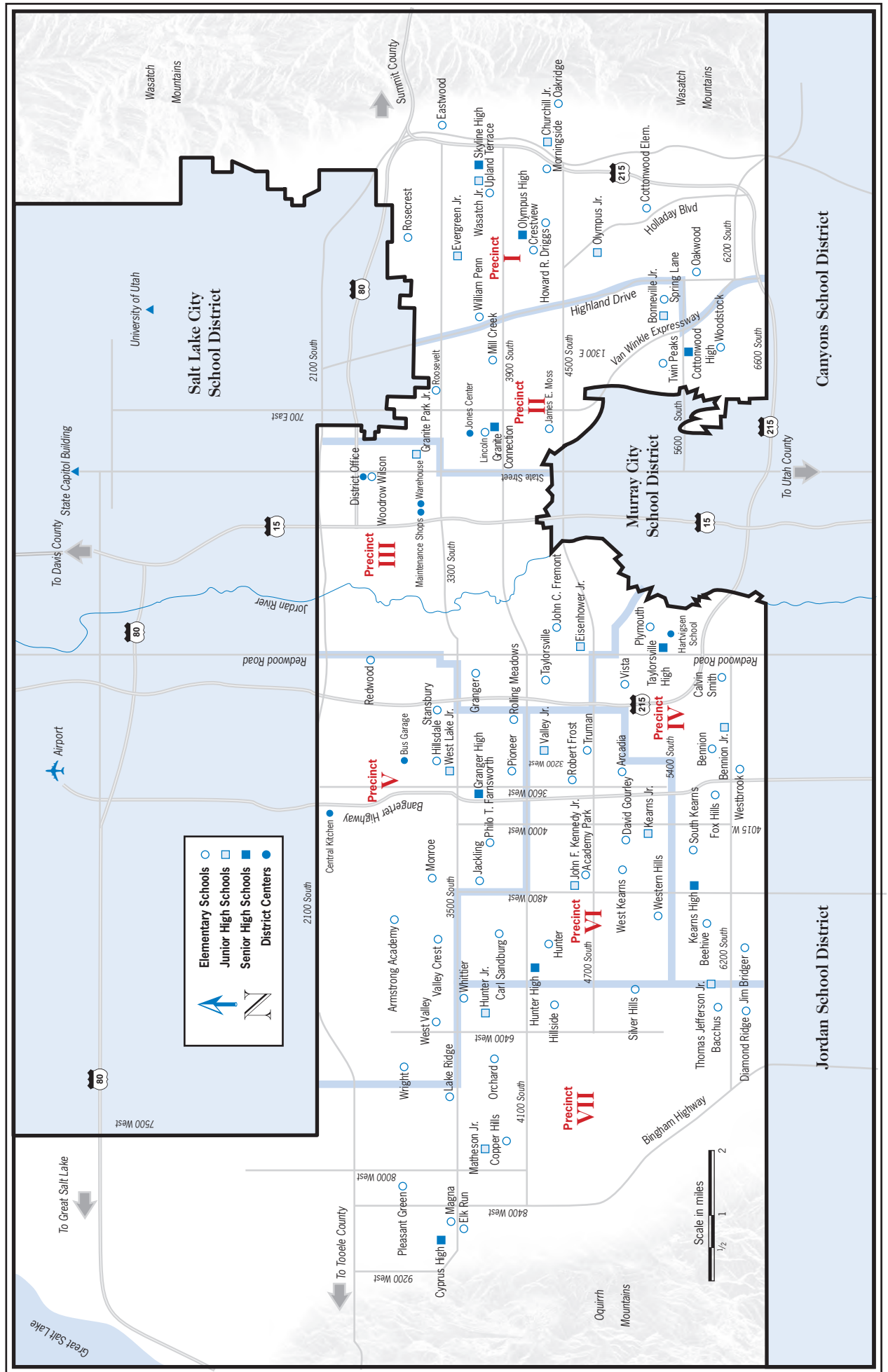
Superintendent's Office



Granite School District Schools

60 Elementary School Principals - 15 Junior High School Principals - 9 Senior High School Principals

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, 2020, 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, 2020, 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.

Other Matters

Required Supplementary Information

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

Combining and Individual Fund Statements and Schedules and the Introductory and Statistical Sections

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Squire & Company, PC

Orem, Utah
November 20, 2020



Management's Discussion & Analysis

MD&A

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, 2020. 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.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$339.5 million (*net position*). This represents a \$20.6 million increase from the prior year and is the result of a combination of several factors which are described below in the section titled, 'Government-wide Financial Analysis'.
- Included in the District's \$339.5 million net position is a portion called *unrestricted net position*, which has a deficit balance of (\$59.4) million, an increase in the deficit of \$17.3 million from (\$42.1) million in comparison to the prior year. The deficit itself is directly related to the District's recognition of a long-term liability associated with its proportionate share of unfunded obligations of defined pension plans administered by the Utah Retirement Systems (URS). Since 2010, the District's, as well as all other participants', required contributions to URS were increased so that over time the obligations will become fully funded. As progress is made toward that goal, the District's deficit unrestricted net position will be eliminated and its required contributions to URS are expected to be reduced.
- At the close of the current fiscal year, the District's governmental funds reported combined fund balances of \$301.4 million, an increase of \$0.2 million in comparison with the prior year. Approximately 3.2% of this amount (\$9.6 million) is unassigned.

- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$148.9 million, or approximately 27.0% of total general fund expenditures.
- At the close of the current fiscal year, the District's total outstanding long-term liabilities were \$520.4 million, consisting of the net pension liability associated with the Utah Retirement Systems of \$197.9 million (38.0%), general obligation bonds and associated unamortized premiums payable of \$256.1 million (49.2%), and other employee benefit obligations of \$66.4 million (12.8%).
- With regard to the \$66.4 million of other employee benefit obligations, \$49.7 million is for District retirement and separation benefits for which fund balance has been committed to fund 100% of the actuarially determined liability for these obligations as well as an additional 30% to cover future unexpected changes in the actuarial calculation of those liabilities.

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

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 remainder 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 unpaid employee benefit obligations). 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.

Functions within the governmental activities of the 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, community services, contributions to other governments, and interest on long-term liabilities.

The government-wide financial statements can be found on pages 27 and 28.

FUND FINANCIAL STATEMENTS

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 three major funds and an aggregate total for all nonmajor funds. The District's major governmental funds are the *General Fund*, the *Capital Projects Fund*, and the *Debt Service 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 and reconciliations can be found on pages 29 to 33.

Proprietary Funds. The District maintains two proprietary funds, both of which are 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 34 to 36.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. 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 describes the nature of assistance the District receives from the federal and state government.
- Note 4 explains property taxes and differentiates between those collected to fund current operations from future year operations as well as taxes levied for and contributed to other governments.
- Note 5 describes the District's general exposure to risk and how it manages that risk.
- Note 6 explains property and equipment of the District including accumulated depreciation and net carrying amounts.
- Note 7 explains the District's interfund balances and activity for the year.
- Note 8 provides information on the state retirement plan to include: the District's proportionate share of the plan's net pension liability and related deferred inflows and deferred outflows; 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 plan.
- 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 long-term liabilities and activity for the year.
- Note 14 provides a summary and description of a significant event that occurred subsequent to June 30, 2020 but that was known prior to the issuance of this report.
- Note 15 describes significant commitments of the District.

The notes to the basic financial statements can be found on pages 38 to 64.

ADDITIONAL INFORMATION

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 65 to 71 of this report with notes to the required supplementary information following on page 72.

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 73 to 88 of this report.

The statistical section of this report presents detailed trend and comparative data that supports the other sections of this report and can be found on pages 89 to 146 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 \$339.5 million at June 30, 2020.

When looking at net position itself, there are three classifications; *net investment in capital assets*, *restricted*, and *unrestricted*.

GRANITE SCHOOL DISTRICT Statement of Net Position (in millions of dollars)			
	Governmental Activities		
	2020	2019	Change 2019-20
Current and other assets	\$ 672.9	\$ 652.3	\$ 20.6
Capital assets	532.5	480.1	52.4
Total assets	1,205.4	1,132.4	73.0
Deferred outflows of resources	58.5	129.5	(71.0)
Other liabilities	83.9	72.2	11.7
Long-term liabilities	520.3	620.0	(99.7)
Total liabilities	604.2	692.2	(88.0)
Deferred inflows of resources	320.2	250.8	69.4
Net position:			
Net investment in capital assets	353.0	321.8	31.2
Restricted	45.9	39.2	6.7
Unrestricted	(59.4)	(42.1)	(17.3)
Total net position	\$ 339.5	\$ 318.9	\$ 20.6

As is typical of a school district, at the end of the current fiscal year, the largest portion of the District's net position is classified as *net investment in capital assets*. The \$353.0 million (104.0% of total net position) reflects the District's investment in capital assets (primarily land and buildings but also includes equipment and vehicles) net of accumulated depreciation, less any related outstanding debt that was used to acquire those assets. The District uses these capital assets to provide educational services to students. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (\$45.9 million, or 13.5%) is classified as *restricted* and represents resources that are subject to external restrictions on how they may be used.

The District's *unrestricted net position* is in a deficit position of (\$59.4) million as of June 30, 2020, an increase of \$17.2 million. This increase in the deficit in unrestricted net position is the direct result of an increase in net position invested in capital assets as the District continues to implement its long-term capital plan. 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.

As of the end of the current fiscal year, the District experienced the following changes to other sections on the *Statement of Net Position*:

- Cash and investments, part of *current and other assets*, increased \$1.6 million. This change is primarily attributable to the elimination of restricted cash and investments totaling \$47.8 million held by a fiscal agent (related to payments made on advanced crossover refunded debts made during the year) and new bond proceeds of \$111.5 million received during the year. \$61.3 million of these proceeds were not spent as of June 30, 2020.
- Property taxes receivable, part of *current and other assets*, increased \$10.0 million and an offsetting deferred inflow related to property taxes levied for future years, part of *deferred inflows of resources*, increased \$9.1 million. Both increases are directly attributable to an increase in the amount of property taxes assessed on January 1, 2020 for the upcoming 2020-21 fiscal year compared to those assessed on January 1, 2019 for the then upcoming 2019-20 fiscal year. This increase in taxes assessed is mostly the result of an increase of \$2.5 billion in taxable value of property within the District.
- Capital assets, reported net of accumulated depreciation, increased by \$52.4 million. This change is primarily attributable to a \$86.3 million increase in land, construction in progress, and buildings and improvements and a decrease related to asset depreciation of \$33.9 million.
- Deferred outflows related to pensions decreased \$71.0 million mostly as a result of a decrease in the District's share of the deferred outflows of resources related to pensions reported by URS. This decrease is primarily attributable to a change in the net difference between projected and actual earnings on pension plan investments, as URS experienced a 14.50% rate of return in 2019 compared to the investment return assumption of 6.95%. This caused a decrease to deferred outflows of resources related to pensions and an

associated increase in deferred inflows of resources related to pensions.

- Long-term liabilities were \$520.3 million (which was 86.1% of all liabilities), representing a large net decrease of \$99.7 million. The main driver of this large change is a decrease of \$112.6 million in the net pension liability relating to the state retirement plans. As discussed above, this large decrease is the result of the 14.50% rate of return experienced by URS in 2019. Bonds payable increased by \$6.5 million with payments made of \$105.0 million and new bonds of \$111.5 million issued. Other increases include \$5.8 million related to district retirement obligations and \$0.6 million related to employee benefit, workers compensation, and unemployment claims obligations.
- Deferred inflows related to pensions increased by \$60.1 million mostly as a result of a decrease in the District's share of the deferred inflows of resources related to pensions reported by Utah Retirement Systems. As discussed above, this large decrease is primarily attributable to changes in the net difference between projected and actual earnings on pension plan investments.

Governmental Activities

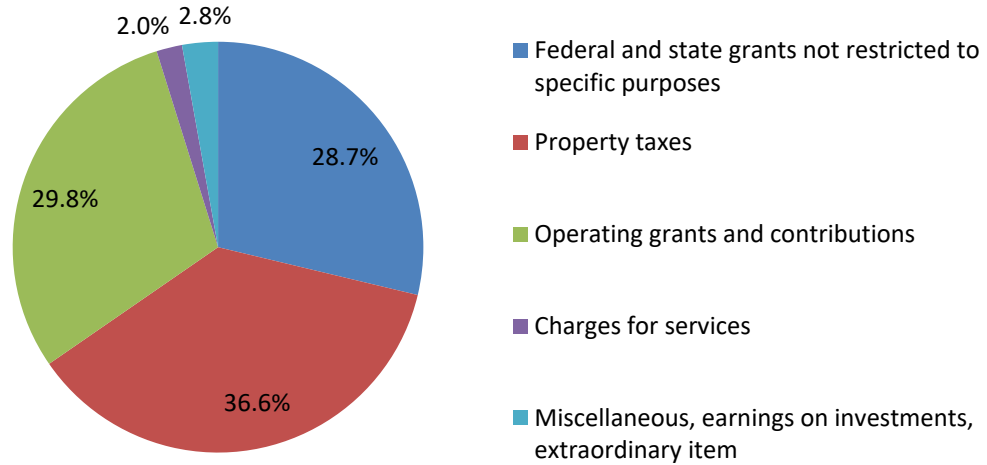
The \$20.6 million increase in net position can also be analyzed from an operational standpoint. The following list highlights some of the key changes in revenues and expenses during the year compared to the prior year:

- Operating grants and contributions restricted to specific programs increased by \$18.2 million over the previous year. This increase was attributable to \$10.7 million in CARES act funding received by the District to assist with the response to the COVID-19 pandemic and a shifting of state revenues from unrestricted to restricted with the creation of the Teacher and Student Success Act program.
- Property tax revenue increased by \$9.9 million from the prior year. This increase was primarily the result of approximately \$303.9 million in new growth of taxable values in the District for the tax year ended December 31, 2019.

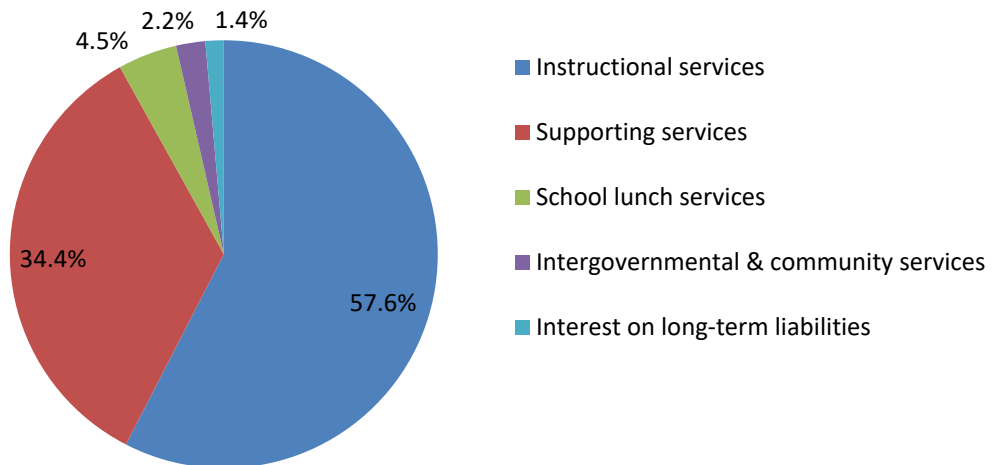
GRANITE SCHOOL DISTRICT Changes in Net Position (in millions of dollars)			
	Governmental Activities		
	2020	2019	Change 2019-20
Revenues:			
Program revenues:			
Charges for services	\$ 14.0	\$ 18.6	\$ (4.6)
Operating grants and contributions	207.5	189.3	18.2
General revenues:			
Property taxes	255.0	245.1	9.9
Federal and state grants not restricted to specific purposes	200.1	208.6	(8.5)
Earnings on investments	8.4	10.1	(1.7)
Miscellaneous	9.3	5.7	3.6
Extraordinary item	1.9	-	1.9
Total revenues	<u>696.2</u>	<u>677.4</u>	<u>18.8</u>
Expenses:			
Instructional services	389.0	372.7	16.3
Supporting services:			
Students	46.8	41.4	5.4
Instructional staff	36.6	34.6	2.0
District administration	6.6	5.1	1.5
School administration	43.3	40.2	3.1
Central	18.8	16.2	2.6
Operation and maintenance of facilities	66.5	65.5	1.0
Transportation	13.5	13.1	0.4
School lunch services	30.2	31.6	(1.4)
Community services	1.2	2.0	(0.8)
Intergovernmental	13.7	8.4	5.3
Interest on long-term liabilities	9.4	9.3	0.1
Total expenses	<u>675.6</u>	<u>640.1</u>	<u>35.5</u>
Change in net position	20.6	37.3	(16.7)
Net position - beginning	318.9	281.6	37.3
Net position - ending	<u>\$ 339.5</u>	<u>\$ 318.9</u>	<u>\$ 20.6</u>

- Federal and state grants not restricted to specific programs decreased by \$8.5 million over the previous year. This decrease is mostly the result of shifting revenues (from unrestricted to restricted) related to the previously mentioned Teacher and Student Success Act program.
- Earnings on investments decreased by \$1.7 million over the previous year. This decrease is mostly due to a decrease in the rate of return of the state investment pool. The rate of return decreased to 0.95% in June 2020 compared to 2.90% in June 2019.
- Overall expenses increased by \$35.5 million over the previous year. Of this change, \$9.7 million is attributable to increases in expenses for the State and District retirement pension plans and an additional \$25.9 million is attributable to increases in salary and benefit costs.

Revenues by Source - Governmental Activities Year Ended June 30, 2020



Expenses by Function - Governmental Activities Year Ended June 30, 2020



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, liabilities, and deferred outflows/inflows of resources 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, 2020, the District's combined governmental fund balances held fairly steady during the year, increasing by a net \$0.2 million during the year ended June 30, 2020 to \$301.4 million (\$12.2 million in *nonspendable*, \$125.1 million in *restricted*, \$95.1 million in *committed*, \$59.4 million in *assigned*, and \$9.6 million in *unassigned* fund balances). The primary sources of increase and decrease to governmental fund balances during the year include the following:

- Property tax revenue increased by \$9.8 million, mostly the result of approximately \$303.9 million in new growth of taxable values in the District for the tax year ended December 31, 2019.
- Federal revenue increased by \$8.6 million. This increase is due to \$10.7 million in CARES Act funding received by the District to assist with the response to the COVID-19 pandemic.
- In the *General Fund*, increased property tax revenues, the increase in federal funding mentioned above, and a \$12.0 million transfer in from the *Employee Benefits Self-Insurance Fund* (an internal service fund) to pay for employee bonuses resulted in a 6.5% increase of \$9.6 million in fund balance. This increase occurred despite an offsetting increase in expenditures in the *General Fund* (total fund expenditures increased by 6.0% or \$31.4 million). The majority of this increase is attributable to increased salary and benefit costs (increased by 6.1% or \$28.7 million).
- In the *Capital Projects Fund*, proceeds from the issuance of bonds were \$100.0 million with associated premiums of \$11.5 million. These bonds were issued to rebuild and revitalize schools under the voter authorization received in November 2017. Overall, this resulted in a 64.0% increase of \$41.2 million in fund balance. As a result of these construction projects, total expenditures in the *Capital Projects Fund* also increased by 106.8% or \$52.4 million.
- In the *Debt Service Fund*, the crossover advanced refunding of the Series 2011 Build America Bonds in June 2020 resulted in a \$46.7 million decrease in fund balance, as the funds held in escrow related to this crossover refunding were reported as part of fund balance in previous years. The District also made principal payments on outstanding bonds of \$55.6 million. Overall, fund balance in the *Debt Service Fund* decreased by 93.0% or \$48.9 million.

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 \$1.4 million during the year ended June 30, 2020 to \$15.6 million. The overall

decrease in fund balance is due to the \$12.0 million transfer from the *Employee Benefits Self-Insurance Fund* to the *General Fund* to pay for employee bonuses. However, this transfer was partially offset because insurance premiums charged to the other funds increased by \$3.6 million while operating expenses related employee benefits decreased by \$1.9 million during the year ended June 30, 2020. This decrease in expenditures is likely attributable to the new District employee health clinics reducing costs of health insurance.

General Fund Budgetary Highlights

The Board revised the 2020 budget during the year. Budget amendments reflected changes in programs and related funding. The District did not overspend its legal spending authority for the year ended June 30, 2020.

Final budgeted revenues were \$1.4 million or 0.3% higher than original estimates. This change is primarily due to a decrease in budgeted state revenues (\$341.0 million to \$329.2 million or a 3.5% decrease) and an increase to final budgeted federal revenues (\$44.2 million to \$60.7 million or a 37.3% increase). Final budgeted state revenues decreased from original budget estimates due to various state funds that were available to be spent during the year but were carried over to the new year. Final budgeted federal revenues increased from the original budget estimates due to federal CARES act funds of \$10.7 million awarded to the District in June 2020 along with increases to award amounts for other federal programs.

The difference between the original budget and the final amended budget for total expenditures was a decrease of \$12.5 million or 2.2% of total original estimated expenditures. This difference is primarily due to salary and benefit costs being \$10.6 million lower than originally budgeted. The original budget does not anticipate an unassigned fund balance at year end, where the final amended budget does.

Actual expenditures were \$9.9 million less than the final amended budget. This difference is mostly the result of \$9.7 million in state and federal funding that was available to the District as of June 30, 2020 but was not spent before year-end.

Capital Assets and Debt Administration

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2020 amounts to \$532.5 million, net of accumulated depreciation. This investment in capital assets includes land, land improvements, buildings and improvements, furniture and equipment, and vehicles. The total increase in capital assets for the current fiscal year was \$52.4 million, reflecting the District's emphasis on building remodeling and replacement. Additional information on the District's capital assets can be found in Note 6 to the basic financial statements.

	2020	2019	Change 2019-20
Land	\$ 51.7	\$ 52.9	\$ (1.2)
Construction in progress	91.6	24.8	66.8
Buildings and improvements	358.8	372.4	(13.6)
Land improvements	12.8	12.7	0.1
Vehicles	8.2	8.1	0.1
Furniture and equipment	9.4	9.2	0.2
Total capital assets, net	<u>\$ 532.5</u>	<u>\$ 480.1</u>	<u>\$ 52.4</u>

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, 2020, the District had many new long-term construction projects carried as construction in progress, along with projects carried over from the prior year. The largest of these ongoing projects are \$65.6 million for a rebuild of Skyline High School, \$31.3 million for a rebuild of South Kearns Elementary, \$31.7 million for a rebuild of Roosevelt Elementary, \$16.9 million for an addition and remodel at Hunter High School, \$8.5 million related to architecture and engineering for a rebuild of Cyprus High School, and \$5.8 million for a remodel at Driggs Elementary. Major projects completed during the year included a \$4.4 million remodel at Evergreen Jr High, a \$4.3 million remodel at Valley Jr High, Kearns High School tennis

court additions of \$1.4 million, and \$4.9 million worth of remodels, security system upgrades, and HVAC system upgrades at 10 different elementary schools.

Debt Administration

On December 12, 2019, the District issued \$100.0 million in general obligation bonds authorized by voters in November 2017. Following this issuance, \$88 million in voter authorization remained. On October 22, 2020, the remaining \$88.0 million in bonds were issued. Additional information on these bond issuances can be found in Notes 13 and 14 to the basic financial statements.

The District had \$256.1 million in 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 unused legal debt capacity was \$1,645.8 million at December 31, 2019. 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

On November 7, 2017, voters in the District authorized the issuance of \$238.0 million in general obligation bonds as a major component of the District's long-term capital plan. \$50.0 million of this authorization was issued on November 27, 2018, an additional \$100.0 million was issued on December 12, 2019, and the final \$88.0 million was issued on October 22, 2020. Additional information on the bond authorization and issuance can be found in Notes 13 and 14 to the basic financial statements.

The long-term capital plan is to rebuild 13 schools and renovate 15 more. More information on the planned construction projects is available at gsdfuture.org.

Earthquake

On March 18, 2020, a magnitude 5.7 earthquake and subsequent aftershocks in the Magna area damaged over 20 District buildings, with Cyprus High and West

Lake STEM Junior High suffering the most extensive damage. The latter is currently deemed unsafe to enter. Losses from this earthquake, including immediate costs associated with capital needs to temporarily accommodate relocated West Lake STEM students, are insured by the Utah State Risk Management Fund, subject to a \$0.1 million deductible.

The District is currently unsure whether the Westlake STEM Junior High building will ultimately be able to be repaired or whether the building will be deemed a total loss. If a rebuild of the school is required, the District will incur substantial costs beyond the amounts received through insurance settlements.

COVID-19

Beginning in March 2020 and continuing in the months that have followed, the COVID-19 pandemic has caused significant disruptions and challenges to the operations and funding of the District.

The District has incurred significant costs to ensure the safety and well-being of students and staff in schools, including cleaning supplies, building modifications, and personal protective equipment. These costs are expected to continue into the future. Federal funds of \$3.8 million received through the CARES Act in August 2020 have helped to offset this financial impact to the District.

The economic impact of the pandemic caused a significant reduction to state funding to the District for the fiscal year that will end June 30, 2021. The total impact of these reductions on the District budget is estimated to be a \$21.7 million decrease in funding from the original amounts appropriated. Future year legislative appropriations may also be impacted.

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.



Government-wide Financial Statements

GRANITE SCHOOL DISTRICT**Statement of Net Position**

June 30, 2020

	Governmental Activities
Assets:	
Cash and investments	\$ 363,384,214
Receivables:	
Property taxes	254,331,100
Local (net of allowance for uncollectibles)	2,322,700
State	6,062,313
Federal	34,613,024
Prepaid items	6,181,743
Inventories	6,066,565
Capital assets:	
Land, construction in progress, and water stock	143,278,157
Other capital assets, net of accumulated depreciation	389,217,619
Total assets	1,205,457,435
Deferred outflows of resources:	
Related to state retirement pension plans	52,177,191
Related to district retirement pension plan	1,086,563
Related to long-term disability OPEB plan	914,437
Bond refunding costs, net of accumulated amortization	4,388,428
Total deferred outflows of resources	58,566,619
Liabilities:	
Accounts and contracts payable	15,208,460
Accrued interest	857,520
Accrued salaries and related benefits	52,107,769
Unearned revenue:	
Local	1,844,964
State	13,766,593
Federal	80,011
Long-term liabilities:	
Portion due or payable within one year	36,939,664
Portion due or payable after one year	483,429,027
Total liabilities	604,234,008
Deferred inflows of resources:	
Related to state retirement pension plans	67,367,410
Related to district retirement pension plan	146,894
Related to long-term disability OPEB plan	775,418
Property taxes levied for future year	251,957,167
Total deferred inflows of resources	320,246,889
Net position:	
Net investment in capital assets	352,992,080
Restricted for:	
Capital projects	33,693,886
Debt service	3,865,070
Schools and scholarships	990,957
School lunch	7,395,863
Unrestricted	(59,394,699)
Total net position	\$ 339,543,157

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

GRANITE SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2020

Activities or Functions	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental activities:				
Instructional services	\$ 388,977,821	\$ 9,161,786	\$ 124,112,919	\$ (255,703,116)
Supporting services:				
Students	46,816,092	-	23,774,026	(23,042,066)
Instructional staff	36,628,138	-	15,372,210	(21,255,928)
District administration	6,601,202	-	186,707	(6,414,495)
School administration	43,266,788	-	3,236,255	(40,030,533)
Central	18,837,470	-	2,075	(18,835,395)
Operation and maintenance of facilities	66,498,153	1,664,270	580,866	(64,253,017)
Transportation	13,548,580	211,410	10,102,924	(3,234,246)
School lunch services	30,249,702	2,961,721	26,619,797	(668,184)
Community services	1,232,701	-	3,464,452	2,231,751
Intergovernmental	13,651,109	-	-	(13,651,109)
Interest on long-term liabilities	9,364,995	-	-	(9,364,995)
Total school district	\$ 675,672,751	\$ 13,999,187	\$ 207,452,231	(454,221,333)
General revenues:				
Property taxes levied for:				
Basic state supported program (set by state legislature)				53,490,313
Voted local				36,196,937
Board local				68,175,192
Capital outlay				20,545,948
Debt service				63,022,603
Redevelopment agencies				9,509,231
Charter schools				4,141,878
Total property taxes				255,082,102
Federal and state grants not restricted to specific programs				200,175,356
Earnings on investments				8,412,121
Miscellaneous				9,302,179
Total general revenues				472,971,758
Extraordinary item:				
Insurance recoveries - earthquake				1,900,000
Change in net position				20,650,425
Net position - beginning				318,892,732
Net position - ending				\$ 339,543,157

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

Fund Financial Statements

GRANITE SCHOOL DISTRICT
Balance Sheet – Governmental Funds
June 30, 2020

	Major Funds			Other	Total
	General	Capital Projects	Debt Service	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 180,516,419	\$ 117,671,627	\$ 4,083,388	\$ 28,288,527	\$ 330,559,961
Receivables:					
Property taxes	154,671,431	19,890,916	64,129,605	15,639,148	254,331,100
Local (net of allowance for uncollectibles)	1,593,142	123,948	2,834	563,711	2,283,635
State	1,822,568	1,900,000	-	2,339,165	6,061,733
Federal	32,559,975	-	-	2,053,049	34,613,024
Inventories	4,031,278	-	-	2,013,387	6,044,665
Prepaid items	5,474,440	603,742	-	102,039	6,180,221
Total assets	\$ 380,669,253	\$ 140,190,233	\$ 68,215,827	\$ 50,999,026	\$ 640,074,339
Liabilities:					
Accounts and contracts payable	\$ 495,806	\$ 14,151,396	\$ -	\$ 364,156	\$ 15,011,358
Accrued salaries and related benefits	51,255,346	1,488	-	850,935	52,107,769
Unearned revenue:					
Local	1,105,137	303,877	-	435,950	1,844,964
State	13,643,831	122,762	-	-	13,766,593
Federal	80,011	-	-	-	80,011
Total liabilities	66,580,131	14,579,523	-	1,651,041	82,810,695
Deferred inflows of resources:					
Property taxes levied for future year	153,287,474	19,712,938	63,555,791	15,400,964	251,957,167
Unavailable property tax revenue	2,370,652	304,868	982,916	238,184	3,896,620
Total deferred inflows of resources	155,658,126	20,017,806	64,538,707	15,639,148	255,853,787
Fund balances:					
Nonspendable:					
Inventories	4,031,278	-	-	2,013,387	6,044,665
Prepaid items	5,474,440	603,742	-	102,039	6,180,221
Restricted for:					
Capital projects	-	104,989,162	-	-	104,989,162
Debt service	-	-	3,677,120	-	3,677,120
Schools and scholarships	-	-	-	898,341	898,341
School lunch	-	-	-	15,509,684	15,509,684
Committed to:					
Economic stabilization	29,747,025	-	-	-	29,747,025
Employee benefits	49,600,332	-	-	-	49,600,332
Contractual obligations	562,195	-	-	-	562,195
District activity programs	-	-	-	13,084,844	13,084,844
Foundation	-	-	-	2,100,542	2,100,542
Assigned to:					
Self insurance	16,602,940	-	-	-	16,602,940
Employee compensation	6,712,000	-	-	-	6,712,000
Employee benefits	14,041,868	-	-	-	14,041,868
Planned projects	18,019,651	-	-	-	18,019,651
Textbooks	3,992,741	-	-	-	3,992,741
Unassigned	9,646,526	-	-	-	9,646,526
Total fund balances	158,430,996	105,592,904	3,677,120	33,708,837	301,409,857
Total liabilities, deferred inflows of resources, and fund balances	\$ 380,669,253	\$ 140,190,233	\$ 68,215,827	\$ 50,999,026	\$ 640,074,339

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, 2020

Total fund balances for governmental funds \$ 301,409,857

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. These assets consist of:

Land	\$ 51,656,271	
Construction in progress	91,588,665	
Water stock	33,221	
Buildings and improvements, net of \$456,967,154 accumulated depreciation	358,731,096	
Land improvements, net of \$35,653,168 accumulated depreciation	12,834,420	
Vehicles, net of \$21,327,904 accumulated depreciation	8,234,616	
Furniture and equipment, net of \$36,219,527 accumulated depreciation	9,385,232	532,463,521

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:

3,896,620

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:

15,578,726

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 long-term liabilities, both current and long-term portions, are reported in the statement of net position. These and related balances at year-end are:

Bonds payable	(232,355,000)	
Unamortized bond premiums	(23,723,557)	
Accrued interest	(857,520)	
Deferred outflows of resources—bond refunding costs	4,388,428	
Net pension liability and related deferred inflows and outflows—state retirement pension plans	(212,734,199)	
Total pension liability and related deferred inflows and outflows—district retirement pension plan	(15,640,208)	
Total OPEB liability and related deferred inflows and outflows—long-term disability OPEB plan	(1,840,049)	
Compensated absences payable	(5,101,079)	
Early retirement liability	(25,942,383)	(513,805,567)

Total net position of governmental activities \$ 339,543,157

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, 2020

	Major Funds			Other	Total
	General	Capital Projects	Debt Service	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 157,344,994	\$ 20,478,602	\$ 62,816,025	\$ 13,651,109	\$ 254,290,730
Earnings on investments	3,427,878	1,830,351	2,231,700	509,318	7,999,247
Other local	8,925,256	614,382	-	13,552,975	23,092,613
State	326,583,692	1,920	-	5,120,823	331,706,435
Federal	53,683,842	805,224	-	21,498,974	75,988,040
Total revenues	549,965,662	23,730,479	65,047,725	54,333,199	693,077,065
Expenditures:					
Current:					
Instructional services	339,760,809	1,148,390	-	8,855,074	349,764,273
Supporting services:					
Students	45,088,198	16,899	-	182,535	45,287,632
Instructional staff	35,266,193	86,085	-	307,388	35,659,666
District administration	5,979,524	19,766	-	-	5,999,290
School administration	39,730,343	183,981	-	1,127,892	41,042,216
Central	13,639,516	4,136,045	-	-	17,775,561
Operation and maintenance of facilities	60,284,988	1,367,263	-	262,110	61,914,361
Transportation	11,101,283	1,245,613	-	76,319	12,423,215
School lunch services	-	-	-	30,675,274	30,675,274
Community services	-	-	-	2,248,273	2,248,273
Contributions to other governments	-	-	-	13,651,109	13,651,109
Debt service:					
Principal	-	-	55,625,000	-	55,625,000
Interest	-	-	11,568,768	-	11,568,768
Bond issuance costs	-	459,675	-	-	459,675
Paying agent fees	-	-	5,000	-	5,000
Facility acquisition and construction	-	92,787,662	-	-	92,787,662
Total expenditures	550,850,854	101,451,379	67,198,768	57,385,974	776,886,975
(Deficiency) of revenues (under) expenditures	(885,192)	(77,720,900)	(2,151,043)	(3,052,775)	(83,809,910)
Other financing sources (uses):					
Proceeds from sale of capital assets	2,729	5,506,696	-	-	5,509,425
Bonds issued	-	100,000,000	-	-	100,000,000
Premiums on bonds issued	-	11,536,831	-	-	11,536,831
Refunded bonds escrow	-	-	(46,700,000)	-	(46,700,000)
Transfers in	12,346,432	-	-	1,599,333	13,945,765
Transfers (out)	(1,842,161)	-	-	(382,940)	(2,225,101)
Total other financing sources (uses)	10,507,000	117,043,527	(46,700,000)	1,216,393	82,066,920
Extraordinary item:					
Insurance recoveries - earthquake	-	1,900,000	-	-	1,900,000
Net change in fund balances	9,621,808	41,222,627	(48,851,043)	(1,836,382)	157,010
Fund balances - beginning	148,809,188	64,370,277	52,528,163	35,545,219	301,252,847
Fund balances - ending	\$ 158,430,996	\$ 105,592,904	\$ 3,677,120	\$ 33,708,837	\$ 301,409,857

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, 2020

Net change in fund balances for total governmental funds \$ 157,010

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. The changes in capital assets and related accounts are:

Outlays for purchase of capital assets	\$ 89,095,848	
Gain on sale of capital assets	2,675,356	
Proceeds from sale of capital assets	(5,509,425)	
Depreciation expense	<u>(33,839,134)</u>	52,422,645

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 are:

Property tax revenue	791,372	
Interest subsidy on Build America Bonds	<u>(66,888)</u>	724,484

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 liability and related accounts are:

Bond principal payments	102,325,000	
Proceeds from bonds and bond premiums	(111,536,831)	
Amortization of bond premiums expense	2,643,161	
Interest expense	<u>(434,388)</u>	(7,003,058)

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.

State retirement pension plans expense	(19,303,521)	
District retirement pension plan expense	(372,684)	
Long-term disability OPEB plan expense	185,835	
Compensated absences expense	(377,899)	
Early retirement benefit expense	<u>(4,423,828)</u>	(24,292,097)

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.

(1,358,559)

Change in net position of governmental activities \$ 20,650,425

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, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Property taxes	\$ 158,011,093	\$ 158,674,546	\$ 157,344,994	\$ (1,329,552)
Earnings on investments	5,000,000	3,500,000	3,427,878	(72,122)
Other local	10,681,732	8,249,494	8,925,256	675,762
State	341,007,742	329,232,491	326,583,692	(2,648,799)
Federal	44,219,255	60,702,413	53,683,842	(7,018,571)
Total revenues	558,919,822	560,358,944	549,965,662	(10,393,282)
Expenditures:				
Current:				
Salaries	345,278,119	339,169,412	337,056,332	2,113,080
Employee benefits	166,535,846	162,040,365	163,457,096	(1,416,731)
Purchased services	15,882,174	16,144,989	13,972,439	2,172,550
Supplies and materials	44,601,664	42,326,762	35,767,986	6,558,776
Equipment	721,311	827,290	413,260	414,030
Other	217,966	199,359	183,741	15,618
Total expenditures	573,237,080	560,708,177	550,850,854	9,857,323
(Deficiency) of revenues (under) expenditures	(14,317,258)	(349,233)	(885,192)	(535,959)
Other financing sources (uses):				
Proceeds from sale of capital assets	250,000	250,000	2,729	(247,271)
Transfers in	7,561,297	6,893,825	12,346,432	5,452,607
Transfers (out)	(2,184,819)	(1,858,611)	(1,842,161)	16,450
Total other financing sources (uses)	5,626,478	5,285,214	10,507,000	5,221,786
Net change in fund balances	(8,690,780)	4,935,981	9,621,808	4,685,827
Fund balances - beginning	150,904,530	148,809,188	148,809,188	-
Fund balances - ending	\$ 142,213,750	\$ 153,745,169	\$ 158,430,996	\$ 4,685,827

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, 2020

	Governmental Activities - Internal Service Funds
Assets:	
Current assets:	
Cash and investments	\$ 32,824,253
Accounts receivable - local	39,065
Accounts receivable - state	580
Prepaid items	1,522
Inventories	21,900
Total current assets	32,887,320
Noncurrent assets:	
Capital assets:	
Equipment	729,407
Accumulated depreciation	(697,152)
Total noncurrent assets	32,255
Total assets	32,919,575
Deferred outflows of resources:	
Related to state retirement pension plans	96,293
Related to district retirement pension plan	2,089
Related to long-term disability OPEB plan	1,759
Total deferred outflows of resources	100,141
Liabilities:	
Current liabilities:	
Accounts payable	197,099
Health and accident claims payable	14,306,253
Dental claims payable	371,603
Workers compensation claims payable	1,660,167
Unemployment claims payable	288,165
Total current liabilities	16,823,287
Noncurrent liabilities:	
Workers compensation payable	33,881
Net pension liability-state retirement pension plans	371,820
Total pension liability-district retirement pension plan	31,944
Total OPEB liability-long-term disability OPEB plan	3,813
Early retirement liability	49,987
Total noncurrent liabilities	491,445
Total liabilities	17,314,732
Deferred inflows of resources:	
Related to state retirement pension plans	124,485
Related to district retirement pension plan	282
Related to long-term disability OPEB plan	1,491
Total deferred inflows of resources	126,258
Net position:	
Investment in capital assets	32,255
Unrestricted	15,546,471
Total net position	\$ 15,578,726

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, 2020

	Governmental Activities - Internal Service Funds
Operating revenues:	
Charges for services	\$ 77,364,879
Operating expenses:	
Salaries	514,991
Employee benefits	366,270
Medical and prescription claims	56,603,273
Dental claims	1,623,949
Medical administrative fees	2,712,903
Affordable Care Act fees	29,680
Medical reinsurance premiums	1,446,102
Workers compensation claims	1,395,601
Unemployment claims	419,774
Purchased services	2,171,215
Supplies and materials	95,022
Depreciation	36,868
Total operating expenses	67,415,648
Operating income	9,949,231
Nonoperating revenues:	
Earnings on investments	412,874
Income before transfers	10,362,105
Transfers:	
Transfers in	242,828
Transfers (out)	(11,963,492)
Change in net position	(1,358,559)
Net position - beginning	16,937,285
Net position - ending	\$ 15,578,726

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, 2020

	Governmental Activities - Internal Service Funds
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 77,384,054
Receipts from assessments to other funds	182,870
Payments to employees	(773,866)
Payments to suppliers for goods and services	(2,111,293)
Payments for medical fees and insurance claims	(63,982,037)
Net cash provided by operating activities	10,699,728
Cash flows from noncapital financing activities:	
Transfers in from other funds	242,828
Transfers (out) to other funds	(11,963,492)
Net cash (used) by noncapital financing activities	(11,720,664)
Cash flows from investing activities:	
Earnings on investments	412,874
Net change in cash and cash equivalents	(608,062)
Cash and cash equivalents - beginning	33,432,315
Cash and cash equivalents - ending*	\$ 32,824,253

* 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	\$ 9,949,231
Adjustments to reconcile operating income to net cash provided by operating activities:	
Non cash item - depreciation	36,868
(Increase) decrease in operating assets:	
Accounts receivable - local	19,755
Accounts receivable - state	(580)
Prepaid items	(1,522)
Inventories	(1,215)
Due from other funds	182,870
Decrease in deferred outflows of resources	95,016
Increase (decrease) in operating liabilities:	
Accounts payable	157,681
Health and accident claims payable	156,195
Dental claims payable	11,064
Workers compensation payable	(162,647)
Unemployment claims payable	244,633
Net pension liability-state retirement pension plans	(117,551)
Total pension liability-district retirement pension plan	3,552
Total OPEB liability-long-term disability OPEB plan	511
Early retirement liability	10,446
Increase in deferred inflows of resources	115,421
Total adjustments	750,497
Net cash provided by operating activities	\$ 10,699,728

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

Notes to the Basic Financial Statements

GRANITE SCHOOL DISTRICT

Table of Contents to the Notes to the Basic Financial Statements – June 30, 2020

Contents	Page
NOTE 1 - Summary of Significant Accounting Policies.....	38
NOTE 2 - Deposits and Investments.....	44
NOTE 3 - Federal and State Governmental Assistance.....	46
NOTE 4 - Property Taxes.....	46
NOTE 5 - Risk Management.....	47
NOTE 6 - Capital Assets.....	48
NOTE 7 - Interfund Transfers.....	49
NOTE 8 - State Retirement Plan.....	50
NOTE 9 - District Retirement Plan.....	55
NOTE 10 - Long-Term Disability Benefit Plan (Postemployment Benefits Other than Pensions).....	57
NOTE 11 - Early Retirement Incentive Program and Other Termination Benefits.....	60
NOTE 12 - Self-Insurance Liabilities (Medical, Dental, Unemployment, and Worker's Compensation).....	60
NOTE 13 - Long-Term Liabilities.....	62
NOTE 14 - Subsequent Event.....	64
NOTE 15 - Significant Commitments.....	64

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 fourteen 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. The Foundation issues a publicly available financial report that can be obtained by writing Granite Education Foundation, 2500 S State Street, Salt Lake City, Utah 84115 or visiting the website: granitekids.org.

B) Government-Wide and Fund Financial Statements

Government-wide and fund financial statements are presented separately; however, they are interrelated. 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 internal service funds.

The government-wide financial statements (i.e., the statement of net position and statement of activities) 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, 2020 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, claims, 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* is a special revenue fund that 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.
- The *Debt Service Fund* is a special revenue fund that accounts for the accumulation of resources used for the payment of general obligation bond principal and interest.

Additionally, the District reports the following fund types:

- The District has four non-major special revenue funds. 1) The *District Activity Programs Fund* accounts for the curricular, co-curricular and extra-curricular activities in schools and includes all student fee revenues collected at the individual schools. 2) The *Pass-through Taxes Fund* accounts for both the incremental tax revenue authorized by the Community Development and Renewal Agencies Act and property tax revenue related to the charter school levy. 3) The *Granite Education Foundation Fund* accounts for donations received by the tax-exempt non-profit organization formed to exclusively benefit the District. 4) The *School Lunch Fund* accounts for the food service activities of the District, as required by state and federal law.
- The District has two internal service funds (proprietary funds). 1) The *Printing Services Fund* accounts 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* accounts 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 on 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 are 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 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.
- 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 30 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.
- 5) Minor interim adjustments in estimated revenue, appropriations, and transfers 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. 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.

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. Under the District's investment policy, all temporary cash surpluses are invested, either directly or through a "sweep account". Interest earned on District investments is prorated to individual funds at the end of each month on the basis of their average daily cash balances during the month when interest was earned. Because participating funds use the PTIF as if it were a demand deposit account, the internal service fund equity in pooled investments is considered a cash equivalent for cash flow reporting purposes. 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.

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 accumulated depreciation and 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: 1) not in spendable form, or 2) 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: 1) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or 2) 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) Donations held in the *Granite Education Foundation Fund*.

3) Remaining fund balances in the *School Lunch 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 early retirement, District retirement, and other postemployment benefits (OPEB) obligations and unpaid compensated absences.
- 3) Contractual obligations made by the District before June 30, 2020 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 compensation, employee benefits, planned projects, and textbooks.

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 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, District Retirement, and Other Postemployment Benefit (OPEB) Plans

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. Pension plan investments are reported at fair value.

For purposes of measuring the total district retirement liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, the District recognizes benefit payments when due and payable in accordance with benefit terms. The total district retirement liability is an actuarially determined amount.

For purposes of measuring the total OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the District recognizes benefit payments when due and payable in accordance with benefit terms. The total OPEB liability is an actuarially determined amount.

M) Deferred Outflows 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.

N) Deferred Inflows of Resources

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.

O) 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.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

NOTE 2 - DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2020, as shown on the financial statements, is summarized as follows:

Carrying amount of deposits	\$ 10,021,785
Carrying amount of investments	353,362,429
Total cash and investments	<u>\$ 363,384,214</u>
Governmental funds cash and investments	\$ 330,559,961
Internal service funds cash and investments	32,824,253
Statement of net position cash and investments	<u>\$ 363,384,214</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, first-tier commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah. The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The District considers the actions of the Council to be necessary and sufficient for adequate 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. 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, 2020, the District and the Foundation have the following deposits, carried at fair value, with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Granite School District	\$ 9,533,766	\$ 17,359,917	\$ 385,163
Granite Education Foundation	<u>488,019</u>	<u>462,710</u>	<u>250,000</u>
Total Deposits	<u>\$ 10,021,785</u>	<u>\$ 17,822,627</u>	<u>\$ 635,163</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 and the Foundation do not have a formal deposit policy for custodial credit risk. At June 30, 2020, \$17,187,464 of the District's and the Foundation's bank balance were uninsured and uncollateralized. The difference of \$635,163 is covered by federal depository insurance. State law does not require further coverage.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

B) Investments:

At June 30, 2020, the District and the Foundation have the following investments, carried at fair value, summarized by investment type and maturities:

Investment Type	Fair Value	Investment Maturity (in Years)			
		< 1	1-5	5-10	> 10
Granite School District:					
Utah Public Treasurers'					
Investment Fund (PTIF)	\$ 350,717,586	\$ 350,717,586	\$ -	\$ -	\$ -
Granite Education Foundation,					
a special revenue fund:					
Mutual funds investing in:					
Money market deposits	12,225	12,225	-	-	-
Bonds	661,366	-	-	661,366	-
U.S. common stocks	729,710	729,710	-	-	-
Int'l common stocks	1,241,542	1,241,542	-	-	-
Total Foundation	2,644,843	1,983,477	-	661,366	-
Total investments	\$ 353,362,429	\$ 352,701,063	\$ -	\$ 661,366	\$ -

The PTIF is an external local government investment pool managed by the Utah State Treasurer. It is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which primarily consists of debt securities held by state or in the state's name by the state's custodial banks, including investment grade corporate bonds and notes (77.8%), money market mutual funds (16.0%), U.S. treasury bills (6.2%). The portfolio has a weighted average maturity of 40 days. The PTIF is not rated. The majority of the PTIF's corporate bonds and notes are variable-rate securities which reset every three months to the prevailing market interest rates. Additionally, the PTIF has no more than 5% of its total debt security investments in a single issuer. The reported value of the pool is the same as the fair value of the pool shares.

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. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, and fixed rate securities from 270 days to 15 months. In addition, variable-rate securities may not have a remaining term to final maturity exceeding three years.

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

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does 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 deposit these securities with a bank or trust company to be held in safekeeping by that custodian. The Foundation's investments at brokerage accounts are covered by Securities Investor Protection Corporation up to \$500,000.

Fair Value Measurements. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2020:

- Public Treasurers' Investment Fund of \$350,717,586 is valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).
- Mutual funds of \$2,644,843 are valued at quoted market prices (Level 1 inputs).

NOTE 3 - 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.

NOTE 4 – 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.

Incremental Taxes and Charter School Levy. In addition to property taxes the District levies for its own purposes, the District levies property taxes for redevelopment agencies (located within the boundaries of the District) in accordance with the

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

Community Development and Renewal Agencies Act (*Utah Code* 17C-1) and for charter schools (for students living within the District's boundaries who are enrolled in charter schools) in accordance with *Utah Code* 53F-2-703. These taxes are forwarded directly by the County to the redevelopment agencies or the state charter school levy account as these taxes are collected by the County. During the year ended June 30, 2020, taxes levied by the District for the redevelopment agencies totaled \$9,509,231 and for charter schools totaled \$4,141,878. These amounts were recorded as revenue with an equivalent expenditure for contributions to other governments in the other governmental funds (in the *Pass-through Taxes Fund*).

As of June 30, 2020, the District reported the following property tax balances:

	Major Funds			Other	
	General	Capital Projects	Debt Service	Governmental Funds	Total
Property taxes - receivable:					
Levied for current and prior years:					
Collected in July 2019	\$ 1,253,709	\$ 161,228	\$ 519,809	\$ -	\$ 1,934,746
Delinquent	2,370,652	304,868	982,916	238,184	3,896,620
Levied for future year	153,287,473	19,712,938	63,555,792	15,400,964	251,957,167
Prepayments of future year	(2,240,403)	(288,118)	(928,912)	-	(3,457,433)
	<u>\$ 154,671,431</u>	<u>\$ 19,890,916</u>	<u>\$ 64,129,605</u>	<u>\$ 15,639,148</u>	<u>\$ 254,331,100</u>
Property taxes - deferred inflows of resources:					
Levied for current and prior years:					
Unavailable (delinquent)	\$ 2,370,652	\$ 304,868	\$ 982,916	\$ 238,184	\$ 3,896,620
Levied for future year	153,287,474	19,712,938	63,555,791	15,400,964	251,957,167
	<u>\$ 155,658,126</u>	<u>\$ 20,017,806</u>	<u>\$ 64,538,707</u>	<u>\$ 15,639,148</u>	<u>\$ 255,853,787</u>

NOTE 5 – 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*. During the year ended June 30, 2020, there were no significant reductions in coverage.

On March 18, 2020, a magnitude 5.7 earthquake and subsequent aftershocks in the Magna area damaged over 20 district buildings, with Cyprus High and West Lake STEM Junior High suffering the most extensive damage. The latter is currently deemed unsafe to enter. The losses from this earthquake, including immediate costs associated with capital needs to temporarily accommodate relocated West Lake STEM students, are insured as explained above, subject to a \$100,000 deductible. The District recorded an extraordinary item in the year ended June 30, 2020 related to a \$1,900,000 insurance settlement received from the Fund. The District expects to receive additional insurance settlements related to the earthquake during the year ending June 30, 2021.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	\$ 52,848,805	\$ 1,574,274	\$ (2,766,808)	\$ 51,656,271
Construction in progress	24,809,979	82,918,761	(16,140,075)	91,588,665
Water stock	33,221	-	-	33,221
Total capital assets, not being depreciated	77,692,005	84,493,035	(18,906,883)	143,278,157
Capital assets, being depreciated:				
Buildings and improvements	801,654,375	14,043,875	-	815,698,250
Land improvements	46,496,388	2,096,200	(105,000)	48,487,588
Vehicles	29,077,813	1,686,045	(1,201,338)	29,562,520
Furniture and equipment	45,092,404	2,916,768	(1,675,006)	46,334,166
Total capital assets, being depreciated	922,320,980	20,742,888	(2,981,344)	940,082,524
Accumulated depreciation for:				
Buildings and improvements	(429,232,651)	(27,734,503)	-	(456,967,154)
Land improvements	(33,816,938)	(1,941,230)	105,000	(35,653,168)
Vehicles	(20,966,692)	(1,535,366)	1,174,154	(21,327,904)
Furniture and equipment	(35,886,705)	(2,664,903)	1,634,929	(36,916,679)
Total accumulated depreciation	(519,902,986)	(33,876,002)	2,914,083	(550,864,905)
Total capital assets, being depreciated, net	402,417,994	(13,133,114)	(67,261)	389,217,619
Governmental activity capital assets, net	<u>\$ 480,109,999</u>	<u>\$ 71,359,921</u>	<u>\$ (18,974,144)</u>	<u>\$ 532,495,776</u>

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

Governmental activities:

Instructional services	\$ 25,271,213
Supporting services:	
Students	299,053
Instructional staff	20,918
District administration	1,310
School administration	893,170
Business	639,128
Operation and maintenance of facilities	3,801,293
Transportation	843,514
School lunch services	2,065,163
Community services	4,372
Capital assets held by the District's internal service funds are charged to the various functions based on their usage of the assets	36,868
Total depreciation expense, governmental activities	<u>\$ 33,876,002</u>

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

At June 30, 2020, the District was obligated under several ongoing construction commitments with remaining costs to complete totaling \$78,418,331 that will be financed from resources restricted for capital projects in the *Capital Projects Fund* and property tax proceeds levied specifically for such purposes. These projects are summarized as follows:

Project	Expected Cost	Cost to Date	Cost to Complete
Skyline High rebuild	\$ 65,559,478	\$ 8,823,875	\$ 56,735,603
South Kearns Elementary rebuild	31,299,854	25,510,907	5,788,947
Roosevelt Elementary rebuild	31,743,406	25,973,371	5,770,035
Cyprus High rebuild (architecture & engineering)	8,463,063	2,968,312	5,494,751
Hunter High remodel	16,883,767	14,392,457	2,491,310
Granite Park Jr High remodel	1,855,016	427,711	1,427,305
Rosecrest Elementary remodel	3,972,499	3,829,905	142,594
Beehive Elementary security upgrade	576,557	550,773	25,784
GSD employee clinic	2,105,160	2,088,805	16,355
Driggs Elementary school remodel	5,803,412	5,799,768	3,644
Other	1,744,784	1,222,781	522,003
Total	<u>\$ 170,006,996</u>	<u>\$ 91,588,665</u>	<u>\$ 78,418,331</u>

NOTE 7 – INTERFUND TRANSFERS

Transfers between funds during the year ended June 30, 2020 are as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 12,346,432	\$ 1,842,161
Other Governmental Funds	1,599,333	382,940
Internal Service Funds	242,828	11,963,492
Total	<u>\$ 14,188,593</u>	<u>\$ 14,188,593</u>

During the year ended June 30, 2020, the District made the following transfers:

- The *General Fund* transferred \$1,166,241 to the *District Activity Programs Fund* (other governmental fund) for amounts allocated to the schools by the District.
- The *General Fund* transferred \$433,092 to the *Granite Education Foundation Fund* (other governmental fund) to fund a portion of the salaries of the Foundation.
- The *General Fund* transferred \$242,828 to cover an operating deficit in the *Printing Services Fund* (internal service fund).
- The *District Activity Programs Fund* (other governmental fund) transferred \$382,940 to the *General Fund* to cover costs related to school events and activities incurred in the *General Fund*.
- The *Employee Benefits Self-Insurance Fund* (internal service fund) transferred \$11,963,492 to the *General Fund* to pay employee bonuses.

NOTE 8 – STATE RETIREMENT PLAN

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

Defined Benefit Pension Systems (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 Hybrid Contributory Retirement System (Tier 2 Contributory System)

Defined Contribution Savings Plans (individual account plans):

- 401(k) Plan which includes the Tier 2 Public Employees Defined Contribution Plan (Tier 2 Defined Contribution Plan)
- 457 Plan and other individual plans

District employees qualify for membership in the retirement systems if 1) employment, contemplated to continue during a fiscal or calendar year, normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the District as approved by the Utah State Retirement Board, 2) the employee is a classified school employee whose employment normally requires an average of 20 hours or more per week regardless of benefits, 3) the employee is a teacher who teaches half-time or more and receives benefits normally provided by the District as approved by the Utah State Retirement Board, or 4) the employee is an appointed officer.

The Tier 2 Systems became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Systems.

The plans are established and governed by the respective sections of Title 49 of the *Utah Code*. The plans are amended statutorily by the Utah State Legislature. Title 49 provides for the administration of the plans under the direction of the Utah State Retirement Board, whose members are appointed by the Governor.

The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at www.urs.org.

Benefits Provided. The URS provides retirement, disability, and death benefits to participants in the plans.

Retirement benefits in the defined benefit pension plans are determined from 1.50% to 2.00% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index increase for the year. Employees are eligible to retire based on years of service and age.

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required contributions and associated earnings which are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan's administrative expenses paid by participants. 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 URS, 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, 2020

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.

For the year ended June 30, 2020, required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			District Rates for 401(k) Plan	Totals
	District Contribution *	Amortization of UAAL **	Paid by District for Employee		
Tier 1 Noncontributory System	12.25%	9.94%	-	1.50%	23.69%
Tier 1 Contributory System	5.45%	12.25%	6.00%	-	23.70%
Tier 2 Contributory System	9.05%	9.94%	-	1.03%	20.02%
Tier 2 Defined Contribution Plan	0.08%	9.94%	-	10.00%	20.02%

* District contribution includes 0.08% of covered-employee payroll of the Tier 2 plans for death benefits.

** Required contributions include an additional amount to finance any unfunded actuarial accrued liability in the Tier 1 plans.

Employees can make additional contributions to defined contribution plans subject to limitations.

For the year ended June 30, 2020, District and employee contributions to the plans were as follows:

	District Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 48,575,692	\$ -
Tier 1 Contributory System	255,105	86,478
Tier 2 Contributory System	15,182,005	-
Tier 2 Defined Contribution Plan	1,436,739	-
401(k) Plan	3,889,605	6,010,374
457 Plan and other individual plans	-	1,434,070

* A portion of required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability in the Tier 1 plans.

Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the District reported a net pension asset of \$0 and a net pension liability of \$197,943,989 for its proportionate share of the net pension liability (asset) for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 195,755,885
Tier 1 Contributory System	-	984,939
Tier 2 Contributory System	-	1,203,165
Total	\$ -	\$ 197,943,989

The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2019, rolled forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of the District's actual contributions compared to the total of all employer contributions during the plan year.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2019 and the change in its proportion since the prior measurement date for each plan:

	Proportionate Share	
	2019	Change
Tier 1 Noncontributory System	8.8110781%	0.7103268 %
Tier 1 Contributory System	14.2665813%	4.5897096 %
Tier 2 Contributory System	5.3495978%	0.0412450 %

For the year ended June 30, 2020, the District recognized pension expense for the plans as follows:

	Pension Expense
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 77,474,095
Tier 1 Contributory System	585,377
Tier 2 Contributory System	6,763,329
Total	<u>\$ 84,822,801</u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	1,436,739
401(k) Plan	5,326,344
Total	<u>\$ 6,763,083</u>

At June 30, 2020, the District reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	Deferred Outflows of Resources Related to Pensions			
	Tier 1 Noncontributory System	Tier 1 Contributory System	Tier 2 Contributory System	Total
Differences between expected and actual experience	\$ 3,043,286	\$ -	\$ 336,583	\$ 3,379,869
Changes of assumptions	11,347,221	-	513,747	11,860,968
Net difference between projected and actual earnings on pension plan investments	-	-	-	-
Changes in proportion and differences between District contributions and proportionate share of contributions	3,947,369	-	885,357	4,832,726
District contributions subsequent to measurement date	23,708,361	117,811	8,277,456	32,103,628
Total	<u>\$ 42,046,237</u>	<u>\$ 117,811</u>	<u>\$ 10,013,143</u>	<u>\$ 52,177,191</u>

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

At June 30, 2020, the District reported deferred inflows of resources related to defined benefit pension plans from the following sources:

	Deferred Inflows of Resources Related to Pensions			
	Tier 1	Tier 1	Tier 2	Total
	Noncontributory	Contributory	Contributory	
	System	System	System	
Differences between expected and actual experience	\$ 1,200,908	\$ -	\$ 412,922	\$ 1,613,830
Changes of assumptions	-	-	34,576	34,576
Net difference between projected and actual earnings on pension plan investments	60,604,946	3,924,104	924,866	65,453,916
Changes in proportion and differences between District contributions and proportionate share of contributions	265,088	-	-	265,088
Total	<u>\$ 62,070,942</u>	<u>\$ 3,924,104</u>	<u>\$ 1,372,364</u>	<u>\$ 67,367,410</u>

The \$32,103,628 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of December 31, 2019 will be recognized as a reduction of the net pension liability (asset) in the year ended June 30, 2021. 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,	Tier 1	Tier 1	Tier 2	Total
	Noncontributory System	Contributory System	Contributory System	
2021	\$ (6,910,119)	\$ (1,309,539)	\$ (129,216)	\$ (8,348,874)
2022	(14,830,662)	(1,107,073)	(111,215)	(16,048,950)
2023	1,191,674	(172,473)	46,805	1,066,006
2024	(23,183,962)	(1,335,019)	(249,621)	(24,768,602)
2025	-	-	120,405	120,405
Thereafter	-	-	686,168	686,168

Actuarial Assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% - 9.75%, average, including inflation
Investment rate of return	6.95%, net of pension plan investment expense, including inflation

Mortality rates were based on actual experience and mortality, considering gender, occupation, and age, as appropriate, with adjustments for future improvements in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Assumptions remained unchanged that affect measurement of the total pension liability (asset) since the prior measurement date.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

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 and is applied consistently to each defined benefit pension plan. 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	Long-Term Expected Real Rate of Return
Equity securities	40%	6.2%
Debt securities	20%	0.4%
Real assets	15%	5.8%
Private equity	9%	10.0%
Absolute return	16%	2.9%
Cash and cash equivalents	0%	0.0%
Total	100%	

Discount Rate. The discount rate used to measure the total pension liability (asset) was 6.95%. 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 from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on those assumptions, the pension plans' 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 (asset).

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 (asset) calculated using the discount rate of 6.95%, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension liability (asset):			
Tier 1 Noncontributory System	\$ 441,602,531	\$ 195,755,885	\$ (10,325,777)
Tier 1 Contributory System	9,593,327	984,939	(6,395,108)
Tier 2 Contributory System	10,375,417	1,203,165	(5,885,302)
Total	<u>\$ 461,571,275</u>	<u>\$ 197,943,989</u>	<u>\$ (22,606,187)</u>

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

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

Payables to the Pension Plans. At June 30, 2020, the District reported payables of \$8,570,761 for contributions to defined benefit pension plans and \$1,111,141 for contributions to defined contribution plans.

NOTE 9 – DISTRICT RETIREMENT PLAN

Plan Description. The District's retirement plan provides retirement income to all employees who qualify for state retirement and have been employed by the District for ten years. The District retirement plan is a single-employer defined benefit pension plan offered and administered by the Board of the District under its own authority. No assets are accumulated in a trust that meets the criteria of generally accepted accounting principles.

Benefits Provided. Contributions to the District retirement plan are paid from the *General Fund*. The benefit is equal to the retiring employee's final base salary multiplied by the number of years employed and then multiplied by 0.5%. The benefit is paid in cash when the eligible employee retires.

Employees Covered by Benefit Terms. At June 30, 2020, 4,547 active employees were covered by the benefit terms.

Total Pension Liability. At June 30, 2020, the District recorded a total pension liability of \$16,610,014 (see Note 13 for long-term liabilities), determined by an actuarial valuation as of June 30, 2020. The District has established resources for the obligation by committing fund balance in the *General Fund*.

Actuarial Methods and Assumptions. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.30%
Salary growth	5.25% - 9.75%
Discount rate	2.21%

The discount rate was based on a yield or index rate of 20 tax-exempt general obligation municipal bonds with an average rating of AA/Aa2 or higher (the Bond Buyer General Obligation 20-Bond Municipal Index). Mortality rates were based PRI-2012 White Collar Dataset Retiree Amount-Weighted Mortality projected forward with Mortality Improvement Scale MP-2019. Salary growth percentages used vary based on years of service, with a 9.75% growth rate used for employees with 0 years of service and a 5.25% growth rate used for employees with 12+ years of service.

Demographic and other assumptions included: 1) retirement rates based on the rates used for employees with required age and service to retire in the actuarial valuation of the Utah Retirement Systems pension plans, 2) employee termination rates based on educators' termination rates used in the actuarial valuation of the Utah Retirement Systems pension plans, and 3) entry age normal with service cost as a level percent of employee's projected pay. Individual severance benefits and any termination liability for COBRA were not included in this valuation.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial valuation for the current fiscal period ended June 30, 2020.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

Changes in the Total Pension Liability.

Balance at June 30, 2019	\$ 15,480,028
Changes for the year:	
Service cost	910,277
Interest on total liability	554,602
Effect of plan changes	-
Effect of economic/demographic (gains) losses	500,897
Effect of assumption changes or inputs	262,727
Employer contributions (benefit payments)	(1,098,517)
Net changes	<u>1,129,986</u>
Balance at June 30, 2020	<u>\$ 16,610,014</u>

No plan changes of benefit terms occurred in 2020. Changes in assumptions and other inputs in 2020 include a decrease in the discount rate from 3.50% to 2.21% and a change in projected salary growth rates from 4.25%-14.50% to 5.25%-9.75%.

Sensitivity of the Total Pension Liability to Changes in the Discount Rate. The following presents the District's total pension liability calculated using the discount rate of 2.21%, as well as what the District's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Total pension liability:			
District retirement plan	\$ 17,596,698	\$ 16,610,014	\$ 15,668,526

Pension Expense and Deferred Outflows and Inflows of Resources Related to the District's Retirement Plan. For the year ended June 30, 2020, the District recognized pension expense of \$1,473,284 related to the District's retirement plan. At June 30, 2020, the District reported deferred outflows of resources of \$1,086,563 and deferred inflows of resources of \$146,894 related to the District's retirement plan.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 296,776	\$ -
Differences between expected and actual experience	789,787	146,894
Total	<u>\$ 1,086,563</u>	<u>\$ 146,894</u>

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2021	\$ 85,226
2022	166,820
2023	166,820
2024	166,820
2025	135,357
Thereafter	218,626

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

Plan Description. The District's long-term disability benefit plan (LTD plan) provides other postemployment benefits (OPEB) for former employees who were deemed disabled while employed by the District. The LTD plan is a single-employer defined benefit plan administered by the District. No assets are accumulated in a trust that meets the criteria of generally accepted accounting standards.

Benefits Provided. The LTD plan is operated under two programs both paid 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. Under the post January 1, 2005 program, employees are given medical insurance for 24 months from the time of their disability occurrence. The District's disability carrier determines whether employees are qualified for the benefits.

Employees Covered by Benefit Terms. At June 30, 2020, the following employees were covered by the benefit terms:

	Pre 1/1/2005 LTD Program	Post 1/1/2005 LTD Program	Total LTD Plan
Inactive employees or beneficiaries currently receiving benefit payments	8	13	21
Active employees	-	4,547	4,547
Total	8	4,560	4,568

The pre January 1, 2005 program is closed to new entrants.

Total OPEB Liability. At June 30, 2020, the District recorded a total OPEB liability of \$1,982,613 (see Note 13 for long-term liabilities), determined by an actuarial valuation as of June 30, 2020.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

Actuarial Methods and Assumptions. The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	Pre 1/1/2005 and Post 1/1/2005 LTD Programs
Inflation	2.30%
Discount Rate	2.21%
Healthcare Cost Trend Rates	5.6% for 2020, 5.2% for 2021, 5.3% for 2022, 5.4% for 2023, decreasing to 3.9% through 2074

The discount rate was based on a yield or index rate of 20 tax-exempt general obligation municipal bonds with an average rating of AA/Aa2 or higher (the Bond Buyer General Obligation 20-Bond Municipal Index).

Mortality rates were based PRI-2012 White Collar Dataset Retiree Amount-Weighted Mortality projected forward with Mortality Improvement Scale MP-2019. Retirement rates were based on the rates used for employees with required age and service to retire in the actuarial valuation of the Utah Retirement System pension plans. The medical cost trend rates were derived from the 'Getzen Model' published by the Society of Actuaries for developing long term medical cost trends. Individual severance benefits and any termination liability for COBRA are not included in this valuation.

The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial valuation for the current fiscal period ended June 30, 2020.

Changes in the Total OPEB Liability.

	Pre 1/1/2005 LTD Program	Post 1/1/2005 LTD Program	Total OPEB Liability
Balance at June 30, 2019	\$ 713,900	\$ 1,086,240	\$ 1,800,140
Changes for the year:			
Service cost	-	227,067	227,067
Interest on total liability	23,240	36,766	60,006
Effect of economic/demographic gains or losses	(216,949)	643,470	
Effect of assumptions changes or inputs	(17,523)	117,326	
Employer contributions (benefit payments)	(100,698)	(530,226)	(630,924)
Net changes	(311,930)	494,403	182,473
Balance at June 30, 2020	\$ 401,970	\$ 1,580,643	\$ 1,982,613

No plan changes of benefit terms occurred in 2020. Changes in assumptions and other inputs in 2020 include a decrease in the discount rate from 3.50% to 2.21% and a change in healthcare cost trend rates from 4.1%-6.9% to 3.9%-5.6%.

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB. For the year ended June 30, 2020, the District recognized OPEB expense of \$444,909. At June 30, 2020, the District reported deferred outflows of resources of \$914,437 and deferred inflows of resources of \$775,418 related to OPEB.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 123,522	\$ 11,682
Differences between expected and actual experience	790,915	763,736
Total	<u>\$ 914,437</u>	<u>\$ 775,418</u>

The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2021	\$ 94,262
2022	26,738
2023	82,606
2024	46,237
2025	46,237
Thereafter	(157,061)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the District's total OPEB liability calculated using the discount rate of 2.21%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.21%) or 1-percentage-point higher (3.21%) than the current discount rate:

	1% Decrease (1.21%)	Discount Rate (2.21%)	1% Increase (3.21%)
Pre 1/1/2005 LTD Program	\$ 410,458	\$ 401,970	\$ 393,849
Post 1/1/2005 LTD Program	<u>1,617,128</u>	<u>1,580,643</u>	<u>1,543,018</u>
Total OPEB Liability	<u>\$ 2,027,586</u>	<u>\$ 1,982,613</u>	<u>\$ 1,936,867</u>

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the District's total OPEB liability calculated using the healthcare cost trend rate of 5.6% decreasing to 3.9%, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (4.6% decreasing to 2.9%) or 1-percentage-point higher (6.6% decreasing to 4.9%) than the current healthcare cost trend rate:

	1% Decrease (4.6% decreasing to 2.9%)	Healthcare Cost Trend Rates (5.6% decreasing to 3.9%)	1% Increase (6.6% decreasing to 4.9%)
Pre 1/1/2005 LTD Program	\$ 395,561	\$ 401,970	\$ 408,517
Post 1/1/2005 LTD Program	1,430,358	1,580,643	1,745,638
Total OPEB Liability	<u>\$ 1,825,919</u>	<u>\$ 1,982,613</u>	<u>\$ 2,154,155</u>

NOTE 11 – EARLY RETIREMENT INCENTIVE PROGRAM AND OTHER TERMINATION BENEFITS

Program 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 the employee qualifies for full Social Security/Medicare benefits, whichever comes first. The District's direct payments to retired employees under this plan for the years ended June 30, 2020 and 2019 were \$6,618,365 and \$6,993,717, respectively. The participants entering the program subsequent to 1991 pay a nominal fee. During the year ended June 30, 2020, 447 former employees were included in the program. The District's estimated cost of claim payments for the year ended June 30, 2020 cannot be reasonably estimated because the insurance carrier has not disclosed the information. The District's liabilities for future early retirement benefits and medical/life insurance costs are \$19,629,246 and \$6,363,124, respectively, for a total liability of \$25,992,370. 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 projections do not include any termination liability for COBRA nor individual severance benefits. The District's liability for early retirement obligations is calculated as the present value of anticipated cash flows for retired individuals.

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 \$14,306,253 was recorded at June 30, 2020 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 stop-loss provisions ranging from \$350,000 to \$400,000 per claim. Included in this liability are claims that have been estimated by the District as being incurred but not reported (IBNR) in the amount of \$5,293,779 and \$5,258,182 for

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

the years ended June 30, 2020 and 2019, respectively, including administrative costs. Changes in the balances of claims liabilities during the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims - beginning of year	\$ 14,150,058	\$ 13,924,437
Incurred claims (including IBNRs)	56,759,468	60,196,801
Medical claims payments	(56,603,273)	(59,971,180)
Unpaid claims - end of year	<u>\$ 14,306,253</u>	<u>\$ 14,150,058</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 \$371,603 was recorded at June 30, 2020 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 \$118,577 and \$116,020 for the years ended June 30, 2020 and 2019, respectively, including administrative costs. The change in the balance of claims liabilities during the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims - beginning of year	\$ 360,539	\$ 356,769
Incurred claims (including IBNRs)	1,635,013	1,287,991
Dental claims payments	(1,623,949)	(1,284,221)
Unpaid claims - end of year	<u>\$ 371,603</u>	<u>\$ 360,539</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 \$288,165 was recorded at June 30, 2020 for claims outstanding at year-end. Included in this liability is an estimate by a separate third-party administrator for future claims, incurred during 2020, but which have not been billed as of year-end. Changes in the balances of claims liabilities during the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims - beginning of year	\$ 43,532	\$ 19,200
Incurred claims (including estimate)	664,407	119,449
Unemployment claims payments	(419,774)	(95,117)
Unpaid claims - end of year	<u>\$ 288,165</u>	<u>\$ 43,532</u>

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

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 \$1,694,048 was recorded at June 30, 2020 for claims outstanding at year-end with \$1,660,167 representing the current portion of the liability. The plan has a stop-loss provision of \$500,000 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, 2020 and 2019 are as follows:

	2020	2019
Unpaid claims - beginning of year	\$ 1,856,695	\$ 797,023
Incurred claims (including estimate)	1,232,954	3,494,920
Worker's Compensation claims payments	(1,395,601)	(2,435,248)
Unpaid claims - end of year	<u>\$ 1,694,048</u>	<u>\$ 1,856,695</u>

NOTE 13 - LONG-TERM LIABILITIES

Long-Term Liabilities. The following is a summary of long-term liability activity for the year ended June 30, 2020:

	Balance at June 30, 2019	Additions	Payments	Balance at June 30, 2020	Due Within One Year
Bonds payable	\$ 234,680,000	\$ 100,000,000	\$ (102,325,000)	\$ 232,355,000	\$ 18,065,000
Bond premium	14,829,887	11,536,831	(2,643,161)	23,723,557	-
Net bond liabilities	249,509,887	111,536,831	(104,968,161)	256,078,557	18,065,000
Workers compensation claims	1,856,695	1,232,954	(1,395,601)	1,694,048	1,660,167
Unemployment claims	43,532	664,407	(419,774)	288,165	288,165
Health and accident claims	14,150,058	56,759,468	(56,603,273)	14,306,253	14,306,253
Dental claims	360,539	1,635,013	(1,623,949)	371,603	371,603
Compensated absences	4,723,180	4,864,920	(4,487,021)	5,101,079	4,846,025
Obligation for early retirement compensation and insurance	21,558,096	11,052,639	(6,618,365)	25,992,370	7,227,534
Total pension liability - district retirement plan	15,480,028	2,228,503	(1,098,517)	16,610,014	-
Total other postemployment benefits liability - long-term disability	1,800,140	813,397	(630,924)	1,982,613	-
Net pension liability - state retirement plans	310,533,912	203,920,697	(316,510,620)	197,943,989	-
Total long-term liabilities	<u>\$ 620,016,067</u>	<u>\$ 394,708,829</u>	<u>\$ (494,356,205)</u>	<u>\$ 520,368,691</u>	<u>\$ 46,764,747</u>

All District general obligation bonds are direct obligations and pledge the full faith and credit of the taxpayers within the District under the provisions of the School District Bond Guaranty (*Utah Code 53G-4*); 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.

In the event of District default on bond payments, the Local Government Bonding Act (*Utah Code 11-14*) and the School District Bond Guaranty (*Utah Code 53G-4*) entitle bondholders to receive payment of amounts due on the bonds from the

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

State of Utah. The ultimate liability for payment of the bonds remains with the District. To reimburse the State for any payments made to bondholders pursuant to the State's guaranty, the State could compel the District to levy taxes, withhold state funding, draw on resources that are legally available (such as unrestricted fund balances), and/or impose financial penalties on the District.

General obligation bonds payable at June 30, 2020, with their outstanding balances, are comprised of the following individual issuances:

Series 2011	Tax exempt bonds, \$102,925,000 originally issued, of which \$64,125,000 was advance refunded, one annual installment of \$3,850,000 remaining, due in June 2021, interest of 4.50%.	\$ 3,850,000
Series 2012	Tax exempt bonds, \$36,500,000 originally issued, due in remaining annual installments from \$1,635,000 to \$2,560,000, from June 2021 through June 2032, interest from 3.00% to 5.00%.	22,625,000
Series 2013	Tax exempt bonds, \$11,575,000 originally issued, due in remaining annual installments from \$280,000 to \$670,000, from June 2021 through June 2033, interest from 4.50% to 5.00%.	5,850,000
Series 2016	Tax exempt Bonds, \$75,400,000 originally issued, due in remaining annual installments from \$1,100,000 to \$18,810,000, from June 2021 through June 2031, interest from 1.51% to 2.90%.	71,205,000
Series 2017A	Tax exempt Bonds, \$25,000,000 originally issued, due in remaining annual installments from \$1,030,000 to \$1,445,000, from June 2021 through June 2037, interest from 4.00% to 5.00%.	20,830,000
Series 2017B	Tax exempt Bonds, \$42,195,000 originally issued, due in remaining annual installments from \$2,735,000 to \$5,515,000, from June 2021 through June 2030, interest from 2.63% to 5.00%.	42,195,000
Series 2018	Tax exempt Bonds, \$50,000,000 originally issued, due in remaining annual installments from \$1,180,000 to \$1,185,000, from June 2021 through June 2028, interest from 2.75% to 5.00%.	9,465,000
Series 2019	Tax exempt Bonds, \$100,000,000 originally issued, due in remaining annual installments from \$6,255,000 to \$6,260,000, from June 2021 through June 2029, interest of 5.00%.	56,335,000
		<u>\$ 232,355,000</u>

Bond Election & New Bond Issuance. On November 7, 2017, voters in Granite School District authorized the Board to issue \$238 million in general obligation bonds to rebuild, remodel and revitalize up to 31 school buildings over ten years. Capital projects include necessary security upgrades, seismic stability enhancements, technology improvements, and essential structural maintenance as needed. On December 13, 2018, the District issued \$50 million of these bonds (Series 2018 Bonds) with a premium of \$1,684,505. On December 12, 2019, the District issued an additional \$100 million (Series 2019 Bonds) with a premium of \$11,536,831. At June 30, 2020, the District has a remaining authorization of \$88 million. In October 2020, the District issued the final \$88 million of this authorization (see Note 14).

GRANITE SCHOOL DISTRICT

Notes to the Basic Financial Statements...Continued – June 30, 2020

The annual requirements to amortize all general obligation bonds outstanding to maturity as of June 30, 2020, including interest payments, are listed as follows:

Year Ending June 30,	Tax Exempt Bonds	
	Principal	Interest
2021	\$ 18,065,000	\$ 9,203,593
2022	18,805,000	8,357,983
2023	19,325,000	7,586,528
2024	19,860,000	6,822,338
2025	20,425,000	6,019,848
2026-2030	104,130,000	17,072,341
2031-2035	28,850,000	2,339,390
2036-2037	2,895,000	173,600
Total	<u>\$ 232,355,000</u>	<u>\$ 57,575,621</u>

NOTE 14 – SUBSEQUENT EVENT

Bond Issuance. On October 22, 2020, the District issued \$88 million in general obligation bonds (Series 2020 Bonds) with a premium of \$13,824,058. These bonds were issued under the voter authorization received on November 7, 2017. This is the final issuance under this authorization and will be used to fund capital projects to rebuild, remodel, and revitalize District school buildings.

NOTE 15 – SIGNIFICANT COMMITMENTS

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. 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. At June 30, 2020, the amount of encumbrances were as follows:

Fund Type	Encumbrance Amount
General Fund	\$ 1,239,181
Capital Projects Fund	46,405,153
Other Non-Major Governmental Funds	1,308,889
	<u>\$ 48,953,223</u>

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

Required Supplementary Information (RSI)

GRANITE SCHOOL DISTRICT

Required Supplementary Information – June 30, 2020

Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)

Utah Retirement Systems

Last Six Plan Years - December 31, 2014 through 2019

	District's Proportion of Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Tier 1 Noncontributory System:					
2019	8.8110781%	\$ 195,755,885	\$ 223,569,685	87.56%	90.10%
2018	8.1007513%	301,389,841	220,162,972	136.89%	84.10%
2017	7.8578686%	192,153,346	212,137,189	90.58%	89.20%
2016	7.6858461%	249,091,885	210,881,021	118.12%	84.90%
2015	7.8860449%	247,723,254	217,208,727	114.05%	84.50%
2014	8.0401108%	202,010,089	226,516,338	89.18%	87.20%
Tier 1 Contributory System:					
2019	14.2665813%	\$ 984,939	\$ 1,591,640	61.88%	98.90%
2018	9.6768717%	6,870,617	1,878,026	365.84%	91.40%
2017	9.4200388%	619,877	2,143,329	28.92%	99.20%
2016	9.4694535%	5,188,859	2,538,455	204.41%	84.90%
2015	9.9537964%	6,237,568	3,153,138	197.82%	92.40%
2014	10.7492708%	1,178,641	3,948,385	29.85%	98.70%
Tier 2 Public Employees System:					
2019	5.3495978%	\$ 1,203,165	\$ 74,485,549	1.62%	96.50%
2018	5.3083528%	2,273,454	62,477,677	3.64%	90.80%
2017	5.2572836%	463,521	51,639,217	0.90%	97.40%
2016	5.2158530%	560,155	41,181,298	1.36%	95.10%
2015	4.8599077%	(10,609)	31,383,055	-0.03%	100.20%
2014	4.7196557%	(143,027)	23,102,726	-6.00%	103.50%

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Required Supplementary Information...Continued – June 30, 2020

Schedules of District Contributions
Utah Retirement Systems
Last Six Fiscal Years - Ended June 30, 2015 through 2020

	2015	2016	2017
Tier 1 Noncontributory System:			
Contractually required contribution	\$ 47,475,713	\$ 46,474,167	\$ 45,191,227
Contributions in relation to the contractually required contribution	(47,475,713)	(46,474,167)	(45,191,227)
Contributions deficiency (excess)	-	-	-
District's covered payroll	222,865,036	214,990,027	209,065,071
Contributions as a percentage of covered payroll	21.30%	21.62%	21.62%
Tier 1 Contributory System:			
Contractually required contribution	\$ 610,904	\$ 512,761	\$ 407,982
Contributions in relation to the contractually required contribution	(610,904)	(512,761)	(407,982)
Contributions deficiency (excess)	-	-	-
District's covered payroll	3,514,671	2,896,957	2,304,990
Contributions as a percentage of covered payroll	17.38%	17.70%	17.70%
Tier 2 Contributory System:			
Contractually required contribution	\$ 4,928,850	\$ 6,617,200	\$ 8,447,627
Contributions in relation to the contractually required contribution	(4,928,850)	(6,617,200)	(8,447,627)
Contributions deficiency (excess)	-	-	-
District's covered payroll	27,246,944	36,273,114	46,313,635
Contributions as a percentage of covered payroll	18.09%	18.24%	18.24%
Tier 2 Defined Contribution System:			
Contractually required contribution	\$ 402,983	\$ 584,919	\$ 792,975
Contributions in relation to the contractually required contribution	(402,983)	(584,919)	(792,975)
Contributions deficiency (excess)	-	-	-
District's covered payroll	4,091,887	5,835,996	7,913,919
Contributions as a percentage of covered payroll	9.85%	10.02%	10.02%

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Required Supplementary Information...Continued – June 30, 2020

Schedules of District Contributions Utah Retirement Systems Last Six Fiscal Years - Ended June 30, 2015 through 2020

2018	2019	2020
\$ 46,998,901 (46,998,901) - 217,167,276 21.64%	\$ 47,618,239 (47,618,239) - 219,160,447 21.73%	\$ 48,575,692 (48,575,692) - 223,079,386 21.78%
\$ 351,997 (351,997) - 1,988,571 17.70%	\$ 304,831 (304,831) - 1,722,214 17.70%	\$ 255,105 (255,105) - 1,441,273 17.70%
\$ 10,604,705 (10,604,705) - 57,594,570 18.41%	\$ 12,577,576 (12,577,576) - 66,877,507 18.81%	\$ 15,182,005 (15,182,005) - 80,020,741 18.97%
\$ 1,050,672 (1,050,672) - 10,485,791 10.02%	\$ 1,200,873 (1,200,873) - 11,971,178 10.03%	\$ 1,436,739 (1,436,739) - 14,323,641 10.02%

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Required Supplementary Information...Continued – June 30, 2020

Schedule of Changes in Total Pension Liability and Related Ratios

District Retirement Plan

Last Six Fiscal Years - June 30, 2015 through 2020

	2015	2016	2017	2018
Service cost	\$ -	\$ 668,795	\$ 756,810	\$ 782,059
Interest on total liability	-	600,422	509,335	518,322
Effect of economic/demographic losses (gains)	-	-	(1,287,694)	576,433
Effect of assumption changes and other inputs	-	-	572,440	-
Employer contributions (benefit payments)	-	(1,205,535)	(991,349)	(1,078,673)
Net change in total pension liability	-	63,682	(440,458)	798,141
Total pension liability - beginning	14,938,610	14,938,610	15,002,292	14,561,834
Total pension liability - ending	<u>\$ 14,938,610</u>	<u>\$ 15,002,292</u>	<u>\$ 14,561,834</u>	<u>\$ 15,359,975</u>
Covered-employee payroll	\$ 227,706,045	\$ 233,398,696	\$ 239,657,811	\$ 248,708,343
Total pension liability as a percentage of covered-employee payroll	6.56%	6.43%	6.08%	6.18%

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Required Supplementary Information...Continued – June 30, 2020

Schedule of Changes in Total Pension Liability and Related Ratios

District Retirement Plan

Last Six Fiscal Years - June 30, 2015 through 2020

2019	2020
\$ 815,297	\$ 910,277
544,624	554,602
-	500,897
-	262,727
<u>(1,239,868)</u>	<u>(1,098,517)</u>
120,053	1,129,986
<u>15,359,975</u>	<u>15,480,028</u>
<u>\$ 15,480,028</u>	<u>\$ 16,610,014</u>
\$ 248,703,343	\$ 267,112,339
6.22%	6.22%

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Required Supplementary Information – June 30, 2020

Schedules of Changes in Total OPEB Liability and Related Ratios

Long-Term Disability Plan

Last Six Fiscal Years - June 30, 2015 through 2020

	2015	2016	2017	2018
Pre January 1, 2005 LTD Program				
Service cost	\$ -	\$ -	\$ -	\$ -
Interest on total liability	-	36,491	21,854	18,631
Effect of economic/demographic losses (gains)	-	-	(200,996)	329,664
Effect of assumption changes and other inputs	-	-	11,453	-
Employer contributions (benefit payments)	-	(155,158)	(113,945)	(113,945)
Net change in total OPEB liability	\$ -	\$ (118,667)	\$ (281,634)	\$ 234,350
Total OPEB liability - beginning	989,089	989,089	870,422	588,788
Total OPEB liability - ending	<u>\$ 989,089</u>	<u>\$ 870,422</u>	<u>\$ 588,788</u>	<u>\$ 823,138</u>
Covered-employee payroll	\$ -	\$ -	\$ -	\$ -
Total OPEB liability as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A
Post January 1, 2005 LTD Program				
Service cost	\$ -	\$ 225,543	\$ 197,964	\$ 213,767
Interest on total liability	-	42,816	51,352	60,435
Effect of economic/demographic losses (gains)	-	-	616,239	(728,954)
Effect of assumption changes and other inputs	-	-	165,215	-
Employer contributions (benefit payments)	-	(599,802)	(650,750)	650,750
Net change in total OPEB liability	\$ -	\$ (331,443)	\$ 380,020	\$ 195,998
Total OPEB liability - beginning	1,141,798	1,141,798	810,355	1,190,375
Total OPEB liability - ending	<u>\$ 1,141,798</u>	<u>\$ 810,355</u>	<u>\$ 1,190,375</u>	<u>\$ 1,386,373</u>
Covered-employee payroll	\$ 227,706,045	\$ 233,398,696	\$ 239,657,811	\$ 248,703,343
Total OPEB liability as a percentage of covered-employee payroll	0.50%	0.35%	0.50%	0.56%
Combined LTD Plan				
Service cost	\$ -	\$ 225,543	\$ 197,964	\$ 213,767
Interest on total liability	-	79,307	73,206	79,066
Effect of economic/demographic losses (gains)	-	-	415,243	(399,290)
Effect of assumption changes and other inputs	-	-	176,668	-
Employer contributions (benefit payments)	-	(754,960)	(764,695)	536,805
Net change in total OPEB liability	\$ -	\$ (450,110)	\$ 98,386	\$ 430,348
Total OPEB liability - beginning	2,130,887	2,130,887	1,680,777	1,779,163
Total OPEB liability - ending	<u>\$ 2,130,887</u>	<u>\$ 1,680,777</u>	<u>\$ 1,779,163</u>	<u>\$ 2,209,511</u>

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Required Supplementary Information...Continued – June 30, 2020

Schedules of Changes in Total OPEB Liability and Related Ratios

Long-Term Disability Plan

Last Six Fiscal Years - June 30, 2015 through 2020

2019	2020
\$ -	\$ -
26,456	23,240
-	(216,949)
-	(17,523)
<u>(135,694)</u>	<u>(100,698)</u>
\$ (109,238)	\$ (311,930)
823,138	713,900
<u>\$ 713,900</u>	<u>\$ 401,970</u>
\$ -	\$ -
N/A	N/A
\$ 213,767	\$ 227,067
46,286	36,766
-	643,470
-	117,326
<u>(560,186)</u>	<u>(530,226)</u>
\$ (300,133)	\$ 494,403
1,386,373	1,086,240
<u>\$ 1,086,240</u>	<u>\$ 1,580,643</u>
\$ 248,703,343	\$ 267,112,339
0.44%	0.59%
\$ 213,767	\$ 227,067
72,742	60,006
-	426,521
-	99,803
<u>(695,880)</u>	<u>(630,924)</u>
\$ (409,371)	\$ 182,473
2,209,511	1,800,140
<u>\$ 1,800,140</u>	<u>\$ 1,982,613</u>

Refer to the accompanying notes.

GRANITE SCHOOL DISTRICT

Notes to the Required Supplementary Information – June 30, 2020

NOTE 1 – UTAH RETIREMENT SYSTEMS

Schedules are intended to show information for ten years; prior year information is not available. Additional years will be displayed as they become available.

Contributions as a percentage of covered-employee payroll may be different than the Board certified rate due to rounding or other administrative practices. Required contributions from Tier 2 plans to finance the unfunded actuarial accrued liability of the Tier 1 plans are reported as contributions to the Tier 2 plans.

Changes in Assumptions. Actuarial assumptions and methods used to calculate the total pension liability in plan year 2019 and plan year 2018 remain unchanged from those used in the prior year (January 1, 2018 valuation).

Amounts reported in plan year 2017 reflect the following actuarial assumption changes adopted in the January 1, 2017 valuation:

- The assumed investment return decreased from 7.20% to 6.95%.
- The assumed inflation rate decreased from 2.60% to 2.50%.
- The life expectancy assumption increased for most groups.
- The wage inflation assumption decreased from 3.35% to 3.25%.
- The payroll growth assumption decreased from 3.10% to 3.00%.

Amounts reported in plan year 2016 reflect the following actuarial assumption changes adopted in the January 1, 2016 valuation:

- The assumed investment return decreased from 7.50% to 7.20%.
- The assumed inflation rate decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions decreased by 0.15%.

Amounts reported in plan year 2015 reflect the following assumption changes adopted in the January 1, 2015 valuation:

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- Other assumption that were modified: rate of salary increases, post retirement mortality, and certain demographics.

NOTE 2 – DISTRICT RETIREMENT PLAN

Schedule is intended to show information for ten years; prior year information is not available. Additional years will be displayed as they become available.

Changes of benefit terms: None.

Changes in assumptions: Discount rate decreased from 3.50% to 2.21% and the projected salary growth rates changed from 4.25%-14.50% to 5.25%-9.75%.

NOTE 3 – LONG TERM DISABILITY PLANS

Schedule is intended to show information for ten years; prior year information is not available. Additional years will be displayed as they become available.

Changes of benefit terms: None.

Changes in assumptions: Discount rate decreased from 3.50% to 2.21% and the healthcare cost trend rates changed from 4.1%-6.9% to 3.9%-5.6%

Major Governmental Funds

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.

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 53F-8-303*.

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

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

General Fund

Year Ended June 30, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 158,674,546	\$ 157,344,994	\$ (1,329,552)	\$ 155,900,540
Earnings on investments	3,500,000	3,427,878	(72,122)	4,624,172
Other local	8,249,494	8,925,256	675,762	8,323,441
State	329,232,491	326,583,692	(2,648,799)	325,255,862
Federal	60,702,413	53,683,842	(7,018,571)	45,196,346
Total revenues	560,358,944	549,965,662	(10,393,282)	539,300,361
Expenditures:				
Current:				
Salaries	339,169,412	337,056,332	2,113,080	316,992,320
Employee benefits	162,040,365	163,457,096	(1,416,731)	154,829,224
Purchased services	16,144,989	13,972,439	2,172,550	13,938,631
Supplies and materials	42,326,762	35,767,986	6,558,776	32,473,828
Equipment	827,290	413,260	414,030	1,048,364
Other	199,359	183,741	15,618	184,051
Total expenditures	560,708,177	550,850,854	9,857,323	519,466,418
Excess (deficiency) of revenues over (under) expenditures	(349,233)	(885,192)	(535,959)	19,833,943
Other financing sources (uses):				
Proceeds from sale of capital assets	250,000	2,729	(247,271)	-
Transfers in	6,893,825	12,346,432	5,452,607	1,016,305
Transfers (out)	(1,858,611)	(1,842,161)	16,450	(2,786,027)
Total other financing sources (uses)	5,285,214	10,507,000	5,221,786	(1,769,722)
Net change in fund balances	4,935,981	9,621,808	4,685,827	18,064,221
Fund balances - beginning	148,809,188	148,809,188	-	130,744,967
Fund balances - ending	\$ 153,745,169	\$ 158,430,996	\$ 4,685,827	\$ 148,809,188

GRANITE SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual****Capital Projects Fund**

Year Ended June 30, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 20,651,644	\$ 20,478,602	\$ (173,042)	\$ 20,419,924
Earnings on investments	2,100,000	1,830,351	(269,649)	1,339,407
Other local	879,689	614,382	(265,307)	497,273
State	124,681	1,920	(122,761)	59,876
Federal	805,224	805,224	-	839,168
Total revenues	24,561,238	23,730,479	(830,759)	23,155,648
Expenditures:				
Current:				
Salaries	147,733	37,888	109,845	35,314
Employee benefits	70,771	11,122	59,649	13,572
Purchased services	100,198,536	91,993,171	8,205,365	36,903,051
Supplies and materials	8,962,293	6,434,202	2,528,091	6,868,205
Land and improvements	-	16,000	(16,000)	2,530,462
Equipment	1,121,197	851,791	269,406	906,701
Vehicles	1,945,788	1,647,480	298,308	1,578,657
Other	10	50	(40)	866
Debt service:				
Bond issuance costs	458,175	459,675	(1,500)	218,652
Total expenditures	112,904,503	101,451,379	11,453,124	49,055,480
Excess (deficiency) of revenues (under) expenditures	(88,343,265)	(77,720,900)	10,622,365	(25,899,832)
Other financing sources:				
Proceeds from sale of capital assets	5,501,611	5,506,696	5,085	4,163,902
Bonds issued	100,000,000	100,000,000	-	50,000,000
Premiums on bonds issued	11,536,831	11,536,831	-	1,684,505
Transfers in	-	-	-	1,000,000
Total other financing sources	117,038,442	117,043,527	5,085	56,848,407
Extraordinary item:				
Insurance recoveries - earthquake	1,706,169	1,900,000	193,831	-
Net change in fund balances	30,401,346	41,222,627	10,821,281	30,948,575
Fund balances - beginning	64,370,277	64,370,277	-	33,421,702
Fund balances - ending	\$ 94,771,623	\$ 105,592,904	\$ 10,821,281	\$ 64,370,277

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

Year Ended June 30, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Property taxes	\$ 63,346,815	\$ 62,816,025	\$ (530,790)	\$ 59,822,893
Earnings on investments	2,296,731	2,231,700	(65,031)	2,695,139
Total revenues	65,643,546	65,047,725	(595,821)	62,518,032
Expenditures:				
Debt service:				
Principal	55,625,000	55,625,000	-	49,615,000
Interest	11,568,768	11,568,768	-	10,325,804
Paying agent fees	10,000	5,000	5,000	4,000
Total expenditures	67,203,768	67,198,768	5,000	59,944,804
Excess (deficiency) of revenues over (under) expenditures	(1,560,222)	(2,151,043)	(590,821)	2,573,228
Other financing sources (uses):				
Refunded bonds escrow	(46,700,000)	(46,700,000)	-	-
Transfers (out)	(1,500,000)	-	1,500,000	-
Total other financing sources (uses)	(48,200,000)	(46,700,000)	1,500,000	-
Net change in fund balances	(49,760,222)	(48,851,043)	909,179	2,573,228
Fund balances - beginning	52,528,163	52,528,163	-	49,954,935
Fund balances - ending	\$ 2,767,941	\$ 3,677,120	\$ 909,179	\$ 52,528,163

Nonmajor Governmental Funds

Nonmajor Governmental Funds

SPECIAL REVENUE FUNDS

District Activity Programs Fund - The purpose of this fund is to account for the funds generated and spent at the school level related to their curricular, co-curricular and extra-curricular activities. This fund includes all monies that flow through the individual school-level programs including courses, performing groups, athletic programs, student clubs, as well as school-wide programs. All such funds are considered District funds managed by the Principal at each school and are subject to all District policies and procedures.

Pass-through Taxes Fund - The purpose of this fund is to: 1) 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 taxable values within a designated TIF district; and 2) account for the pass-through property taxes collected from the charter school levy. The incremental taxes are collected by Salt Lake County and paid directly to the CDRA within the District. The charter school property taxes are collected by Salt Lake County and paid directly to the Utah State Treasurer for distribution to charter schools within the State.

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.

GRANITE SCHOOL DISTRICT
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2020

	Special Revenue				Total
	<i>District Activity Programs</i>	<i>Pass- through Taxes</i>	<i>Granite Education Foundation</i>	<i>School Lunch</i>	<i>Nonmajor Governmental Funds</i>
Assets:					
Cash and investments	\$ 13,207,516	\$ -	\$ 3,132,862	\$ 11,948,149	\$ 28,288,527
Receivables:					
Property taxes	-	15,639,148	-	-	15,639,148
Local	13,056	-	-	550,655	563,711
State	1,560	-	-	2,337,605	2,339,165
Federal	-	-	-	2,053,049	2,053,049
Inventories	-	-	-	2,013,387	2,013,387
Prepaid items	92,616	-	-	9,423	102,039
Total assets	\$ 13,314,748	\$ 15,639,148	\$ 3,132,862	\$ 18,912,268	\$ 50,999,026
Liabilities:					
Accounts and contracts payable	\$ 104,591	\$ -	\$ 133,979	\$ 125,586	\$ 364,156
Accrued salaries and related payables	32,697	-	-	818,238	850,935
Unearned revenue - local	-	-	-	435,950	435,950
Total liabilities	137,288	-	133,979	1,379,774	1,651,041
Deferred inflows of resources:					
Property taxes levied for future year	-	15,400,964	-	-	15,400,964
Unavailable property tax revenue	-	238,184	-	-	238,184
Total deferred inflows of resources	-	15,639,148	-	-	15,639,148
Fund balances:					
Nonspendable:					
Inventories	-	-	-	2,013,387	2,013,387
Prepaid items	92,616	-	-	9,423	102,039
Restricted for:					
Schools	-	-	441,805	-	441,805
Scholarships	-	-	456,536	-	456,536
School lunch	-	-	-	15,509,684	15,509,684
Committed to:					
District activity programs	13,084,844	-	-	-	13,084,844
Foundation	-	-	2,100,542	-	2,100,542
Total fund balances	13,177,460	-	2,998,883	17,532,494	33,708,837
Total liabilities, deferred inflows of resources and fund balances	\$ 13,314,748	\$ 15,639,148	\$ 3,132,862	\$ 18,912,268	\$ 50,999,026

GRANITE SCHOOL DISTRICT

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

Nonmajor Governmental Funds

Year Ended June 30, 2020

	Special Revenue				Total
	<i>District Activity Programs</i>	<i>Pass- through Taxes</i>	<i>Granite Education Foundation</i>	<i>School Lunch</i>	Nonmajor Governmental Funds
Revenues:					
Local:					
Property taxes	\$ -	\$ 13,651,109	\$ -	\$ -	\$ 13,651,109
Earnings on investments	266,049	-	(19,193)	262,462	509,318
Student activities	9,284,745	-	-	-	9,284,745
Foundation activities	-	-	1,306,509	-	1,306,509
School lunch program activities	-	-	-	2,961,721	2,961,721
Total local	9,550,794	13,651,109	1,287,316	3,224,183	27,713,402
State	-	-	-	5,120,823	5,120,823
Federal	-	-	-	21,498,974	21,498,974
Total revenues	9,550,794	13,651,109	1,287,316	29,843,980	54,333,199
Expenditures:					
Current:					
Instructional services	8,855,074	-	-	-	8,855,074
Supporting services:					
Students	182,535	-	-	-	182,535
Instructional staff	307,388	-	-	-	307,388
School administration	1,127,892	-	-	-	1,127,892
Operation and maintenance of facilities	262,110	-	-	-	262,110
Transportation	76,319	-	-	-	76,319
School lunch services	-	-	-	30,675,274	30,675,274
Community services	216,098	-	2,032,175	-	2,248,273
Intergovernmental	-	13,651,109	-	-	13,651,109
Total expenditures	11,027,416	13,651,109	2,032,175	30,675,274	57,385,974
(Deficiency) of revenues (under) expenditures	(1,476,622)	-	(744,859)	(831,294)	(3,052,775)
Other financing sources:					
Transfers in	1,166,241	-	433,092	-	1,599,333
Transfers in	(382,940)	-	-	-	(382,940)
Total other financing sources	783,301	-	433,092	-	1,216,393
Net change in fund balances	(693,321)	-	(311,767)	(831,294)	(1,836,382)
Fund balances - beginning	13,870,781	-	3,310,650	18,363,788	35,545,219
Fund balances - ending	\$ 13,177,460	\$ -	\$ 2,998,883	\$ 17,532,494	\$ 33,708,837

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, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Earnings on investments	\$ 350,000	\$ 266,049	\$ (83,951)	\$ 293,746
Student activities:				
Tuition	132,012	96,364	(35,648)	121,693
Transportation fees	43,192	31,528	(11,664)	72,528
Admissions and gate fees	895,738	653,849	(241,889)	877,709
Vending and bookstore sales	106,952	78,070	(28,882)	14,198
Student organization membership dues	40,000	29,198	(10,802)	64,662
Student fees	5,774,284	4,214,972	(1,559,311)	6,180,843
Proceeds from general sales activities	1,315,447	960,218	(355,229)	1,068,455
Student fines	158,936	116,016	(42,920)	113,554
Proceeds from fundraising activities	2,327,789	1,699,183	(628,606)	2,036,257
Facility and field rental fees	396,498	289,426	(107,072)	337,301
Donations	1,481,534	1,081,454	(400,080)	1,396,662
Other student activities	47,218	34,467	(12,751)	1,415
Total student activities	12,719,600	9,284,745	(3,434,854)	12,285,277
Total revenues	13,069,600	9,550,794	(3,518,806)	12,579,023
Expenditures:				
Current:				
Salaries	418,000	497,782	(79,782)	97,267
Benefits	114,435	91,362	23,073	16,043
Purchased services	5,358,050	4,607,502	750,548	5,683,382
Supplies and textbooks	6,948,800	5,201,217	1,747,583	6,453,190
Equipment	232,300	228,000	4,300	127,118
Other	414,100	401,553	12,547	322,354
Total expenditures	13,485,685	11,027,416	2,458,269	12,699,354
(Deficiency) of revenues (under) expenditures	(416,085)	(1,476,622)	(1,060,536)	(120,331)
Other financing sources:				
Transfers in	1,158,889	1,166,241	7,352	1,011,322
Transfers (out)	(376,422)	(382,940)	(6,518)	(781,047)
Total other financing sources (uses)	782,467	783,301	834	230,275
Net change in fund balances	366,382	(693,321)	(1,059,702)	109,944
Fund balances - beginning	13,870,781	13,870,781	-	13,760,837
Fund balances - ending	\$ 14,237,163	\$ 13,177,460	\$ (1,059,702)	\$ 13,870,781

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

Year Ended June 30, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Property taxes	\$ 13,422,418	\$ 13,651,109	\$ 228,691	\$ 8,359,646
Total revenues	13,422,418	13,651,109	228,691	8,359,646
Expenditures:				
Intergovernmental:				
Contributions to redevelopment agencies	9,608,742	9,509,231	99,511	5,439,731
Contributions to the state for charter schools	3,813,676	4,141,878	(328,202)	2,919,915
Total expenditures	13,422,418	13,651,109	(228,691)	8,359,646
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, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Earnings (loss) on investments	\$ 300,000	\$ (19,193)	\$ (319,193)	\$ 91,044
Foundation activities:				
Donations and fundraising proceeds	1,350,000	1,306,509	(43,491)	1,480,401
Total revenues	1,650,000	1,287,316	(362,684)	1,571,445
Expenditures:				
Current:				
Salaries	515,372	515,502	(130)	565,009
Employee benefits	232,440	232,469	(29)	289,610
Purchased services	654,650	560,595	94,055	497,707
Supplies	539,300	424,179	115,121	479,929
Equipment	10,000	-	10,000	-
Other	225,600	299,430	(73,830)	230,450
Total expenditures	2,177,362	2,032,175	145,187	2,062,705
(Deficiency) of revenues (under) expenditures	(527,362)	(744,859)	(217,497)	(491,260)
Other financing sources:				
Transfers in	431,131	433,092	1,961	539,073
Net change in fund balances	(96,231)	(311,767)	(215,536)	47,813
Fund balances - beginning	3,310,650	3,310,650	-	3,262,837
Fund balances - ending	\$ 3,214,419	\$ 2,998,883	\$ (215,536)	\$ 3,310,650

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, 2020 with Comparative Totals for 2019

	2020			2019
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Earnings on investments	\$ 265,000	\$ 262,462	\$ (2,538)	\$ 618,639
School lunch program activities:				
Lunch sales - children	1,864,850	1,898,808	33,958	2,907,031
Lunch sales - adult	208,470	204,305	(4,165)	288,874
Other	863,561	858,608	(4,953)	901,884
Total school lunch program activities	2,936,881	2,961,721	24,840	4,097,789
Total local	3,201,881	3,224,183	22,302	4,716,428
State lunch program	5,200,000	5,120,823	(79,177)	5,197,989
Federal lunch program	21,844,246	21,498,974	(345,272)	21,352,018
Total revenues	30,246,127	29,843,980	(402,147)	31,266,435
Expenditures:				
Current:				
Salaries	10,077,923	10,204,491	(126,568)	9,913,741
Employee benefits	3,562,347	3,444,547	117,800	3,507,749
Purchased services	906,683	867,234	39,449	1,662,724
Supplies	1,722,640	1,720,591	2,049	1,351,976
Food	13,044,421	11,887,062	1,157,359	12,544,405
Equipment	1,500,000	84,746	1,415,254	466,887
Indirect cost allocation	2,472,214	2,466,603	5,611	1,832,516
Total expenditures	33,286,228	30,675,274	2,610,954	31,279,998
Excess (deficiency) of revenues over (under) expenditures	(3,040,101)	(831,294)	2,208,807	(13,563)
Other financing sources:				
Transfers in	-	-	-	750,000
Net change in fund balances	(3,040,101)	(831,294)	2,208,807	736,437
Fund balances - beginning	18,363,788	18,363,788	-	17,627,351
Fund balances - ending	\$ 15,323,687	\$ 17,532,494	\$ 2,208,807	\$ 18,363,788



Internal Service Funds

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 on 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, 2020 with Comparative Totals for 2019

	2020			2019
	Printing Services Fund	Self Insurance Fund	Total	Total
Assets:				
Current assets:				
Cash and investments	\$ 245,582	\$ 32,578,671	\$ 32,824,253	\$ 33,432,315
Receivables - local	113	38,952	39,065	58,820
Receivables - state	580	-	580	-
Prepaid items	1,522	-	1,522	-
Inventories	21,900	-	21,900	20,685
Due from other funds	-	-	-	182,870
Total current assets	269,697	32,617,623	32,887,320	33,694,690
Noncurrent assets:				
Capital assets:				
Equipment	729,407	-	729,407	729,407
Accumulated depreciation	(697,152)	-	(697,152)	(660,284)
Total noncurrent assets	32,255	-	32,255	69,123
Total assets	301,952	32,617,623	32,919,575	33,763,813
Deferred outflows of resources:				
Related to state retirement pension plans	58,103	38,190	96,293	193,150
Related to district retirement pension plan	1,296	793	2,089	1,130
Related to long-term disability OPEB plan	1,091	668	1,759	877
Total deferred outflows of resources	60,490	39,651	100,141	195,157
Liabilities:				
Current liabilities:				
Accounts payable	8,165	188,934	197,099	39,418
Health and accident claims payable	-	14,306,253	14,306,253	14,150,058
Dental claims payable	-	371,603	371,603	360,539
Workers compensation claims payable	-	1,660,167	1,660,167	1,819,561
Unemployment claims payable	-	288,165	288,165	43,532
Total current liabilities	8,165	16,815,122	16,823,287	16,413,108
Noncurrent liabilities:				
Workers compensation claims payable	-	33,881	33,881	37,134
Net pension liability-state retirement pension plans	224,859	146,961	371,820	489,371
Total pension liability-district retirement pension plan	19,816	12,128	31,944	28,392
Total OPEB liability-long-term disability OPEB plan	2,366	1,447	3,813	3,302
Early retirement liability	31,009	18,978	49,987	39,541
Total noncurrent liabilities	278,050	213,395	491,445	597,740
Total liabilities	286,215	17,028,517	17,314,732	17,010,848
Deferred inflows of resources:				
Related to state retirement pension plans	75,127	49,358	124,485	8,746
Related to district retirement pension plan	175	107	282	792
Related to long-term disability OPEB plan	925	566	1,491	1,299
Total deferred inflows of resources	76,227	50,031	126,258	10,837
Net position:				
Investment in capital assets	32,255	-	32,255	69,123
Unrestricted	(32,255)	15,578,726	15,546,471	16,868,162
Total net position	\$ -	\$ 15,578,726	\$ 15,578,726	\$ 16,937,285

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

Year Ended June 30, 2020 with Comparative Totals for 2019

	2020			2019
	Printing Services Fund	Self Insurance Fund	Total	Total
Operating revenues:				
Charges for services:				
Medical insurance premiums	\$ -	\$ 74,450,263	\$ 74,450,263	\$ 71,301,545
Unemployment insurance premiums	-	420,000	420,000	95,117
Industrial insurance premiums	-	1,750,897	1,750,897	1,639,576
Printing and other services	603,924	139,795	743,719	691,773
Total operating revenues	603,924	76,760,955	77,364,879	73,728,011
Operating expenses:				
Salaries	318,664	196,327	514,991	478,097
Employee benefits	194,472	171,798	366,270	243,864
Medical and prescription claims	-	56,603,273	56,603,273	59,971,181
Dental claims	-	1,623,949	1,623,949	1,284,221
Medical administrative fees	-	2,712,903	2,712,903	2,542,555
Affordable Care Act fees	-	29,680	29,680	28,330
Medical reinsurance premiums	-	1,446,102	1,446,102	1,401,154
Workers compensation claims	-	1,395,601	1,395,601	2,435,248
Unemployment claims	-	419,774	419,774	95,117
Purchased services	209,979	1,961,236	2,171,215	471,774
Supplies and materials	94,148	874	95,022	133,841
Depreciation	36,868	-	36,868	74,626
Total operating expenses	854,131	66,561,517	67,415,648	69,160,008
Operating income (loss)	(250,207)	10,199,438	9,949,231	4,568,003
Nonoperating revenues (expenses):				
Earnings on investments	7,379	405,495	412,874	446,162
Income (loss) before transfers	(242,828)	10,604,933	10,362,105	5,014,165
Transfers:				
Transfers in	242,828	-	242,828	250,374
Transfers (out)	-	(11,963,492)	(11,963,492)	(1,000,000)
Change in net position	-	(1,358,559)	(1,358,559)	4,264,539
Total net position - beginning	-	16,937,285	16,937,285	12,672,746
Total net position - ending	\$ -	\$ 15,578,726	\$ 15,578,726	\$ 16,937,285

GRANITE SCHOOL DISTRICT

Combining Statement of Fund Cash Flows - Internal Service Funds

Year Ended June 30, 2020 with Comparative Totals for 2019

	2020			2019
	Printing Services Fund	Self Insurance Fund	Totals	Totals
Cash flows from operating activities:				
Receipts from interfund services provided	\$ 612,823	\$ 76,771,231	\$ 77,384,054	\$ 73,725,094
Receipts from assessments to other funds	182,870	-	182,870	-
Payments of assessments from other funds	-	-	-	(108,784)
Payments to employees	(480,471)	(293,395)	(773,866)	(697,419)
Payments to suppliers for goods and services	(319,847)	(1,791,446)	(2,111,293)	(565,655)
Payments for medical fees and insurance claims	-	(63,982,037)	(63,982,037)	(66,444,411)
Net cash provided (used) by operating activities	(4,625)	10,704,353	10,699,728	5,908,825
Cash flows from noncapital financing activities:				
Transfers in from other funds	242,828	-	242,828	(749,626)
Transfers (out) to other funds	-	(11,963,492)	(11,963,492)	-
Net cash provided (used) by noncapital financing activities	242,828	(11,963,492)	(11,720,664)	(749,626)
Cash flows from investing activities:				
Earnings on investments	7,379	405,495	412,874	446,162
Net change in cash and cash equivalents	245,582	(853,644)	(608,062)	5,605,361
Cash and cash equivalents - beginning	-	33,432,315	33,432,315	27,826,954
Cash and cash equivalents - ending*	\$ 245,582	\$ 32,578,671	\$ 32,824,253	\$ 33,432,315
* Displayed as cash and investments on the statement of fund net position - proprietary funds.				
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ (250,207)	\$ 10,199,438	\$ 9,949,231	\$ 4,568,003
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Noncash item - depreciation	36,868	-	36,868	74,626
(Increase) decrease in operating assets:				
Accounts receivable - local	9,479	10,276	19,755	(2,918)
Accounts receivable - state	(580)	-	(580)	-
Prepaid items	(1,522)	-	(1,522)	327
Inventories	(1,215)	-	(1,215)	8,223
Due from other funds	182,870	-	182,870	(108,784)
(Increase) decrease in deferred outflows of resources	75,699	19,317	95,016	(10,446)
Increase (decrease) in operating liabilities:				
Accounts payable	(12,983)	170,664	157,681	31,410
Health and accident claims payable	-	156,195	156,195	225,621
Dental claims payable	-	11,064	11,064	3,770
Workers compensation claims payable	-	(162,647)	(162,647)	1,059,672
Unemployment claims payable	-	244,633	244,633	24,332
Net pension liability-state retirement pension plans	(116,677)	(874)	(117,551)	182,172
Total pension liability-district retirement pension plan	597	2,955	3,552	1,221
Total OPEB liability-long-term disability OPEB plan	131	380	511	(606)
Early retirement liability	4,243	6,203	10,446	3,992
Increase in deferred inflows of resources	68,672	46,749	115,421	(151,790)
Total adjustments	245,582	504,915	750,497	1,340,822
Net cash provided (used) by operating activities	\$ (4,625)	\$ 10,704,353	\$ 10,699,728	\$ 5,908,825

Section III

Statistical

GRANITE SCHOOL DISTRICT

Statistical Section - Financial Trends

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.

Financial Trends

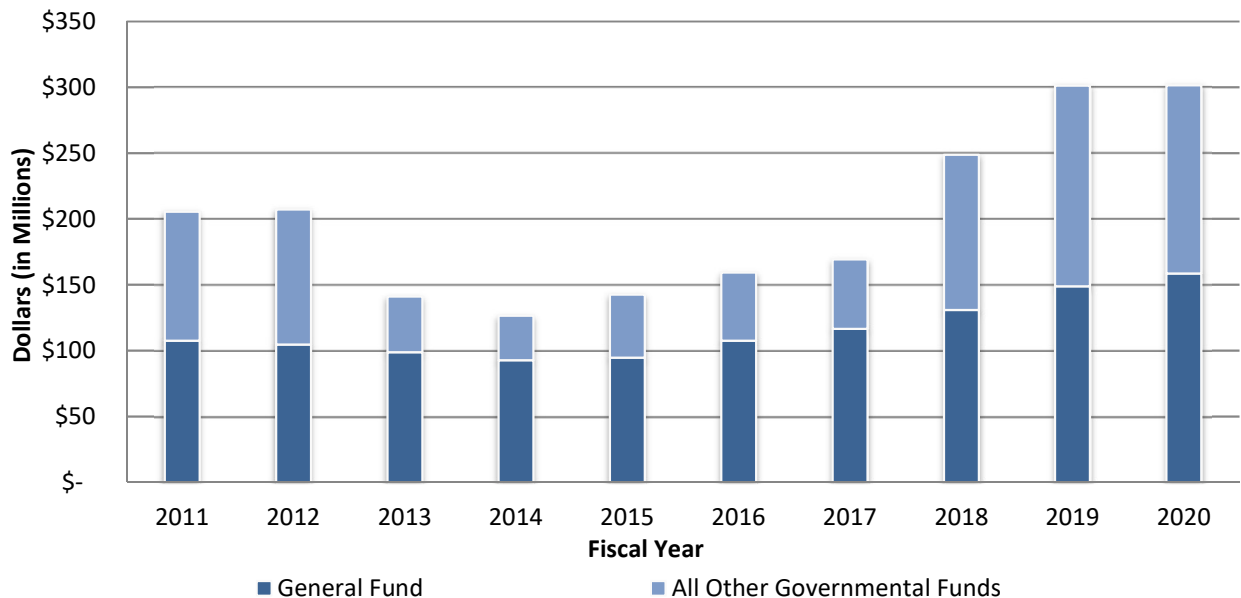
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Contents	Page
Comparative Statements of Net Position.....	90
Net Position by Component.....	93
Changes in Net Position.....	94
Fund Balances - Governmental Funds.....	96
Changes in Fund Balances - Governmental Funds.....	98
Comparative Balance Sheets - General Fund	100
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund.....	102

Sources:

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

Governmental Fund Balances



Granite School District

Comparative Statements of Net Position

Last Ten Fiscal Years - June 30, 2011 through 2020

	2011	2012	2013	2014	2015	2016
Assets:						
Cash and investments	\$ 246,660,988	\$ 272,632,468	\$ 215,574,818	\$ 187,938,498	\$ 196,776,285	\$ 208,478,139
Receivables:						
Property taxes	131,905,864	138,078,689	138,935,297	140,117,948	165,998,099	165,108,265
Local, net of allowance for uncollectibles	2,017,171	1,774,001	1,809,789	1,389,313	1,060,149	914,707
State	2,286,160	1,959,228	2,343,606	2,608,600	1,766,000	2,745,718
Federal	29,895,483	19,006,668	16,785,055	18,522,446	16,236,671	16,678,670
Prepaid items	394,551	418,293	442,017	440,926	1,640,388	3,383,515
Lease receivable	-	9,084,045	-	-	-	-
Inventories	4,174,442	4,614,854	4,850,741	4,416,320	5,400,254	5,736,549
Restricted cash and investments with fiscal agent	-	-	-	-	-	-
Net other post employment benefit asset	609,335	864,391	962,548	1,583,821	1,703,583	-
Net pension asset	-	-	-	40,788	143,027	10,609
Capital assets:						
Land, construction in progress, and water stock	99,471,695	166,043,007	241,402,460	247,798,755	135,275,981	43,319,428
Other capital assets, net of accumulated depreciation	250,553,057	292,615,046	298,506,536	298,583,285	393,539,779	468,462,449
Total assets	<u>767,968,746</u>	<u>907,090,690</u>	<u>921,612,867</u>	<u>903,440,700</u>	<u>919,540,216</u>	<u>914,838,049</u>
Deferred outflows of resources:						
Related to state retirement pension plans	-	-	-	24,640,562	30,455,766	95,571,899
Related to district retirement pension plan	-	-	-	-	-	-
Related to long-term disability OPEB plan	-	-	-	-	-	-
Bond refunding costs, net of accumulated amortization	-	-	-	-	-	6,000,379
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,640,562</u>	<u>30,455,766</u>	<u>101,572,278</u>
Liabilities:						
Accounts and contracts payable	15,054,886	24,412,684	15,853,511	4,338,899	3,604,607	4,850,034
Accrued interest	271,698	670,287	754,417	769,092	735,085	706,743
Accrued salaries and related benefits	42,904,209	43,386,016	48,017,721	40,909,960	40,060,600	41,265,125
Unearned revenue:						
Local	1,065,499	9,948,581	1,527,180	1,507,466	1,021,448	1,856,477
State	9,522,950	9,439,856	8,678,669	7,436,856	6,353,051	6,971,190
Federal	1,285,615	1,699,097	1,880,782	2,960,022	3,991,067	3,362,473
Long-term liabilities:						
Portion due or payable within one year	13,791,605	16,260,601	20,394,650	21,371,610	23,012,807	24,991,267
Portion due or payable after one year	89,963,247	180,566,007	222,274,831	447,924,466	410,861,894	476,103,393
Total liabilities	<u>173,859,709</u>	<u>286,383,129</u>	<u>319,381,761</u>	<u>527,218,371</u>	<u>489,640,559</u>	<u>560,106,702</u>
Deferred inflows of resources:						
Related to state retirement pension plans	-	-	-	-	19,014,287	28,046,482
Related to district retirement pension plan	-	-	-	-	-	-
Related to long-term disability OPEB plan	-	-	-	-	-	-
Property taxes levied for future year	126,750,223	133,854,460	135,851,267	136,981,084	162,895,935	161,945,555
Total deferred inflows of resources	<u>126,750,223</u>	<u>133,854,460</u>	<u>135,851,267</u>	<u>136,981,084</u>	<u>181,910,222</u>	<u>189,992,037</u>
Net position:						
Net investment in capital assets	312,828,850	320,933,467	338,844,364	344,867,541	336,548,726	321,010,498
Restricted for:						
Capital projects	50,798,448	52,011,476	10,351,497	10,772,697	18,500,839	18,532,879
Debt service	360,073	-	-	-	542,300	-
Pass-through taxes	-	-	-	-	123,165	127,880
Schools and scholarships	411,517	411,517	411,517	408,728	435,761	469,379
School lunch	6,831,041	8,848,379	10,206,132	10,199,072	12,552,044	17,424,569
Community recreation	446,335	-	-	-	-	-
Unrestricted	95,682,550	104,648,262	106,566,329	(102,366,231)	(90,257,634)	(91,253,617)
Total net position	<u>\$ 467,358,814</u>	<u>\$ 486,853,101</u>	<u>\$ 466,379,839</u>	<u>\$ 263,881,807</u>	<u>\$ 278,445,201</u>	<u>\$ 266,311,588</u>

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

Note: Certain amounts for 2015 have been restated to implement new accounting and reporting standards (GASBS 73 and 75).

Source: District records

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 221,871,595	\$ 264,716,854	\$ 313,960,995	\$ 363,384,214
183,920,943	224,983,835	244,357,249	254,331,100
5,076,817	5,687,681	3,183,367	2,322,700
5,614,501	2,281,342	3,907,066	6,062,313
14,291,061	16,050,151	27,986,867	34,613,024
4,021,861	4,090,379	5,627,042	6,181,743
-	-	-	-
4,845,490	5,454,629	5,422,868	6,066,565
-	48,923,785	47,823,124	-
-	-	-	-
-	-	-	-
44,108,323	56,090,781	77,692,005	143,278,157
447,581,023	423,581,219	402,417,994	389,217,619
<u>931,331,614</u>	<u>1,051,860,656</u>	<u>1,132,378,577</u>	<u>1,205,457,435</u>
104,967,705	115,745,552	123,651,909	52,177,191
-	819,316	616,544	1,086,563
617,293	712,684	478,411	914,437
5,585,275	5,186,324	4,787,376	4,388,428
<u>111,170,273</u>	<u>122,463,876</u>	<u>129,534,240</u>	<u>58,566,619</u>
4,536,379	3,977,976	10,800,641	15,208,460
405,744	819,093	822,080	857,520
41,790,472	47,655,515	48,080,559	52,107,769
2,100,607	1,992,631	2,093,564	1,844,964
7,391,913	9,580,265	9,386,154	13,766,593
4,778,832	1,734,499	977,356	80,011
24,991,267	36,939,664	36,939,664	36,939,664
473,292,788	462,577,988	583,076,403	483,429,027
<u>559,288,002</u>	<u>565,277,631</u>	<u>692,176,421</u>	<u>604,234,008</u>
39,107,652	101,905,125	6,853,642	67,367,410
-	717,294	432,094	146,894
156,479	796,656	707,879	775,418
181,903,176	223,805,741	242,850,049	251,957,167
<u>221,167,307</u>	<u>327,224,816</u>	<u>250,843,664</u>	<u>320,246,889</u>
315,291,774	301,175,565	321,838,814	352,992,080
20,276,450	20,799,971	25,968,427	33,693,886
862,780	1,408,103	4,759,623	3,865,070
113,380	78,730	-	-
749,698	783,739	794,367	990,957
12,659,512	10,156,653	7,680,925	7,395,863
-	-	-	-
(87,907,016)	(52,580,676)	(42,149,424)	(59,394,699)
<u>\$ 262,046,578</u>	<u>\$ 281,822,085</u>	<u>\$ 318,892,732</u>	<u>\$ 339,543,157</u>

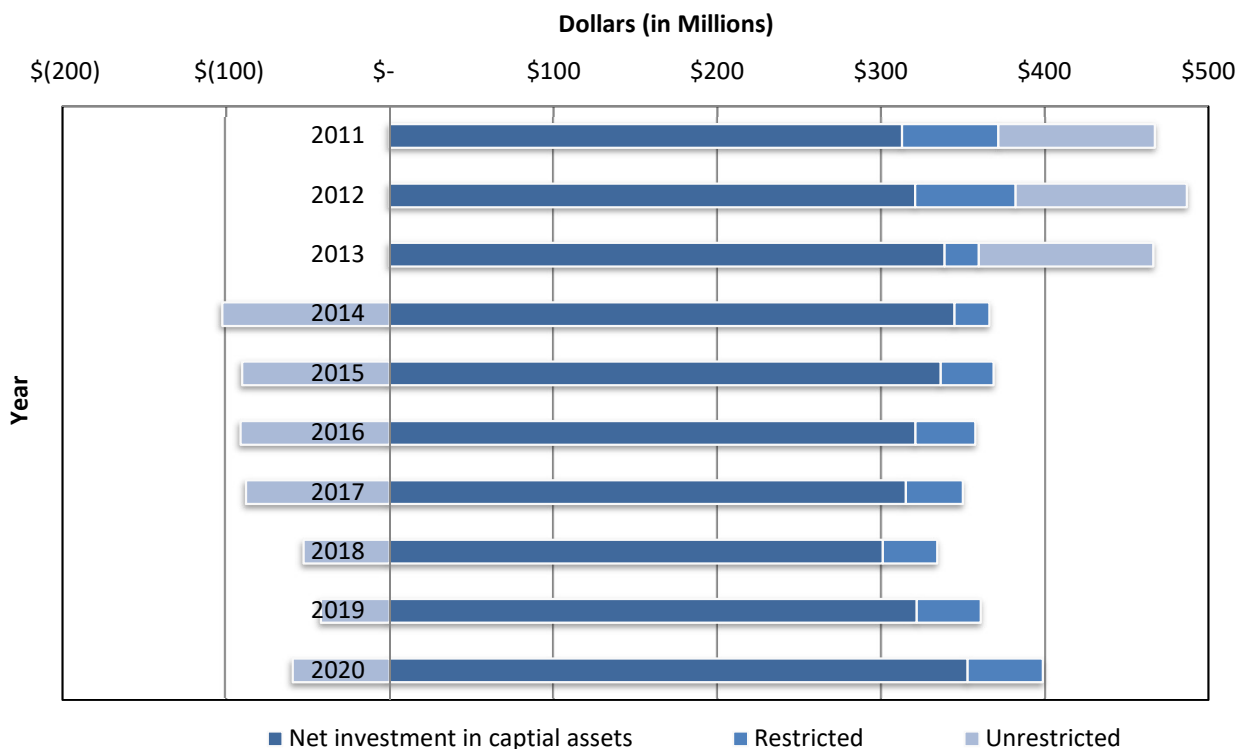


Granite School District

Net Position by Component

Last Ten Fiscal Years - June 30, 2011 through June 30, 2020
(Accrual basis of accounting)

		Net investment in			Total
		capital assets	Restricted	Unrestricted	governmental
June 30,					activities
					net position
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	32,154,109	(90,257,634)	278,445,201
2016		321,010,498	36,554,707	(91,253,617)	266,311,588
2017		315,291,774	34,661,820	(87,907,016)	262,046,578
2018		301,175,565	33,227,196	(52,580,676)	281,822,085
2019		321,838,814	39,203,342	(42,149,424)	318,892,732
2020		352,992,080	45,945,776	(59,394,699)	339,543,157



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

Note: Certain amounts for 2015 have been restated to implement new accounting and reporting standards (GASBS 73 and 75).

Source: District records

Granite School District

Changes in Net Position

Last Ten Fiscal Years - June 30, 2011 through 2020

(Accrual basis of accounting)

	2011	2012	2013
Expenses:			
Instructional services	\$ 318,583,268	\$ 297,867,401	\$ 348,317,377
Supporting services:			
Students	18,310,997	18,140,134	19,224,610
Instructional staff	16,452,790	15,094,205	15,745,255
District administration	3,172,168	3,261,574	3,311,703
School administration	25,899,389	26,259,590	26,437,244
Central	9,510,994	9,823,667	10,471,785
Operation and maintenance of facilities	39,397,257	48,472,612	53,044,065
Transportation	9,267,172	10,199,851	11,119,258
School lunch services	27,471,654	24,604,691	25,185,316
Community services	14,764,773	15,722,329	224,767
Intergovernmental	-	-	-
Interest on long-term liabilities	3,289,197	7,467,967	7,928,415
Total expenses	<u>486,119,659</u>	<u>476,914,021</u>	<u>521,009,795</u>
Program revenues:			
Charges for services:			
Instructional services	13,149,620	13,377,552	13,069,292
Supporting services	2,318,265	2,250,317	2,876,063
School lunch services	5,192,512	5,009,691	4,848,097
Operating grants and contributions	<u>158,348,843</u>	<u>148,761,817</u>	<u>158,707,697</u>
Total program revenues	<u>179,009,240</u>	<u>169,399,377</u>	<u>179,501,149</u>
Net (expense) and changes in net position	<u>(307,110,419)</u>	<u>(307,514,644)</u>	<u>(341,508,646)</u>
General revenue and other changes in net position:			
Property taxes	143,699,068	144,940,295	148,561,205
Federal and state aid not restricted to specific programs	180,777,434	174,482,377	165,766,056
Earnings on investments	2,028,527	747,585	1,860,492
Miscellaneous	<u>3,272,190</u>	<u>6,838,674</u>	<u>4,847,631</u>
Total general revenue and other changes in net position	<u>329,777,219</u>	<u>327,008,931</u>	<u>321,035,384</u>
Extraordinary item:			
Insurance recoveries - earthquake	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	22,666,800	19,494,287	(20,473,262)
Net position - beginning	<u>444,692,014</u>	<u>467,358,814</u>	<u>486,853,101</u>
Net position - ending	<u>\$ 467,358,814</u>	<u>\$ 486,853,101</u>	<u>\$ 466,379,839</u>

* 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

	2014	2015	2016	2017	2018	2019	2020
\$	320,423,548	\$ 335,493,515	\$ 355,541,828	\$ 369,346,099	\$ 348,324,558	\$ 372,732,101	\$ 388,977,821
	19,904,590	19,970,557	21,053,440	22,186,753	35,524,217	41,447,698	46,816,092
	16,713,385	14,946,518	15,973,484	16,686,210	28,706,882	34,598,339	36,628,138
	3,459,222	3,231,125	3,717,258	3,970,098	4,201,137	5,133,263	6,601,202
	28,301,884	29,413,760	31,905,955	33,272,812	35,176,036	40,263,205	43,266,788
	10,299,162	9,931,181	12,809,149	13,243,357	15,267,081	16,156,481	18,837,470
	55,594,893	57,466,624	58,918,567	62,909,891	61,625,697	65,454,894	66,498,153
	10,340,619	9,588,698	11,384,960	10,571,801	11,924,768	13,077,960	13,548,580
	28,341,452	27,396,939	29,697,433	33,023,155	31,814,472	31,567,801	30,249,702
	393,701	966,017	1,399,308	1,312,990	1,456,918	2,045,143	1,232,701
	-	5,193,756	5,766,586	4,636,541	8,232,386	8,359,646	13,651,109
	7,917,255	7,655,679	7,381,897	6,157,330	7,551,547	9,242,260	9,364,995
	<u>501,689,711</u>	<u>521,254,369</u>	<u>555,549,865</u>	<u>577,317,037</u>	<u>589,805,699</u>	<u>640,078,791</u>	<u>675,672,751</u>
	12,881,018	12,165,512	12,404,365	12,208,260	12,417,029	12,152,375	9,161,786
	2,719,894	2,745,088	2,606,077	2,480,280	2,359,653	2,348,392	1,875,680
	5,076,727	5,140,395	4,816,244	4,676,126	3,854,718	4,078,642	2,961,721
	<u>157,027,337</u>	<u>165,044,006</u>	<u>166,002,615</u>	<u>174,477,938</u>	<u>178,449,534</u>	<u>189,317,924</u>	<u>207,452,231</u>
	<u>177,704,976</u>	<u>185,095,001</u>	<u>185,829,301</u>	<u>193,842,604</u>	<u>197,080,934</u>	<u>207,897,333</u>	<u>221,451,418</u>
	<u>(323,984,735)</u>	<u>(336,159,368)</u>	<u>(369,720,564)</u>	<u>(383,474,433)</u>	<u>(392,724,765)</u>	<u>(432,181,458)</u>	<u>(454,221,333)</u>
	146,177,626	159,858,801	171,616,112	166,255,226	192,202,970	245,051,979	255,082,102
	175,929,961	179,140,986	191,728,029	197,613,921	206,775,969	208,580,302	200,175,356
	1,400,514	1,121,807	1,495,447	2,791,032	5,203,179	10,108,312	8,412,121
	<u>5,593,161</u>	<u>10,601,168</u>	<u>8,946,738</u>	<u>12,549,244</u>	<u>8,134,095</u>	<u>5,695,571</u>	<u>9,302,179</u>
	<u>329,101,262</u>	<u>350,722,762</u>	<u>373,786,326</u>	<u>379,209,423</u>	<u>412,316,213</u>	<u>469,436,164</u>	<u>472,971,758</u>
	-	-	-	-	-	-	1,900,000
	5,116,527	14,563,394	4,065,762	(4,265,010)	19,591,448	37,254,706	20,650,425
	<u>466,379,839</u>	<u>* 263,881,807</u>	<u>** 262,245,826</u>	<u>266,311,588</u>	<u>262,046,578</u>	<u>281,638,026</u>	<u>318,892,732</u>
\$	<u>471,496,366</u>	<u>\$ 278,445,201</u>	<u>\$ 266,311,588</u>	<u>\$ 262,046,578</u>	<u>\$ 281,638,026</u>	<u>\$ 318,892,732</u>	<u>\$ 339,543,157</u>

** Beginning net position as of 7/1/2015 has been restated with the implementation of GASB 73 and 75 as follows:

Beginning net position, as previously stated	\$ 278,445,201
Net pension asset - long-term disability	(1,703,583)
Net pension liability - long-term disability	(2,130,887)
Net pension liability - district retirement	(12,364,905)
	<u>\$ 262,245,826</u>

Granite School District

Fund Balances - Governmental Funds

Last Ten Fiscal Years - June 30, 2011 through 2020

	2011	2012	2013	2014	2015
General fund :					
Nonspendable	\$ 3,724,250	\$ 3,847,348	\$ 4,001,748	\$ 3,545,886	\$ 5,536,720
Restricted	-	-	-	-	-
Committed	66,518,121	59,407,142	61,484,871	66,829,024	64,786,545
Assigned	27,235,977	31,323,124	26,142,829	14,854,416	16,212,382
Unassigned	9,954,512	9,897,564	7,062,256	7,317,576	7,949,448
Total general fund	\$ 107,432,860	\$ 104,475,178	\$ 98,691,704	\$ 92,546,902	\$ 94,485,095
All other governmental funds:					
Nonspendable	\$ 804,253	\$ 1,144,124	\$ 1,252,141	\$ 1,267,998	\$ 1,463,030
Restricted for:					
Capital projects	80,055,628	81,811,179	19,954,153	10,861,991	18,777,282
Community recreation	308,094	-	-	-	-
Debt service	-	-	169,543	213,402	551,976
Schools and scholarships	411,517	411,517	411,517	408,728	435,761
School lunch	6,142,811	7,821,871	9,052,252	9,060,870	12,552,044
Committed	10,204,549	11,359,296	11,418,409	12,099,958	14,135,476
Total all other governmental funds	\$ 97,926,852	\$ 102,547,987	\$ 42,258,015	\$ 33,912,947	\$ 47,915,569

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

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 7,432,522	\$ 6,869,403	\$ 7,211,110	\$ 9,091,812	\$ 9,505,718
25,000	25,000	25,878	-	-
66,464,759	69,929,848	69,975,904	72,428,061	79,909,552
25,004,349	30,626,417	44,185,648	58,024,205	59,369,200
8,607,147	9,020,904	9,346,427	9,265,110	9,646,526
<u>\$ 107,533,777</u>	<u>\$ 116,471,572</u>	<u>\$ 130,744,967</u>	<u>\$ 148,809,188</u>	<u>\$ 158,430,996</u>
\$ 1,652,064	\$ 1,965,178	\$ 2,304,663	\$ 1,937,413	\$ 2,719,168
18,721,959	16,787,473	33,113,421	63,995,911	104,989,162
-	-	-	-	-
178,502	940,161	49,954,935	52,528,163	3,677,120
469,379	724,698	751,568	793,692	898,341
15,901,378	16,867,362	15,637,262	16,801,416	15,509,684
14,741,173	15,390,114	16,265,813	16,387,064	15,185,386
<u>\$ 51,664,455</u>	<u>\$ 52,674,986</u>	<u>\$ 118,027,662</u>	<u>\$ 152,443,659</u>	<u>\$ 142,978,861</u>

Granite School District

Changes in Fund Balances - Governmental Funds

Last Ten Fiscal Years - June 30, 2011 through 2020

	2011	2012	2013	2014
Revenues:				
Property taxes	\$ 141,393,902	\$ 145,264,279	\$ 149,490,678	\$ 146,112,746
Earnings on investments	2,028,527	747,585	1,860,492	1,400,514
Tuitions	1,921,243	1,961,552	2,013,019	1,991,572
School lunch sales	5,192,512	5,009,691	4,848,097	5,076,727
Student fees	6,105,400	6,201,669	6,399,545	6,302,516
Proceeds from fundraising activities	2,294,869	2,734,829	2,581,748	2,688,214
Other local	11,358,835	11,708,175	12,212,830	12,524,333
State	259,520,754	257,203,373	261,025,516	274,793,224
Federal	78,835,447	64,560,913	62,666,703	58,164,074
Total revenues	508,651,489	495,392,066	503,098,628	509,053,920
Expenditures:				
Current:				
Instructional services	289,764,079	286,380,238	303,094,147	310,881,752
Supporting services:				
Students	18,265,051	18,185,870	19,177,739	19,850,939
Instructional staff	16,410,218	15,130,458	15,898,421	16,649,551
District administration	2,807,675	2,884,608	3,042,966	3,152,450
School administration	25,868,977	26,359,396	26,386,676	28,194,855
Central	8,982,270	9,305,637	9,387,883	9,150,691
Operation and maintenance of facilities	37,798,294	47,250,856	51,964,424	54,122,795
Transportation	8,326,966	9,371,995	10,247,348	9,504,264
School lunch services	29,034,911	24,710,050	26,753,082	27,940,153
Community services	14,773,436	15,831,020	1,189,333	1,107,853
Intergovernmental	-	-	-	-
Capital outlay	89,298,616	133,263,686	137,959,749	31,212,298
Debt service:				
Principal	14,220,000	10,450,000	8,545,000	8,100,000
Interest	3,703,889	6,967,129	8,304,364	8,806,546
Bond issuance costs and fiscal charges	-	799,448	405,013	500
Total expenditures	559,254,382	606,890,391	622,356,145	528,674,647
Excess (deficiency) of revenues over (under) expenditures	(50,602,893)	(111,498,325)	(119,257,517)	(19,620,727)
Other financing sources (uses):				
Proceeds from sale of capital assets	642,036	1,245,424	762,898	890,208
Capital lease proceeds	-	223,425	-	-
Bonds issued	-	102,925,000	48,075,000	-
Refunding bonds issued	-	-	-	-
Premiums on bonds issued	-	8,876,310	4,405,323	-
Refunded bonds escrow	-	-	-	-
Transfer to (from) internal service funds	(199,531)	(108,381)	(59,150)	4,240,649
Total other financing sources (uses)	442,505	113,161,778	53,184,071	5,130,857
Extraordinary item:				
Insurance recoveries - earthquake	-	-	-	-
Net change in fund balances	(50,160,388)	1,663,453	(66,073,446)	(14,489,870)
Fund balances - beginning	255,520,100	205,359,712	207,023,165	140,949,719
Fund balances - ending	\$ 205,359,712	\$ 207,023,165	\$ 140,949,719	\$ 126,459,849
Debt service as a percentage of noncapital expenditures	3.66%	3.66%	3.25%	3.43%

Source: District records

2015	2016	2017	2018	2019	2020
\$ 160,266,514	\$ 171,539,430	\$ 166,770,059	\$ 192,451,227	\$ 244,503,004	\$ 254,290,730
1,121,807	1,495,447	2,791,032	4,982,283	9,662,150	7,999,247
1,766,485	1,678,513	1,469,626	1,390,836	1,405,494	897,384
5,140,395	4,816,244	4,676,126	3,854,718	4,097,792	2,961,721
6,690,355	6,679,779	6,674,173	6,317,233	6,295,157	4,712,245
2,540,109	2,533,430	2,534,385	2,576,611	2,036,257	1,699,183
14,436,700	15,048,987	14,131,546	14,160,438	12,849,467	12,822,080
279,594,670	294,402,906	306,268,907	318,977,331	330,513,735	331,706,435
64,143,004	63,327,738	66,275,190	66,247,874	67,387,534	75,988,040
535,700,039	561,522,474	571,591,044	610,958,551	678,750,590	693,077,065
319,970,969	326,806,196	334,010,293	327,572,456	334,679,325	349,764,273
20,538,158	20,864,748	21,608,738	36,571,171	40,192,407	45,287,632
15,431,611	15,949,567	16,468,530	29,730,567	33,889,209	35,659,666
3,394,556	3,460,587	3,911,719	4,384,082	4,804,492	5,999,290
29,877,428	31,232,278	31,920,504	35,614,417	38,400,619	41,042,216
9,780,646	11,999,317	12,267,509	14,949,809	15,357,847	17,775,561
54,752,894	55,270,956	58,788,349	59,466,626	61,109,483	61,914,361
9,112,787	11,119,249	9,652,879	11,468,365	12,032,030	12,423,215
29,528,913	29,569,025	33,393,262	33,052,083	31,279,998	30,675,274
1,114,842	1,200,585	1,307,343	1,589,536	2,137,183	2,248,273
5,193,756	5,766,586	4,636,541	8,232,386	8,359,646	13,651,109
18,097,591	21,460,748	20,755,574	28,910,833	40,462,710	92,787,662
8,330,000	6,830,000	7,980,000	10,720,000	49,615,000	55,625,000
8,604,651	8,348,550	6,849,257	7,910,252	10,325,804	11,568,768
2,500	270,000	2,500	375,256	222,652	464,675
533,731,302	550,148,392	563,552,998	610,547,839	682,868,405	776,886,975
1,968,737	11,374,082	8,038,046	410,712	(4,117,815)	(83,809,910)
4,501,810	711,226	2,172,777	863,699	4,163,902	5,509,425
-	-	-	-	-	-
-	-	-	25,000,000	50,000,000	100,000,000
-	75,400,000	-	42,195,000	-	-
-	-	-	11,300,368	1,684,505	11,536,831
-	(75,125,223)	-	-	-	(46,700,000)
9,470,268	4,437,483	(262,497)	(143,708)	749,626	11,720,664
13,972,078	5,423,486	1,910,280	79,215,359	56,598,033	82,066,920
-	-	-	-	-	1,900,000
15,940,815	16,797,568	9,948,326	79,626,071	52,480,218	157,010
126,459,849	142,400,664	159,198,232	169,146,558	248,772,629	301,252,847
\$ 142,400,664	\$ 159,198,232	\$ 169,146,558	\$ 248,772,629	\$ 301,252,847	\$ 301,409,857
3.25%	2.84%	2.70%	3.17%	9.26%	9.77%

Granite School District
Comparative Balance Sheets - General Fund
Last Ten Fiscal Years - June 30, 2011 through 2020

	2011	2012	2013	2014	2015
Assets:					
Cash and investments	\$ 131,870,229	\$ 138,025,909	\$ 134,844,685	\$ 120,865,657	\$ 123,816,801
Receivables:					
Property taxes	94,267,604	104,050,366	104,112,081	106,659,003	122,667,773
Local	1,117,626	1,372,009	1,519,629	1,259,112	965,401
State	1,039,051	526,134	523,513	658,359	407,702
Federal	28,609,035	16,162,815	16,149,504	17,859,225	15,007,012
Inventories	3,448,713	3,553,368	3,669,481	3,243,980	4,078,607
Prepaid items	275,537	293,980	332,267	301,906	1,458,113
Due from other funds	-	392,125	154,633	135,752	266,561
Total assets	<u>\$ 260,627,795</u>	<u>\$ 264,376,706</u>	<u>\$ 261,305,793</u>	<u>\$ 250,982,994</u>	<u>\$ 268,667,970</u>
Liabilities:					
Accounts and contracts payable	903,812	757,538	1,112,408	1,228,108	851,972
Accrued salaries and related benefits	41,156,118	42,702,387	44,968,638	40,171,266	39,340,629
Unearned revenue:					
Local	599,954	1,054,995	1,506,997	1,214,181	873,955
State	9,522,950	9,439,856	8,678,669	7,436,856	6,353,051
Federal	1,281,968	1,773,650	1,955,335	1,433,119	3,991,067
Due to other funds	5,780,232	-	-	-	-
Total liabilities	<u>59,245,034</u>	<u>55,728,426</u>	<u>58,222,047</u>	<u>51,483,530</u>	<u>51,410,674</u>
Deferred inflows of resources:					
Property taxes levied for future year	90,890,695	101,011,881	101,786,514	104,271,195	120,376,958
Unavailable property tax revenue	3,059,206	3,161,221	2,605,528	2,681,367	2,395,243
Total deferred inflows of resources	<u>93,949,901</u>	<u>104,173,102</u>	<u>104,392,042</u>	<u>106,952,562</u>	<u>122,772,201</u>
Fund balances:					
Nonspendable:					
Inventories	3,448,713	3,553,368	3,669,481	3,243,980	4,078,607
Prepaid items	275,537	293,980	332,267	301,906	1,458,113
Restricted for:					
Schools and scholarships	-	-	-	-	-
Committed to:					
Economic stabilization	20,419,262	20,547,753	21,811,871	22,229,221	22,824,786
Employee benefits	44,714,591	37,336,656	38,799,309	43,001,662	41,640,633
Contractual obligations	1,384,268	1,522,733	873,691	1,598,141	321,126
Assigned to:					
Success Charter School	313,776	-	-	-	-
Self insurance	14,838,733	16,123,466	12,405,824	8,561,277	8,561,277
Employee compensation	-	-	-	-	-
Employee benefits	6,050,000	6,914,504	5,451,851	1,394,806	3,143,576
Planned projects	6,033,468	8,285,154	8,285,154	4,898,333	4,507,529
Textbooks	-	-	-	-	-
Unassigned	9,954,512	9,897,564	7,062,256	7,317,576	7,949,448
Total fund balances	<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>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 260,627,795</u>	<u>\$ 264,376,706</u>	<u>\$ 261,305,793</u>	<u>\$ 250,982,994</u>	<u>\$ 268,667,970</u>

Source: District records

2016	2017	2018	2019	2020
\$ 138,023,093	\$ 151,820,222	\$ 169,066,736	\$ 171,906,263	\$ 180,516,419
123,821,980	139,432,561	142,377,256	150,018,180	154,671,431
633,474	1,087,085	1,264,557	2,693,951	1,593,142
758,439	3,485,354	1,025,488	2,426,730	1,822,568
15,836,619	13,940,913	15,713,478	27,653,587	32,559,975
4,185,935	3,105,577	3,436,400	3,840,906	4,031,278
3,246,587	3,763,826	3,774,710	5,250,906	5,474,440
-	-	-	-	-
<u>\$ 286,506,127</u>	<u>\$ 316,635,538</u>	<u>\$ 336,658,625</u>	<u>\$ 363,790,523</u>	<u>\$ 380,669,253</u>
860,180	3,007,004	432,676	1,979,421	495,806
40,535,833	40,986,798	46,841,886	47,371,414	51,255,346
1,094,820	1,772,063	1,737,069	1,891,713	1,105,137
6,971,190	7,391,913	9,580,265	9,386,154	13,643,831
3,362,473	4,778,832	1,734,499	977,356	80,011
2,203,496	2,173,301	2,300,141	2,312,195	-
<u>55,027,992</u>	<u>60,109,911</u>	<u>62,626,536</u>	<u>63,918,253</u>	<u>66,580,131</u>
121,451,152	137,928,210	141,669,001	149,155,872	153,287,474
<u>2,493,206</u>	<u>2,125,845</u>	<u>1,618,121</u>	<u>1,907,210</u>	<u>2,370,652</u>
<u>123,944,358</u>	<u>140,054,055</u>	<u>143,287,122</u>	<u>151,063,082</u>	<u>155,658,126</u>
4,185,935	3,105,577	3,436,400	3,840,906	4,031,278
3,246,587	3,763,826	3,774,710	5,250,906	5,474,440
25,000	25,000	25,878	-	-
23,373,393	24,335,589	27,401,246	28,661,854	29,747,025
42,726,720	45,032,069	42,189,085	43,490,209	49,600,332
364,646	562,190	385,573	275,998	562,195
-	-	-	-	-
11,122,790	11,413,984	15,958,841	17,078,817	16,602,940
-	-	-	6,712,000.00	6,712,000
6,340,453	8,433,741	11,559,244	11,736,593	14,041,868
6,973,137	7,889,506	11,442,089	17,005,597	18,019,651
567,969	2,889,186	5,225,474	5,491,198	3,992,741
8,607,147	9,020,904	9,346,427	9,265,110	9,646,526
<u>107,533,777</u>	<u>116,471,572</u>	<u>130,744,967</u>	<u>148,809,188</u>	<u>158,430,996</u>
<u>\$ 286,506,127</u>	<u>\$ 316,635,538</u>	<u>\$ 336,658,625</u>	<u>\$ 363,790,523</u>	<u>\$ 380,669,253</u>

Granite School District

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

Last Ten Fiscal Years - June 30, 2011 through 2020 and Proposed Budget for 2021

	2011	2012	2013	2014	2015
Revenues:					
Property taxes	\$ 91,921,843	\$ 105,081,687	\$ 113,045,326	\$ 109,537,454	\$ 117,411,168
Earnings (loss) on investments	1,204,839	(46,142)	1,212,292	889,683	823,177
Other local	7,709,658	8,311,120	9,777,622	10,928,379	11,339,127
State	251,934,781	249,504,811	256,869,852	270,160,476	274,774,354
Federal	57,305,579	40,159,901	41,809,790	38,766,157	40,163,860
Total revenue	410,076,700	403,011,377	422,714,882	430,282,149	444,511,686
Expenditures:					
Current:					
Instruction	278,464,936	275,344,998	292,231,153	299,040,857	308,217,928
Supporting services:					
Students	18,265,051	18,185,870	19,177,739	19,850,939	20,538,158
Instructional staff	16,410,218	15,130,458	15,898,421	16,649,551	15,431,611
District administration	2,807,675	2,884,608	3,042,966	3,152,450	3,394,556
School administration	25,868,977	26,359,396	26,386,676	28,194,855	29,877,428
Central	8,982,270	9,305,637	9,387,883	9,150,691	9,780,646
Operation and maintenance of facilities	37,798,294	47,250,856	51,964,424	54,122,795	54,752,894
Transportation	8,326,966	9,371,995	10,247,348	9,504,264	9,112,787
Total expenditures	396,924,387	403,833,818	428,336,610	439,666,402	451,106,008
Excess (deficiency) of revenues over (under) expenditures	13,152,313	(822,441)	(5,621,728)	(9,384,253)	(6,594,322)
Other financing sources (uses):					
Proceeds from sale of capital assets	-	-	-	-	-
Transfers in (out)	(1,722,691)	(2,135,241)	(161,746)	3,239,451	8,532,515
Total other financing sources (uses)	(1,722,691)	(2,135,241)	(161,746)	3,239,451	8,532,515
Extraordinary item:					
Insurance recovery	-	-	-	-	-
Net change in fund balances	11,429,622	(2,957,682)	(5,783,474)	(6,144,802)	1,938,193
Fund balances - beginning	96,003,238	107,432,860	104,475,178	98,691,704	92,546,902
Fund balances - ending	\$ 107,432,860	\$ 104,475,178	\$ 98,691,704	\$ 92,546,902	\$ 94,485,095

Source: District records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Proposed Budget 2021</u>
\$ 127,477,366	\$ 126,659,775	\$ 144,794,791	\$ 155,900,540	\$ 157,344,994	\$ 159,696,724
1,229,443	2,045,330	2,829,790	4,624,178	3,427,878	2,500,000
10,459,987	11,296,442	10,311,195	8,323,425	8,925,256	9,988,186
289,347,546	300,483,592	313,717,784	325,255,870	326,583,692	357,671,457
39,311,978	40,833,618	42,303,423	45,196,348	53,683,842	47,936,249
<u>467,826,320</u>	<u>481,318,757</u>	<u>513,956,983</u>	<u>539,300,361</u>	<u>549,965,662</u>	<u>577,792,616</u>
313,720,152	319,976,784	314,430,030	322,311,986	339,760,809	357,968,504
20,864,748	21,608,738	36,374,578	40,056,602	45,088,198	51,126,925
15,941,286	16,462,417	29,410,870	33,386,361	35,266,193	39,703,243
3,439,511	3,879,652	4,364,980	4,790,448	5,979,524	6,384,588
31,232,278	31,915,921	34,632,807	37,085,152	39,730,343	42,573,926
10,201,607	10,451,478	11,823,625	11,659,378	13,639,516	15,026,955
53,990,705	57,355,321	58,104,674	59,500,004	60,284,988	68,676,447
8,925,593	9,652,879	10,139,277	10,676,487	11,101,283	13,479,910
<u>458,315,880</u>	<u>471,303,190</u>	<u>499,280,841</u>	<u>519,466,418</u>	<u>550,850,854</u>	<u>594,940,498</u>
9,510,440	10,015,567	14,676,142	19,833,943	(885,192)	(17,147,882)
-	3,350	533,385	-	2,729	250,000
3,538,242	(1,081,122)	(936,132)	(1,769,722)	10,504,271	3,026,818
<u>3,538,242</u>	<u>(1,077,772)</u>	<u>(402,747)</u>	<u>(1,769,722)</u>	<u>10,507,000</u>	<u>3,276,818</u>
-	-	-	-	-	1,000,000
13,048,682	8,937,795	14,273,395	18,064,221	9,621,808	(12,871,064)
94,485,095	107,533,777	116,471,572	130,744,967	148,809,188	158,430,996
<u>\$ 107,533,777</u>	<u>\$ 116,471,572</u>	<u>\$ 130,744,967</u>	<u>\$ 148,809,188</u>	<u>\$ 158,430,996</u>	<u>\$ 145,559,932</u>



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

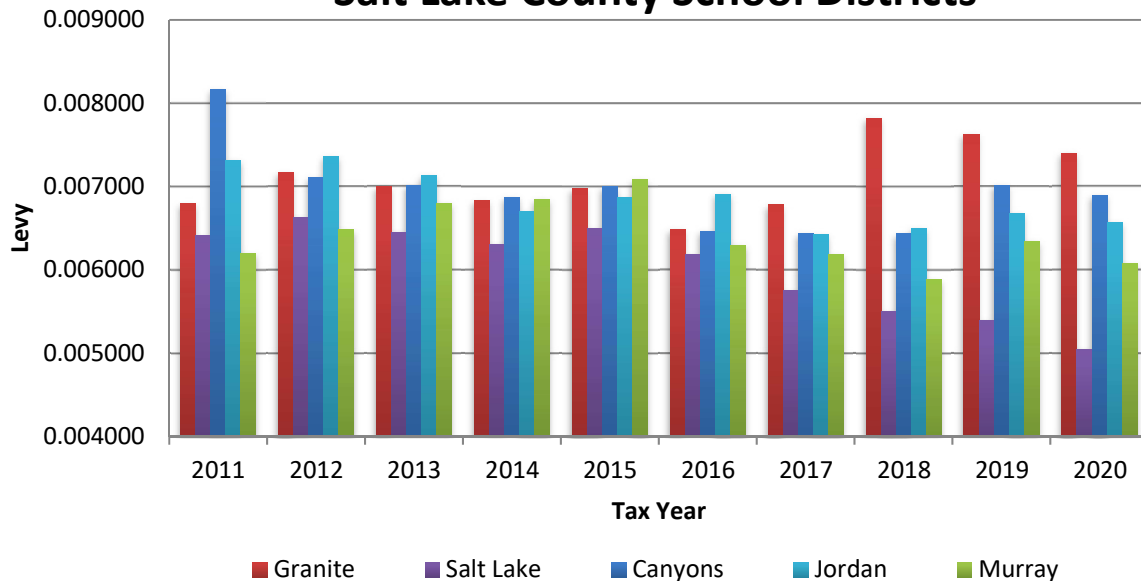
These schedules contain information to help the reader assess one of the District's most significant local revenue source, the property tax.

Contents	Page
Principal Property Tax Payers.....	106
Property Tax Levies and Collections.....	107
Historical Summaries of Taxable Values of Property.....	108
Taxable Value and Fair Market Value of Taxable Property.....	110
Direct and Overlapping Property Tax Rates.....	112

Sources:

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

A Comparison of Property Tax Rates Salt Lake County School Districts



Granite School District
Principal Property Tax Payers
December 31, 2019 and 2010

Taxpayer	Industry	2019			2010		
		Taxable Value*	Rank	Percent of Total Taxable Value	Taxable Value*	Rank	Percent of Total Taxable Value
Kennecott Utah Copper	Mining	\$ 1,224,446,273	1	3.82 %	\$ 1,500,470,762	1	7.00 %
Hexcel Corporation	Product Design	347,839,966	2	1.09 %	111,517,402	4	0.52 %
PacificCorp	Utility	305,030,813	3	0.95 %	231,785,846	2	1.08 %
Questar Gas	Utility	202,919,419	4	0.63 %	96,543,442	5	0.45 %
EOS at Millrock Park LLC	Real Estate	139,586,700	5	0.44 %	-	-	-
Verizon Communications	Communications	125,679,221	6	0.39 %	89,017,682	6	0.42 %
TPP 217 Taylorsville, LLC	Commercial	91,410,100	7	0.29 %	-	-	-
Discover Products Inc.	Financial	88,934,400	8	0.28 %	50,629,500.00	10	0.24 %
Northern Utah Healthcare Corp.	Health Care	71,901,700	9	0.22 %	82,548,340.00	7	0.38 %
Union Pacific Railroad Co.	Rail Transportation	69,081,962	10	0.22 %	-	-	-
Alliant Techsystems Inc.	Aerospace	-	-	-	143,571,711	3	0.67 %
Cer Generation II	Utility	-	-	-	79,988,132	8	0.37 %
Qwest Communications	Communications	-	-	-	71,567,772	9	0.33 %
		<u>\$ 2,666,830,554</u>		<u>8.33 %</u>	<u>\$ 2,457,640,589</u>		<u>11.46 %</u>
Total taxable value		\$ 32,035,001,293			\$ 21,446,118,758		

* 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, 2010 through 2019

Tax Year	Taxes Levied *	Collections			Total Collections to Date	
		In the Year of Levy	Percentage of Levy	In Subsequent Years	Amount	Percentage of Levy
2010	\$ 146,987,818	\$ 138,228,607	94.04%	\$ 5,903,111	\$ 144,131,718	98.06%
2011	152,112,476	142,763,378	93.85%	3,562,823	146,326,201	96.20%
2012	155,812,510	145,755,394	93.55%	2,776,617	148,532,011	95.33%
2013	155,031,549	145,068,290	93.57%	3,067,559	148,135,849	95.55%
2014	160,534,210	151,171,475	94.17%	2,642,896	153,814,371	95.81%
2015	172,088,527	161,444,485	93.81%	2,806,696	164,251,181	95.45%
2016	173,178,567	164,359,508	94.91%	2,557,507	166,917,015	96.38%
2017	189,471,794	175,818,128	92.79%	2,496,999	178,315,127	94.11%
2018	240,425,140	229,098,239	95.29%	2,534,695	231,632,934	96.34%
2019	252,715,360	237,957,204	94.16%	-	237,957,204	94.16%

* Includes uniform fees on tax equivalent property and excludes property taxes levied for other governments.

Source: District records and Salt Lake County remittance letters

Granite School District

Historical Summaries of Taxable Values of Property

Last Ten Tax Years - For the Tax Years Ended December 31, 2010 through 2019

	2010	2011	2012	2013
Set by State Tax Commission:				
Centrally assessed	\$ 2,029,948,798	\$ 2,147,557,466	\$ 2,318,777,740	\$ 1,909,724,105
Set by County Assessor:				
Locally assessed				
Real property:				
Residential real estate-primary use	12,515,386,495	12,258,416,057	11,602,096,890	12,107,463,442
Residential real estate-not primary use	530,648,060	478,858,170	445,747,730	449,861,180
Commercial and industrial real estate	4,861,606,550	4,879,587,270	4,881,426,400	5,121,010,250
Agriculture-FAA	2,641,160	2,484,800	2,446,640	2,488,520
Unimproved non-FAA	7,432,850	7,716,940	7,338,740	7,679,100
Total real property	17,917,715,115	17,627,063,237	16,939,056,400	17,688,502,492
Personal property:				
Tax equivalent property (motor vehicle fees)	1,489,159,055	611,175,504*	585,561,977	567,068,999
Mobile home-primary residential use	41,853,103	40,966,709	40,302,850	39,128,490
Mobile home-other use	1,685,719	1,486,580	1,596,921	2,008,240
Commercial and industrial property	1,454,916,023	1,319,166,296	1,310,971,049	1,330,178,802
Total personal property	2,987,613,900	1,972,795,089	1,938,432,797	1,938,384,531
Total locally assessed	20,905,329,015	19,599,858,326	18,877,489,197	19,626,887,023
Total taxable property	\$ 22,935,277,813	\$ 21,747,415,792	\$ 21,196,266,937	\$ 21,536,611,128

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 tax equivalent property (motor vehicle fees).

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>\$ 2,020,058,045</u>	<u>\$ 1,987,554,888</u>	<u>\$ 1,953,016,576</u>	<u>\$ 1,818,510,466</u>	<u>\$ 2,230,321,708</u>	<u>\$ 2,095,451,540</u>
12,979,459,323	13,746,599,126	15,038,672,403	16,407,657,935	17,932,589,623	19,654,604,907
433,165,380	447,699,630	475,841,220	480,986,500	483,698,920	521,610,330
5,325,372,810	5,659,892,170	6,123,211,850	6,659,643,650	7,321,506,300	7,925,673,530
2,275,710	2,335,310	1,931,070	7,757,580	7,731,450	7,898,210
6,538,360	6,681,790	6,290,130	69,600	69,600	69,600
<u>18,746,811,583</u>	<u>19,863,208,026</u>	<u>21,645,946,673</u>	<u>23,556,115,265</u>	<u>25,745,595,893</u>	<u>28,109,856,577</u>
572,977,971	623,717,876	638,454,053	686,470,293	783,672,463	806,495,635
38,194,141	37,301,968	36,061,274	34,869,829	33,876,878	32,910,515
1,335,284	1,041,177	929,416	1,006,222	917,825	483,769
<u>1,387,651,899</u>	<u>1,406,863,684</u>	<u>1,469,530,445</u>	<u>1,518,533,062</u>	<u>1,575,930,319</u>	<u>1,796,298,892</u>
<u>2,000,159,295</u>	<u>2,068,924,705</u>	<u>2,144,975,188</u>	<u>2,240,879,406</u>	<u>2,394,397,485</u>	<u>2,636,188,811</u>
<u>20,746,970,878</u>	<u>21,932,132,731</u>	<u>23,790,921,861</u>	<u>25,796,994,671</u>	<u>28,139,993,378</u>	<u>30,746,045,388</u>
<u>\$ 22,767,028,923</u>	<u>\$ 23,919,687,619</u>	<u>\$ 25,743,938,437</u>	<u>\$ 27,615,505,137</u>	<u>\$ 30,370,315,086</u>	<u>\$ 32,841,496,928</u>

Granite School District
Taxable Value and Fair Market Value of Taxable Property
 Last Ten Years - December 31, 2010 through 2019

Tax Year	Taxable Value *				
	Residential	Industrial & Commercial	Agriculture	Personal	Total
2010	\$ 13,046,034,555	\$ 8,346,471,371	\$ 10,074,010	\$ 1,532,697,877	\$ 22,935,277,813
2011	12,737,274,227	8,346,311,032	10,201,740	653,628,793	21,747,415,792
2012	12,047,844,620	8,511,175,189	9,785,380	627,461,748	21,196,266,937
2013	12,557,324,622	8,360,913,157	10,167,620	608,205,729	21,536,611,128
2014	13,412,624,703	8,733,082,754	8,814,070	612,507,396	22,767,028,923
2015	14,194,298,756	9,054,310,742	9,017,100	662,061,021	23,919,687,619
2016	15,514,513,623	9,545,758,871	8,221,200	675,444,743	25,743,938,437
2017	16,888,644,435	9,996,687,178	7,827,180	722,346,344	27,615,505,137
2018	18,416,288,543	11,127,758,327	7,801,050	818,467,166	30,370,315,086
2019	20,176,215,237	11,817,423,962	7,967,810	839,889,919	32,841,496,928

* Taxable value includes the estimated taxable value used to determine uniform fees on tax equivalent property (motor vehicle fees).

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

Total Direct Tax Rate	Fair Market Value	Taxable Value as a Percentage of Fair Market Value
0.006434	\$ 33,209,173,404	69.06%
0.006796	31,810,547,146	68.37%
0.007166	30,721,866,724	68.99%
0.006994	31,474,731,800	68.43%
0.006831	33,417,836,303	68.13%
0.006978	35,197,424,879	67.96%
0.006481	38,077,811,445	67.61%
0.006779	41,068,482,398	67.24%
0.007822	45,070,151,314	67.38%
0.007626	48,949,464,091	67.09%

Granite School District

Direct and Overlapping Property Tax Rates

Last Ten Years - December 31, 2010 through 2019

(Rate per \$1 of assessed value)

	2010	2011	2012
Granite School District Rates:			
General fund:			
Basic state supported program for regular K-12 instruction (set by state legislature)	0.001495	0.001591	0.001651
Voted leeway program for regular K-12 instruction	0.001600	0.001600	0.001600
Board local levy (1)	-	-	0.002149
School board leeway program for class size reduction (2)	0.000336	0.000400	-
Board reading improvement program (2)	0.000141	0.000121	-
Tort liability levy (2)	0.000029	0.000030	-
10% additional basic program for textbooks and supplies (1)(2)	0.000427	0.000968	-
Student transportation (2)	0.000150	0.000187	-
Total general fund	0.004178	0.004897	0.005400
Capital projects fund:			
Capital outlay equalization (3)	0.000600	0.000600	0.000600
Capital outlay for buildings and other capital needs	0.000226	0.000233	0.000405
10% additional basic program for construction	0.000483	-	-
Total capital projects fund	0.001309	0.000833	0.001005
Other:			
Debt service (1)	0.000761	0.000761	0.000761
Charter school levy (1)	-	-	-
Community recreation levy (2)	0.000186	0.000305	-
Total other	0.000947	0.001066	0.000761
Total direct rate	0.006434	0.006796	0.007166
Overlapping Rates: (4)			
Salt Lake County, Municipal, and Library	0.003125	0.003251	0.003622
Salt Lake Valley Law Enforcement Service Area (1)	-	-	0.001999
Salt Lake Valley Fire Service Area	0.001972	0.002028	0.002079
Holladay City	0.001720	0.001767	0.001791
Millcreek City (1)	-	-	-
South Salt Lake City	0.002729	0.002691	0.002757
Taylorsville City	0.001739	0.001794	0.001923
West Valley City	0.003644	0.004510	0.004837
Central Utah Water Project	0.000421	0.000436	0.000455
Other local taxing entities:			
Minimum	0.000050	0.000052	0.000054
Maximum	0.005428	0.005439	0.005517

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) Tax rate discontinued for 2017.
- (4) 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

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
0.001535	0.001419	0.001736	0.001675	0.001568	0.001666	0.001661
0.001600	0.001526	0.001461	0.001365	0.001287	0.001178	0.001124
0.002106	0.002227	0.002169	0.002023	0.002375	0.002256	0.002117
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>0.005241</u>	<u>0.005172</u>	<u>0.005366</u>	<u>0.005063</u>	<u>0.005230</u>	<u>0.005100</u>	<u>0.004902</u>
0.000600	0.000600	0.000600	0.000600	-	-	-
0.000392	0.000298	0.000389	0.000195	0.000801	0.000668	0.000638
-	-	-	-	-	-	-
<u>0.000992</u>	<u>0.000898</u>	<u>0.000989</u>	<u>0.000795</u>	<u>0.000801</u>	<u>0.000668</u>	<u>0.000638</u>
0.000761	0.000761	0.000623	0.000623	0.000623	0.001957	0.001957
-	-	-	-	0.000125	0.000097	0.000129
-	-	-	-	-	-	-
<u>0.000761</u>	<u>0.000761</u>	<u>0.000623</u>	<u>0.000623</u>	<u>0.000748</u>	<u>0.002054</u>	<u>0.002086</u>
<u>0.006994</u>	<u>0.006831</u>	<u>0.006978</u>	<u>0.006481</u>	<u>0.006779</u>	<u>0.007822</u>	<u>0.007626</u>
0.004101	0.003931	0.003668	0.003434	0.002908	0.002648	0.002530
0.002230	0.002145	0.002042	0.001925	0.002033	0.002139	0.002079
0.002192	0.002097	0.002000	0.001888	0.001812	0.001858	0.001746
0.001707	0.001596	0.001528	0.001420	0.001380	0.001311	0.001235
-	-	-	-	0.000068	0.002012	0.001897
0.002725	0.002572	0.002454	0.002303	0.002032	0.001878	0.001715
0.002104	0.001294	0.001250	0.001165	0.001090	0.001003	0.000943
0.004633	0.004831	0.004199	0.004233	0.004151	0.003706	0.003508
0.000446	0.000422	0.000405	0.000400	0.000400	0.000400	0.000400
0.000021	0.000020	0.000019	0.000018	0.000017	0.000015	0.000014
0.005349	0.005675	0.004862	0.004557	0.004286	0.003977	0.003878



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

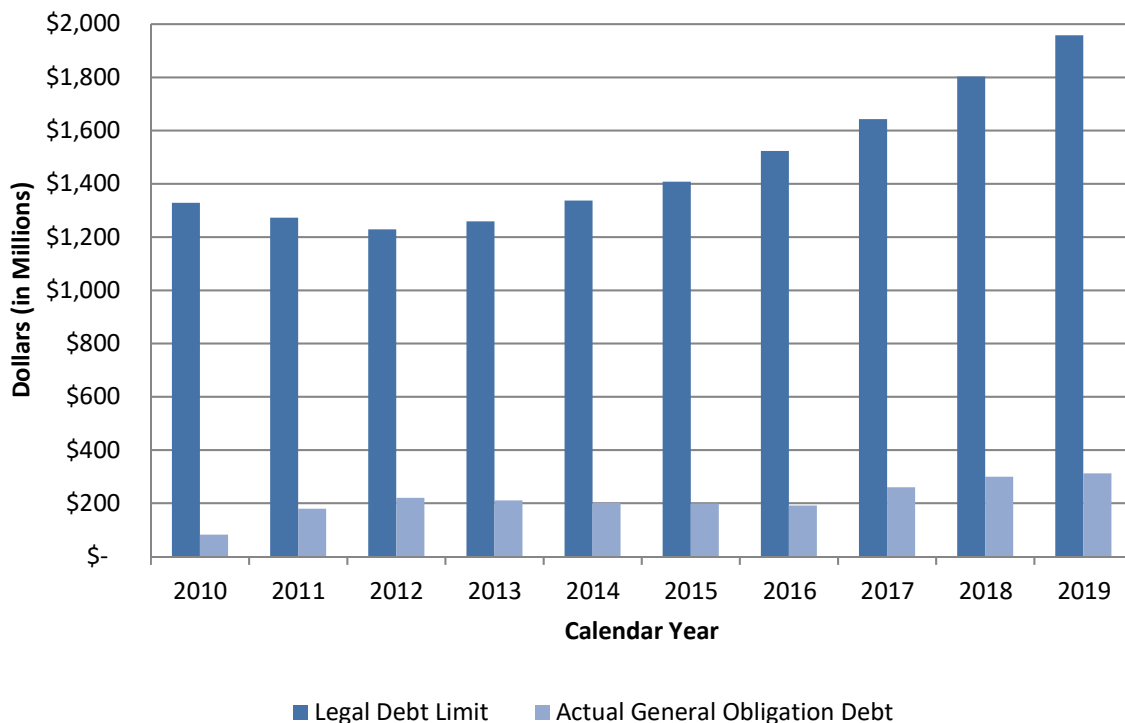
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Contents	Page
Ratios of Outstanding Debt.....	116
Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year).....	118
CUSIP Numbers Associated with Outstanding General Obligation Bonded Indebtedness.....	120
Direct and Overlapping General Obligation Debt.....	122
Legal Debt Margin Information.....	123

Sources:

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

Legal Debt Limit and Actual GO Debt



Granite School District

Ratios of Outstanding Debt

Last Ten Fiscal Years - June 30, 2011 through 2020

Fiscal Year	Outstanding Debt					
	Direct				Overlapping	Total
	General	Unamortized	Capital	Subtotal	General	Direct and
	Obligation	Bond	Leases		Obligation	Overlapping
	Bonds	Premiums			Debt	
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
2016	185,800,000	5,689,286	-	191,489,286	92,424,890	283,914,176
2017	177,820,000	4,880,754	-	182,700,754	93,483,513	276,184,267
2018	234,295,000	14,634,861	-	248,929,861	101,167,738	350,097,599
2019	234,680,000	14,829,887	-	249,509,887	329,304,733	578,814,620
2020	232,355,000	23,723,557	-	256,078,557	388,222,234	644,300,791

Fiscal Year	Debt as a Percentage of Taxable Value		Debt as a Percentage of Fair Market Value		Debt per Personal Income*	
	Direct	Direct and Overlapping	Direct	Direct and Overlapping	Direct	Direct and Overlapping
2011	0.29%	0.85%	0.20%	0.59%	\$ 1,647	\$ 4,742
2012	0.77%	1.39%	0.53%	0.95%	3,852	6,921
2013	1.00%	1.56%	0.69%	1.08%	4,637	7,282
2014	0.94%	1.49%	0.64%	1.02%	4,355	6,907
2015	0.85%	1.29%	0.58%	0.88%	3,900	5,939
2016	0.80%	1.19%	0.54%	0.81%	3,652	5,414
2017	0.71%	1.07%	0.48%	0.73%	3,254	4,918
2018	0.90%	1.27%	0.61%	0.85%	4,103	5,770
2019	0.82%	1.91%	0.55%	1.28%	N/A	N/A
2020	0.78%	1.96%	0.52%	1.32%	N/A	N/A

* 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.

Debt per Estimated Capita		Debt per Student**	
Direct	Direct and Overlapping	Direct	Direct and Overlapping
\$ 1,728	\$ 4,974	\$ 1,010	\$ 2,907
4,098	7,363	2,536	4,556
5,007	7,863	3,182	4,997
4,754	7,541	3,023	4,795
4,318	6,577	2,897	4,412
4,095	6,071	2,868	4,252
3,695	5,586	2,768	4,185
4,729	6,651	3,853	5,419
N/A	N/A	3,953	9,170
N/A	N/A	4,797	10,947

Granite School District

Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year)

As of June 30, 2020

Year Ending June 30,	Series 2011		Series 2012		Series 2013		Series 2016A		Series 2017A	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 3,850,000	\$ 173,250	\$ 1,635,000	\$ 793,325	\$ 280,000	\$ 275,900	\$ 1,100,000	\$ 1,732,411	\$ 1,030,000	\$ 998,450
2022	-	-	1,705,000	711,575	380,000	261,900	5,115,000	1,715,802	1,045,000	946,950
2023	-	-	1,775,000	626,325	380,000	242,900	5,205,000	1,628,846	1,065,000	894,700
2024	-	-	1,855,000	573,075	480,000	223,900	5,290,000	1,535,157	1,085,000	841,450
2025	-	-	1,940,000	517,425	480,000	199,900	5,405,000	1,424,066	1,100,000	787,200
2026	-	-	2,030,000	459,225	530,000	175,900	5,465,000	1,305,157	1,125,000	732,200
2027	-	-	2,130,000	398,325	590,000	149,400	5,655,000	1,179,461	1,155,000	675,950
2028	-	-	2,225,000	334,425	630,000	122,850	6,055,000	1,046,569	1,180,000	618,200
2029	-	-	2,330,000	256,550	650,000	94,500	6,445,000	899,433	1,210,000	559,200
2030	-	-	2,440,000	175,000	670,000	65,250	6,660,000	728,640	1,240,000	498,700
2031	-	-	-	89,600	-	35,100	18,810,000	545,490	1,270,000	436,700
2032	-	-	2,560,000	89,600	480,000	35,100	-	-	1,305,000	373,200
2033	-	-	-	-	300,000	13,500	-	-	1,340,000	307,950
2034	-	-	-	-	-	-	-	-	1,375,000	240,950
2035	-	-	-	-	-	-	-	-	1,410,000	172,200
2036	-	-	-	-	-	-	-	-	1,450,000	115,800
2037	-	-	-	-	-	-	-	-	1,445,000	57,800
	<u>\$ 3,850,000</u>	<u>\$ 173,250</u>	<u>\$ 22,625,000</u>	<u>\$ 5,024,450</u>	<u>\$ 5,850,000</u>	<u>\$ 1,896,100</u>	<u>\$ 71,205,000</u>	<u>\$ 13,741,032</u>	<u>\$ 20,830,000</u>	<u>\$ 9,257,600</u>

Source: District records

Series 2017B		Series 2018		Series 2019		Total	
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
\$ 2,735,000	\$ 1,978,769	\$ 1,180,000	\$ 434,738	\$ 6,255,000	\$ 2,816,750	\$ 18,065,000	\$ 9,203,593
3,120,000	1,842,019	1,180,000	375,737	6,260,000	2,504,000	18,805,000	8,357,983
3,460,000	1,686,019	1,180,000	316,738	6,260,000	2,191,000	19,325,000	7,586,528
3,705,000	1,513,019	1,185,000	257,737	6,260,000	1,878,000	19,860,000	6,822,338
4,055,000	1,327,769	1,185,000	198,488	6,260,000	1,565,000	20,425,000	6,019,848
4,655,000	1,125,019	1,185,000	139,237	6,260,000	1,252,000	21,250,000	5,188,738
4,820,000	892,269	1,185,000	79,988	6,260,000	939,000	21,795,000	4,314,393
4,980,000	651,269	1,185,000	32,587	6,260,000	626,000	22,515,000	3,431,900
5,150,000	402,268	-	-	6,260,000	313,000	22,045,000	2,524,951
5,515,000	144,769	-	-	-	-	16,525,000	1,612,359
-	-	-	-	-	-	20,080,000	1,106,890
-	-	-	-	-	-	4,345,000	497,900
-	-	-	-	-	-	1,640,000	321,450
-	-	-	-	-	-	1,375,000	240,950
-	-	-	-	-	-	1,410,000	172,200
-	-	-	-	-	-	1,450,000	115,800
-	-	-	-	-	-	1,445,000	57,800
<u>\$ 42,195,000</u>	<u>\$ 11,563,189</u>	<u>\$ 9,465,000</u>	<u>\$ 1,835,250</u>	<u>\$ 56,335,000</u>	<u>\$ 14,084,750</u>	<u>\$ 232,355,000</u>	<u>\$ 57,575,621</u>

Granite School District

CUSIP Numbers Associated with Outstanding General Obligation Bonded Indebtedness

As of June 30, 2020

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

Payment Due June 1,	Series 2011			Series 2012			Series 2013			Series 2016A		
	\$102,925,000 Original Par Value			\$36,500,000 Original Par Value			\$11,575,000 Original Par Value			\$75,400,000 Original Par Value		
	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*
2021	\$ 3,850,000	4.500%	KG2	\$ 1,635,000	5.000%	LE6	\$ 280,000	5.000%	LY2	\$ 1,100,000	1.510%	MQ8
2022	-	-	-	1,705,000	5.000%	LF3	380,000	5.000%	LZ9	5,115,000	1.700%	MR6
2023	-	-	-	1,775,000	3.000%	LG1	380,000	5.000%	MA3	5,205,000	1.800%	MS4
2024	-	-	-	1,855,000	3.000%	LH9	480,000	5.000%	MB1	5,290,000	2.100%	MT2
2025	-	-	-	1,940,000	3.000%	LJ5	480,000	5.000%	MC9	5,405,000	2.200%	MU9
2026	-	-	-	2,030,000	3.000%	LK2	530,000	5.000%	MD7	5,465,000	2.300%	MV7
2027	-	-	-	2,130,000	3.000%	LL0	590,000	4.500%	ME5	5,655,000	2.350%	MW5
2028	-	-	-	2,225,000	3.500%	LM8	630,000	4.500%	MF2	6,055,000	2.430%	MX3
2029	-	-	-	2,330,000	3.500%	LN6	650,000	4.500%	MG0	6,445,000	2.650%	MY1
2030	-	-	-	2,440,000	3.500%	LP1	670,000	4.500%	MH8	6,660,000	2.750%	MZ8
2031	-	-	-	-	-	-	-	-	-	18,810,000	-	NA2
2032	-	-	-	2,560,000	3.500%	LQ9	480,000	4.500%	MJ4	-	-	-
2033	-	-	-	-	-	-	300,000	-	MK1	-	-	-
2034	-	-	-	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-	-	-	-
	<u>\$ 7,675,000</u>			<u>\$ 24,190,000</u>			<u>\$ 6,130,000</u>			<u>\$ 72,290,000</u>		

Source: District records

Series 2017A			Series 2017B			Series 2018			Series 2019		
\$25,000,000 Original Par Value			\$42,195,000 Original Par Value			\$50,000,000 Original Par Value			\$50,000,000 Original Par Value		
Principal	Rate	CUSIP*	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*	Principal	Rate	CUSIP*
\$ 1,030,000	5.000%	NE4	\$ 2,735,000	0	NX2	\$ 1,180,000	5.000%	PK8	\$ 6,255,000	5.000%	PU6
1,045,000	5.000%	NF1	3,120,000	5.000%	NY0	1,180,000	5.000%	PL6	6,260,000	5.000%	PV4
1,065,000	5.000%	NG9	3,460,000	5.000%	NZ7	1,180,000	5.000%	PM4	6,260,000	5.000%	PW2
1,085,000	5.000%	NH7	3,705,000	5.000%	PA0	1,185,000	5.000%	PN2	6,260,000	5.000%	PX0
1,100,000	5.000%	NJ3	4,055,000	5.000%	PB8	1,185,000	5.000%	PP7	6,260,000	5.000%	PY8
1,125,000	5.000%	NK0	4,655,000	5.000%	PC6	1,185,000	5.000%	PQ5	6,260,000	5.000%	PZ5
1,155,000	5.000%	NL8	4,820,000	5.000%	PD4	1,185,000	4.000%	PR3	6,260,000	5.000%	QA9
1,180,000	5.000%	NM6	4,980,000	5.000%	PE2	1,185,000	2.750%	PS1	6,260,000	5.000%	QB7
1,210,000	5.000%	NN4	5,150,000	5.000%	PF9	-	-	-	6,260,000	5.000%	QC5
1,240,000	5.000%	NP9	5,515,000	2.625%	PG7	-	-	-	-	-	-
1,270,000	5.000%	NQ7	-	-	-	-	-	-	-	-	-
1,305,000	5.000%	NR5	-	-	-	-	-	-	-	-	-
1,340,000	5.000%	NS3	-	-	-	-	-	-	-	-	-
1,375,000	5.000%	NT1	-	-	-	-	-	-	-	-	-
1,410,000	4.000%	NU8	-	-	-	-	-	-	-	-	-
1,450,000	4.000%	NV6	-	-	-	-	-	-	-	-	-
1,445,000	4.000%	NW4	-	-	-	-	-	-	-	-	-
<u>\$ 21,855,000</u>			<u>\$ 42,195,000</u>			<u>\$ 9,465,000</u>			<u>\$ 56,335,000</u>		

Granite School District
Direct and Overlapping General Obligation Debt
As of June 30, 2020

<u>Taxing Entity</u>	<u>2019 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	\$ 119,794,065,815	\$ 32,035,001,293	26.7%	\$ 165,840,000	\$ 44,348,479
CUWCD (2)	183,633,247,327	32,035,001,293	17.4%	190,288,500	33,196,017
Magna Water District	1,644,907,446	1,644,907,446	100.0%	7,765,000	7,765,000
West Jordan City	8,382,951,707	264,513,512	3.2%	3,485,000	109,965
Cottonwood Heights Parks & Recreation Service Area	2,640,452,817	37,612,349	1.4%	1,700,000	24,216
				Total overlapping general obligation debt	85,443,677
				Total direct general obligation indebtedness of Granite School District (3)	256,078,557
				Total direct and overlapping general obligation debt	\$ 341,522,234

Notes:

Overlapping governments are those that coincide, at least in part, with geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Granite School District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

- (1) Taxable value used in this table excludes the taxable value used to determine uniform fees on tax equivalent 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 0.000400 to pay for operation and maintenance expenses and any outstanding limited ad valorem tax bonds.
- (3) General obligation indebtedness includes unamortized bond premiums of \$23,723,557.

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

Granite School District
Legal Debt Margin Information

Last Ten Tax Years - December 31, 2010 through 2019

<u>Tax Year</u>	<u>Fair Market Value</u>	<u>Debt Limit*</u>	<u>Less General Obligation Debt</u>	<u>Legal Debt Margin</u>	<u>Percentage of Debt to Debt Limit</u>
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%
2015	35,197,424,879	1,407,896,995	198,536,627	1,209,360,368	16.42%
2016	38,077,811,445	1,523,112,458	190,962,018	1,332,150,440	14.33%
2017	41,068,482,398	1,642,739,296	260,059,408	1,382,679,888	18.81%
2018	45,070,151,314	1,802,806,053	299,535,927	1,503,270,126	19.93%
2019	48,949,464,091	1,957,978,564	312,132,317**	1,645,846,247	18.96%

* 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 District made a payment on June 1, 2020 which reduced the principal balance of the general obligation debt to \$256,078,557 as of June 30, 2020. The general obligation debt includes unamortized bond premiums.

Source: District records



GRANITE SCHOOL DISTRICT

Statistical Section - Demographic and Economic 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.

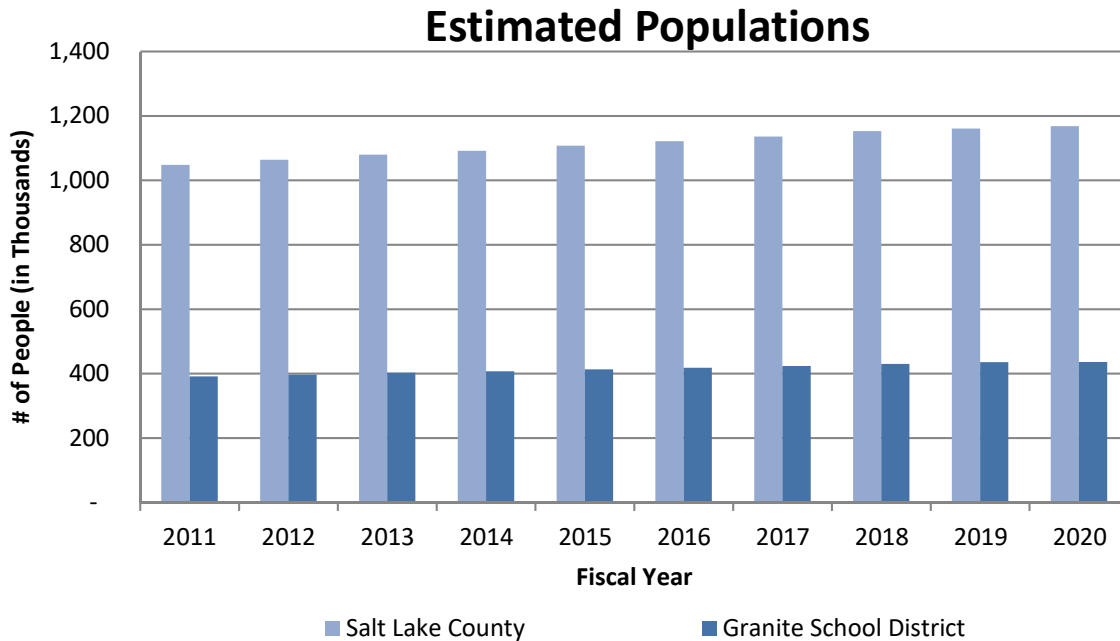
Demographic and Economic Information

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.....	126
Principal Employers.....	127

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, 2011 through 2020

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
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	407,287	1,091,742	46,437,317	42,535	3.7%	1,583,876,400	30,914
2015	413,112	1,107,314	49,488,031	44,692	3.3%	1,868,836,000	31,202
2016	418,349	1,121,354	52,436,840	46,762	2.9%	1,603,083,200	32,020
2017	423,689	1,135,649	56,152,594	49,445	2.9%	2,187,229,400	32,512
2018	430,030	1,152,633	60,673,924	52,639	2.9%	2,879,908,300	32,537
2019	435,661	1,160,437	N/A	N/A	2.3%	3,015,289,691	32,253
2020	436,173	1,168,294	N/A	N/A	1.8%	3,838,632,482	32,586

* 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 applicable to the District impractical 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, 2019 and 2010

Employer	2019					2010				
	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	20,000	+	1	4.6%	8.4%	-	-	-	-	-
State of Utah	20,000	+	2	4.6%	8.4%	-	-	-	-	-
Intermountain Healthcare	15,000	- 19,999	3	4.0%	7.4%	15,000	- 20,000	1	4.5%	8.5%
United States Government	10,000	- 14,999	4	2.9%	5.3%	-	-	-	-	-
Wal-Mart	7,000	- 9,999	5	2.0%	3.6%	4,000	- 5,000	3	1.2%	2.2%
Granite School District	7,000	- 9,999	6	2.0%	3.6%	7,000	- 10,000	2	2.2%	4.1%
LDS Church Religious Agencies	7,000	- 9,999	7	2.0%	3.6%	-	-	-	-	-
Zions Bank	7,000	- 9,999	8	2.0%	3.6%	3,000	- 4,000	5	0.9%	1.7%
Salt Lake County	5,000	- 6,999	9	1.4%	2.5%	-	-	-	-	-
Jordan School District	5,000	- 6,999	10	1.4%	2.5%	-	-	-	-	-
L3 Communications Corp.	-	-	-	-	-	3,000	- 4,000	4	0.9%	1.7%
Salt Lake Community College	-	-	-	-	-	2,000	- 3,000	6	0.6%	1.2%
Smith's Marketplace	-	-	-	-	-	2,000	- 3,000	7	0.6%	1.2%
ARUP Laboratories	-	-	-	-	-	2,000	- 3,000	8	0.6%	1.2%
Discover Financial Services	-	-	-	-	-	2,000	- 3,000	9	0.6%	1.2%
Wells Fargo Bank	-	-	-	-	-	2,000	- 3,000	10	0.6%	1.2%
Totals	103,000	- 128,992		27.7%	48.9%	42,000	- 58,000		15.0%	24.4%

* 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.

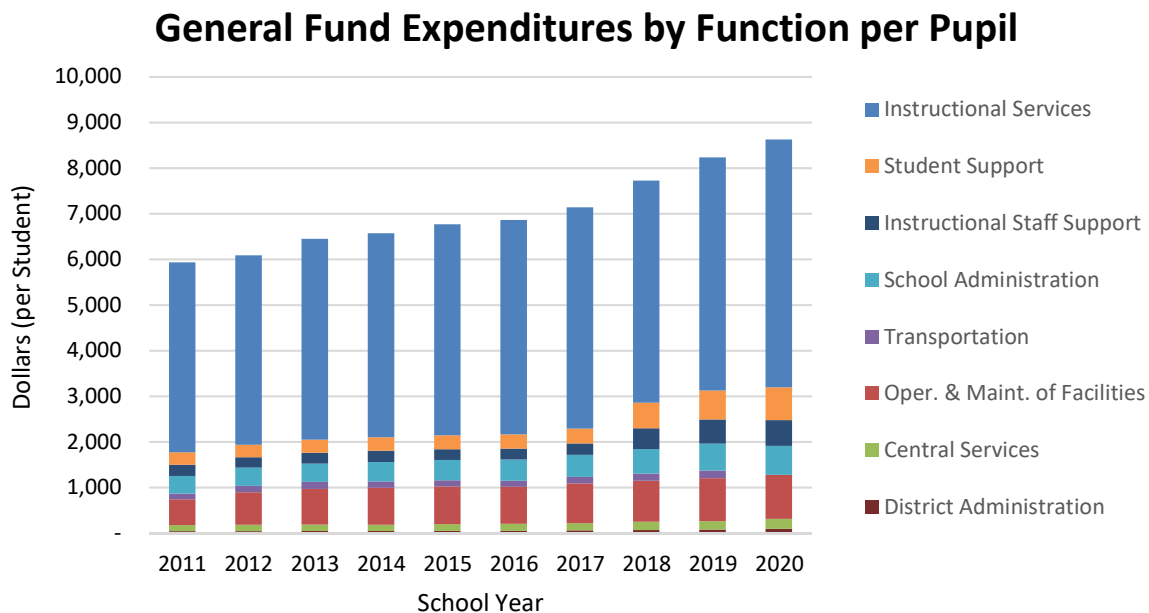
Operating Information

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
Teacher Compensation Data.....	130
Students per Instructional Staff.....	131
Fall Enrollment, Average Daily Membership, and Average Daily Attendance.....	132
History of High School Graduates.....	133
Full-Time Equivalents by Functional Category.....	134
Expenses by Function - Statement of Activities.....	136
Expenses by Function per Pupil - Statement of Activities.....	138
Expenditures by Function - General Fund.....	140
Expenditures by Function per Pupil - General Fund.....	142
Nutrition Services - Facts and Figures.....	144
Capital Asset Information.....	146

Sources:

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



Granite School District
Teacher Compensation Data

Last Ten Fiscal Years - June 30, 2011 through 2020

Fiscal Year	Bachelor Degree 1st Year Teacher Wage	Doctorate Degree 20th Year Teacher Wage	District Average Teacher Wage *	Statewide Median Teacher Wage *
2011	\$ 33,004	\$ 64,799	\$ 47,338	\$ 62,880
2012	33,004	64,799	47,338	46,623
2013	33,234	65,283	46,119	46,232
2014	33,331	65,485	46,075	46,421
2015	33,806	66,485	46,356	46,689
2016	34,990	68,977	46,946	47,341
2017	36,714	70,919	48,153	48,576
2018	41,000	79,195	53,187	49,655
2019	41,920	81,070	58,735	51,858
2020	43,483	84,255	A	A

Sources: District records

* Superintendent's Annual Report published by the Utah State Board of Education

A) The 2020 numbers were not available when this schedule was prepared.

Granite School District
Students per Instructional Staff

Last Ten Fiscal Years - June 30, 2011 through 2020

<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>
2011	66,884	3,330	20.08
2012	66,320	3,289	20.16
2013	66,385	3,367	19.71
2014	66,888	3,325	20.12
2015	66,622	3,379	19.72
2016	66,766	3,384	19.73
2017	66,007	3,306	19.97
2018	64,616	3,157	20.47
2019	63,071	3,138	20.10
2020	62,539	3,044	20.54

Source: District records

Granite School District

Fall Enrollment, Average Daily Membership, and Average Daily Attendance

Last Ten Fiscal Years - June 30, 2011 through 2020

<u>Fiscal Year</u>	<u>Fall Enrollment (Oct. 1)</u>	<u>Average Daily Membership (ADM)</u>	<u>Average Daily Attendance (ADA)</u>	<u>Ratio of ADM to Fall Enrollment</u>	<u>Ratio of ADA to ADM</u>
2011	68,573	66,884	64,141	97.54%	95.90%
2012	67,736	66,320	63,614	97.91%	95.92%
2013	67,600	66,385	63,196	98.20%	95.20%
2014	68,106	66,888	64,149	98.21%	95.91%
2015	67,660	66,622	65,294	98.47%	98.01%
2016	67,822	66,766	63,877	98.44%	95.67%
2017	67,177	66,007	63,064	98.26%	95.54%
2018	66,024	64,616	61,605	97.87%	95.34%
2019	64,281	63,071	60,085	98.12%	95.27%
2020	63,989	62,539	60,247	97.73%	96.34%

Source: Superintendent's Annual Report published by the Utah State Board of Education

Granite School District

History of High School Graduates

Last Ten School Years - School Years 2011 through 2020

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Totals</u>
Cottonwood	417	418	408	403	374	365	343	336	337	314	3,715
Cyprus	397	336	373	392	471	458	502	514	496	529	4,468
Granger	363	372	348	486	501	613	630	605	646	606	5,170
Hunter	573	523	549	600	575	592	565	590	546	566	5,679
Kearns	399	379	359	402	403	415	434	481	460	404	4,136
Olympus	400	434	433	487	448	482	461	493	504	459	4,601
Skyline	439	435	465	440	490	442	508	477	445	446	4,587
Taylorville	486	459	511	480	456	526	490	496	528	508	4,940
Special Programs	<u>207</u>	<u>305</u>	<u>287</u>	<u>255</u>	<u>163</u>	<u>225</u>	<u>287</u>	<u>114</u>	<u>172</u>	<u>167</u>	<u>2,182</u>
Total	<u>3,681</u>	<u>3,661</u>	<u>3,733</u>	<u>3,945</u>	<u>3,881</u>	<u>4,118</u>	<u>4,220</u>	<u>4,106</u>	<u>4,134</u>	<u>3,999</u>	<u>39,478</u>

Source: District records

Granite School District

Full-Time Equivalents by Functional Category

Last Ten Fiscal Years - June 30, 2011 through 2020

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Instructional services	3,330.43	3,289.49	3,367.47	3,324.66	3,378.68	3,384.19
Supporting services:						
Students	230.28	233.15	241.37	241.61	247.52	248.19
Instructional staff	124.53	114.92	125.07	118.79	113.96	118.37
District administration	13.75	14.25	14.27	14.25	14.30	14.30
School administration	267.95	274.13	266.00	269.00	277.50	282.50
Central	97.50	97.50	91.10	88.10	88.10	90.50
Operation and maintenance of facilities	330.36	433.50	457.90	469.10	469.50	473.50
Transportation	118.05	119.86	120.85	120.86	121.84	123.38
School lunch services	125.94	116.46	115.61	116.86	120.11	118.71
Community services	99.19	121.86	11.00	14.00	12.00	13.00
Capital outlay	<u>96.64</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>-</u>	<u>-</u>
Total full-time equivalents	<u>4,834.62</u>	<u>4,817.12</u>	<u>4,812.64</u>	<u>4,779.23</u>	<u>4,843.51</u>	<u>4,866.64</u>

Source: District records

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
3,305.90	3,156.75	3,138.12	3,044.43
256.10	371.01	393.33	399.77
123.27	193.87	217.31	212.47
16.30	16.30	16.30	18.58
279.50	281.50	287.50	295.00
92.50	92.50	94.50	101.50
473.50	464.00	481.50	489.50
127.61	127.36	130.19	136.19
126.00	132.00	128.00	127.00
12.00	18.00	18.00	19.00
<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
<u>4,814.68</u>	<u>4,855.29</u>	<u>4,906.75</u>	<u>4,845.44</u>

Granite School District

Expenses by Function-Statement of Activities

Last Ten Fiscal Years - June 30, 2011 through 2020

Function	2011	2012	2013	2014	2015
Instructional services	\$ 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	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	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	3,172,168 0.65%	3,261,574 0.68%	3,311,703 0.64%	3,459,222 0.69%	3,231,125 0.62%
School administration	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	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	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	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	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	14,764,773 3.04%	15,722,329 3.30%	224,767 0.04%	393,701 0.08%	966,017 0.19%
Intergovernmental	- -	- -	- -	- -	5,193,756 1.00%
Interest on long-term liabilities	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	<u>\$ 486,119,659</u>	<u>\$ 476,914,021</u>	<u>\$ 521,009,795</u>	<u>\$ 501,689,711</u>	<u>\$ 521,254,369</u>
Average daily membership	66,884	66,320	66,385	66,888	66,622
Average expenses per pupil	\$7,268	\$7,191	\$7,848	\$7,500	\$7,824

Source: District records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 355,541,828 64.00%	\$ 369,346,099 63.98%	\$ 348,324,558 59.06%	\$ 372,732,101 58.23%	\$ 388,977,821 57.57%
21,053,440 3.79%	22,186,753 3.84%	35,524,217 6.02%	41,447,698 6.48%	46,816,092 6.93%
15,973,484 2.88%	16,686,210 2.89%	28,706,882 4.87%	34,598,339 5.41%	36,628,138 5.42%
3,717,258 0.67%	3,970,098 0.69%	4,201,137 0.71%	5,133,263 0.80%	6,601,202 0.98%
31,905,955 5.74%	33,272,812 5.76%	35,176,036 5.96%	40,263,205 6.29%	43,266,788 6.40%
12,809,149 2.31%	13,243,357 2.29%	15,267,081 2.59%	16,156,481 2.52%	18,837,470 2.79%
58,918,567 10.61%	62,909,891 10.90%	61,625,697 10.45%	65,454,894 10.23%	66,498,153 9.84%
11,384,960 2.05%	10,571,801 1.83%	11,924,768 2.02%	13,077,960 2.04%	13,548,580 2.01%
29,697,433 5.35%	33,023,155 5.72%	31,814,472 5.39%	31,567,801 4.93%	30,249,702 4.48%
1,399,308 0.25%	1,312,990 0.23%	1,456,918 0.25%	2,045,143 0.32%	1,232,701 0.18%
5,766,586 1.04%	4,636,541 0.80%	8,232,386 1.40%	8,359,646 1.31%	13,651,109 2.02%
7,381,897 1.33%	6,157,330 1.07%	7,551,547 1.28%	9,242,260 1.44%	9,364,995 1.39%
<u>\$ 555,549,865</u>	<u>\$ 577,317,037</u>	<u>\$ 589,805,699</u>	<u>\$ 640,078,791</u>	<u>\$ 675,672,751</u>
66,766	66,007	64,616	63,071	62,539
\$8,321	\$8,746	\$9,128	\$10,149	\$10,804

Granite School District
Expenses by Function Per Pupil-Statement of Activities
 Last Ten Fiscal Years - June 30, 2011 through 2020

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instructional services	\$ 4,764 65.54%	\$ 4,491 62.46%	\$ 5,247 66.85%	\$ 4,790 63.87%	\$ 5,036 64.36%
Support services:					
Students	274 3.77%	274 3.80%	290 3.69%	298 3.97%	300 3.83%
Instructional staff	246 3.38%	228 3.16%	237 3.02%	250 3.33%	224 2.87%
District administration	47 0.65%	49 0.68%	50 0.64%	52 0.69%	48 0.62%
School administration	387 5.33%	396 5.51%	398 5.07%	423 5.64%	442 5.64%
Central	142 1.96%	148 2.06%	158 2.01%	154 2.05%	149 1.91%
Operation and maintenance of facilities	589 8.10%	731 10.16%	799 10.18%	831 11.08%	863 11.02%
Transportation	139 1.91%	154 2.14%	167 2.13%	155 2.06%	144 1.84%
School lunch services	411 5.65%	371 5.16%	379 4.83%	424 5.65%	411 5.26%
Community services	221 3.04%	237 3.30%	3 0.04%	6 0.08%	14 0.19%
Intergovernmental	- -	- -	- -	- -	78 1.00%
Interest on long-term liabilities	49 0.68%	113 1.57%	119 1.52%	118 1.58%	115 1.47%
Total expenses	<u>\$ 7,268</u>	<u>\$ 7,191</u>	<u>\$ 7,848</u>	<u>\$ 7,500</u>	<u>\$ 7,824</u>
Average daily membership	66,884	66,320	66,385	66,888	66,622

Source: District records

	2016	2017	2018	2019	2020
\$	5,325	\$ 5,596	\$ 5,391	\$ 5,910	\$ 6,220
	64.00%	63.98%	59.06%	58.23%	57.57%
	315	336	550	657	749
	3.79%	3.84%	6.02%	6.48%	6.93%
	239	253	444	549	586
	2.88%	2.89%	4.87%	5.41%	5.42%
	56	60	65	81	106
	0.67%	0.69%	0.71%	0.80%	0.98%
	478	504	544	638	692
	5.74%	5.76%	5.96%	6.29%	6.40%
	192	201	236	256	301
	2.31%	2.29%	2.59%	2.52%	2.79%
	882	953	954	1,038	1,063
	10.61%	10.90%	10.45%	10.23%	9.84%
	171	160	185	207	217
	2.05%	1.83%	2.02%	2.04%	2.01%
	445	500	492	501	484
	5.35%	5.72%	5.39%	4.93%	4.48%
	21	20	23	32	20
	0.25%	0.23%	0.25%	0.32%	0.18%
	86	70	127	133	218
	1.04%	0.80%	1.40%	1.31%	2.02%
	111	93	117	147	150
	1.33%	1.07%	1.28%	1.44%	1.39%
\$	<u>8,321</u>	<u>\$ 8,746</u>	<u>\$ 9,128</u>	<u>\$ 10,149</u>	<u>\$ 10,804</u>
	66,766	66,007	64,616	63,071	62,539

Granite School District
Expenditures by Function-General Fund
 Last Ten Fiscal Years - June 30, 2011 through 2020

Function	2011	2012	2013	2014	2015
Instructional services	\$ 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	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	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	2,807,675 0.71%	2,884,608 0.71%	3,042,966 0.71%	3,152,450 0.72%	3,394,556 0.75%
School administration	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	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	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	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>\$ 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	66,884	66,320	66,385	66,888	66,622
Average expenditures per pupil	\$5,935	\$6,089	\$6,452	\$6,573	\$6,771

Source: District records

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 313,720,152 68.45%	\$ 319,976,784 67.89%	\$ 314,430,030 62.98%	\$ 322,311,986 62.05%	\$ 339,760,809 61.68%
20,864,748 4.55%	21,608,738 4.58%	36,374,578 7.29%	40,056,602 7.71%	45,088,198 8.18%
15,941,286 3.48%	16,462,417 3.49%	29,410,870 5.89%	33,386,361 6.43%	35,266,193 6.39%
3,439,511 0.75%	3,879,652 0.82%	4,364,980 0.87%	4,790,448 0.92%	5,979,524 1.09%
31,232,278 6.81%	31,915,921 6.77%	34,632,807 6.94%	37,085,152 7.14%	39,730,343 7.21%
10,201,607 2.23%	10,451,478 2.22%	11,823,625 2.37%	11,659,378 2.24%	13,639,516 2.48%
53,990,705 11.78%	57,355,321 12.17%	58,104,674 11.64%	59,500,004 11.45%	60,284,988 10.94%
8,925,593 1.95%	9,652,879 2.05%	10,139,277 2.03%	10,676,487 2.06%	11,101,283 2.02%
<u>\$ 458,315,880</u>	<u>\$ 471,303,190</u>	<u>\$ 499,280,841</u>	<u>\$ 519,466,418</u>	<u>\$ 550,850,854</u>
66,766	66,007	64,616	63,071	62,539
\$6,865	\$7,140	\$7,727	\$8,236	\$8,808

Granite School District
Expenditures by Function Per Pupil-General Fund
 Last Ten Fiscal Years - June 30, 2011 through 2020

Function	2011	2012	2013	2014	2015	2016
Instructional services	\$ 4,164 70.16%	\$ 4,153 68.18%	\$ 4,403 68.22%	\$ 4,471 68.02%	\$ 4,626 68.32%	\$ 4,699 68.45%
Support services:						
Students	273 4.60%	274 4.50%	289 4.48%	297 4.52%	308 4.55%	312 4.55%
Instructional staff	245 4.13%	228 3.75%	239 3.71%	249 3.79%	232 3.42%	239 3.48%
District administration	42 0.71%	43 0.71%	46 0.71%	47 0.72%	51 0.75%	51 0.75%
School administration	387 6.52%	398 6.53%	397 6.16%	421 6.41%	448 6.62%	468 6.81%
Central	134 2.26%	140 2.30%	141 2.19%	137 2.08%	147 2.17%	153 2.23%
Operation and maintenance of facilities	565 9.52%	712 11.70%	783 12.13%	809 12.31%	822 12.14%	809 11.78%
Transportation	125 2.10%	141 2.32%	154 2.39%	142 2.16%	137 2.02%	134 1.95%
Total expenditures	<u>\$ 5,935</u>	<u>\$ 6,089</u>	<u>\$ 6,452</u>	<u>\$ 6,573</u>	<u>\$ 6,771</u>	<u>\$ 6,865</u>
Average daily membership	66,884	66,320	66,385	66,888	66,622	66,766

Source: District records

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 4,848 67.89%	\$ 4,866 62.98%	\$ 5,110 62.05%	\$ 5,434 61.68%
327 4.58%	563 7.29%	635 7.71%	720 8.18%
249 3.49%	455 5.89%	530 6.43%	563 6.39%
59 0.82%	67 0.87%	76 0.92%	96 1.09%
483 6.77%	536 6.94%	588 7.14%	635 7.21%
159 2.22%	183 2.37%	184 2.24%	218 2.48%
869 12.17%	899 11.64%	943 11.45%	964 10.94%
146 2.05%	157 2.03%	170 2.06%	178 2.02%
<u>\$ 7,140</u>	<u>\$ 7,726</u>	<u>\$ 8,236</u>	<u>\$ 8,808</u>
66,007	64,616	63,071	62,539

Granite School District

Nutrition Services - Facts and Figures

Last Ten Fiscal Years - June 30, 2011 through 2020

	2011	2012	2013	2014	2015	2016
Participating schools:						
Lunch	90	89	97**	104**	103**	102**
Breakfast	67	69	73	77	82	82
Student lunches served:						
Free	3,999,613	3,899,803	3,857,384	4,188,624	4,113,400	4,132,230
Reduced	600,159	674,960	640,014	664,534	690,340	663,791
Fully paid	<u>2,443,213</u>	<u>2,374,965</u>	<u>2,157,488</u>	<u>2,234,041</u>	<u>2,232,415</u>	<u>2,284,802</u>
Total	<u>7,042,985</u>	<u>6,949,728</u>	<u>6,654,886</u>	<u>7,087,199</u>	<u>7,036,155</u>	<u>7,080,823</u>
Student breakfasts served:						
Free	1,388,333	1,349,266	2,643,404	1,314,999	1,531,911	2,128,873
Reduced	117,269	137,451	130,558	142,838	169,619	289,266
Fully paid	<u>213,687</u>	<u>219,917</u>	<u>210,901</u>	<u>233,110</u>	<u>301,930</u>	<u>779,495</u>
Total	<u>1,719,289</u>	<u>1,706,634</u>	<u>2,984,863</u>	<u>1,690,947</u>	<u>2,003,460</u>	<u>3,197,634</u>
Student dinners served:						
Free	-	-	-	-	16,142	83,340
Percentage of free/reduced/fully paid lunches served:						
Free	56.79%	56.12%	57.96%	59.10%	58.46%	58.36%
Reduced	8.52%	9.71%	9.62%	9.38%	9.81%	9.37%
Fully paid	34.69%	34.17%	32.42%	31.52%	31.73%	32.27%
Percentage of free/reduced/fully paid breakfasts served:						
Free	80.75%	79.06%	88.56%	77.76%	76.46%	66.57%
Reduced	6.82%	8.05%	4.37%	8.45%	8.47%	9.05%
Fully paid	12.43%	12.89%	7.07%	13.79%	15.07%	24.38%
Average daily participation:						
Lunch	39,791	39,487	37,598	40,041	39,752	40,005
Breakfast	9,715	9,697	16,864	9,553	11,319	18,066
Dinner	-	-	-	-	91	471
Average daily membership:	66,884	66,320	66,385	66,888	66,622	66,766
Percentage of students participating in school lunch/breakfast:						
Lunch	59.49%	59.54%	56.64%	59.86%	59.67%	59.92%
Breakfast	14.53%	14.62%	25.40%	14.28%	16.99%	27.06%

Source: District records

* Due to the COVID-19 pandemic, distance learning was in effect for all students from March 13, 2020 to the end of the school year. Emergency feeding protocols were in place from that date through June 30, 2020.

** Exceeds the total number of District schools as shown on the schedule titled Capital Asset Information due to services provided to non-District schools.

2017	2018	2019	2020*
102**	98**	89	88
82	81	75	75
3,935,269	3,674,170	3,065,705	3,095,932
654,815	650,610	567,960	419,629
<u>2,234,920</u>	<u>2,087,704</u>	<u>2,073,425</u>	<u>1,530,270</u>
<u>6,825,004</u>	<u>6,412,484</u>	<u>5,707,090</u>	<u>5,045,831</u>
2,403,597	2,232,995	2,037,781	2,139,289
354,902	378,593	311,273	228,578
<u>982,841</u>	<u>986,181</u>	<u>936,995</u>	<u>686,406</u>
<u>3,741,340</u>	<u>3,597,769</u>	<u>3,286,049</u>	<u>3,054,273</u>
117,195	154,825	112,709	59,640
57.66%	57.29%	53.72%	54.25%
9.59%	10.15%	9.95%	7.35%
32.75%	32.56%	36.33%	26.81%
64.24%	62.07%	62.01%	65.10%
9.49%	10.52%	9.47%	6.96%
26.27%	27.41%	28.51%	20.89%
38,559	32,551	32,427	23,689
21,138	18,263	18,671	14,339
662	933	640	497
66,007	64,616	63,071	62,539
58.42%	50.38%	51.41%	37.88%
32.02%	28.26%	29.60%	22.93%

Granite School District

Capital Asset Information

Last Ten Fiscal Years - June 30, 2011 through 2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Schools:										
Elementary schools:										
Number	61	62	62	63	63	63	63	63	63	62
Square feet	3,571,273	3,723,340	3,723,340	3,873,402	3,873,402	3,873,402	3,873,402	3,873,402	3,890,708	3,842,650
Capacity	44,145	45,684	45,684	46,872	46,872	46,872	46,872	46,872	46,872	46,332
Enrollment	38,312	38,102	38,042	38,336	38,045	37,432	36,765	35,159	34,123	32,507
Middle schools:										
Number	16	16	16	16	16	15	15	15	15	15
Square feet	2,373,826	2,373,826	2,373,826	2,373,826	2,373,826	2,248,693	2,248,693	2,248,693	2,249,968	2,283,473
Capacity	20,871	20,871	20,871	20,871	20,871	19,602	19,602	19,602	19,602	19,602
Enrollment	14,925	14,917	15,179	14,363	13,528	12,848	11,696	11,561	11,720	12,055
High schools:										
Number	8	8	8	8	8	8	8	8	8	8
Square feet	2,428,502	2,428,502	2,428,502	2,704,094	2,704,094	2,829,227	2,829,227	2,829,227	2,832,270	2,872,926
Capacity	18,228	18,228	18,228	19,236	19,236	20,505	20,505	20,505	20,505	19,818
Enrollment	13,945	13,528	13,466	14,483	15,255	15,757	17,071	17,634	17,717	17,630
Special schools:										
Number	4	4	6	6	6	6	6	6	6	6
Square feet	343,046	343,046	477,885	477,885	477,885	477,885	477,885	477,885	389,661	388,658
Capacity *										
Enrollment	1,391	1,189	913	924	832	1,785	1,645	1,670	721	1,797
Total schools:	89	90	92	93	93	92	92	92	92	91
Square feet	8,716,647	8,868,714	9,003,553	9,429,207	9,429,207	9,429,207	9,429,207	9,429,207	9,362,607	9,387,707
Capacity	83,244	84,783	84,783	86,979	86,979	86,979	86,979	86,979	86,979	85,752
Enrollment	68,573	67,736	67,600	68,106	67,660	67,822	67,177	66,024	64,281	63,989
Other buildings:										
Number	12	12	17	15	14	13	13	13	23	24
Square feet	772,905	817,087	741,232	634,479	585,150	537,052	537,052	537,052	588,527	596,197
Acres of land	1,401.0	1,419.2	1,518.3	1,485.8	1,470.5	1,443.3	1,451.8	1,452.6	1,497.3	1,491.1
Number of portables	235	232	246	255	256	258	260	262	236	230
Number of vehicles	699	672	703	705	707	713	729	733	751	781

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

Source: District records

Make sure the enrollment numbers agree to the ADM vs ADA schedule.



GRANITE SCHOOL DISTRICT
2500 SOUTH STATE
SALT LAKE CITY, UTAH 84115
graniteschools.org