

NEW ISSUE

Ratings: Moody's "Aaa" (State of Utah Guaranty; underlying "Aaa")

Fitch "AAA" (State of Utah Guaranty; underlying "AAA")

See "STATE OF UTAH GUARANTY" and "MISCELLANEOUS—Bond Ratings" herein.

Subject to compliance by Board with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the 2019B Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals. In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2019B Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See "TAX MATTERS" herein for a more complete discussion.



\$56,470,000

**Board of Education of
Jordan School District, Utah**

**General Obligation School Building Bonds
(Utah School District Bond Guaranty Program), Series 2019B**

The \$56,470,000 General Obligation School Building Bonds (Utah School District Bond Guaranty Program), Series 2019B are issuable by the Board of Education of Jordan School District, Utah, as fully-registered bonds and, when initially issued, will be in book-entry only form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. DTC will act as securities depository for the 2019B Bonds.

Principal of and interest on the 2019B Bonds (interest payable June 15 and December 15 of each year, commencing June 15, 2019) are payable by Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, as Paying Agent, to the registered owners thereof, initially DTC. See "THE 2019B BONDS—Book-Entry System" herein.

The 2019B Bonds are subject to optional redemption prior to maturity. See "THE 2019B BONDS—Redemption Provisions" herein.

The 2019B Bonds will be general obligations of the Board payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all taxable property in Jordan School District, Utah, fully sufficient to pay the 2019B Bonds as to both principal and interest.

Payment of the principal of and interest on the 2019B Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the

State of Utah

under the provisions of the Utah school district bond guaranty. See "STATE OF UTAH GUARANTY" herein.

Dated: Date of Delivery¹

Due: June 15, as shown on inside front cover

See the inside front cover for the maturity schedule of the 2019B Bonds

The 2019B Bonds were awarded pursuant to competitive bidding received by means of the *PARITY*® electronic bid submission system on February 7, 2019 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated January 29, 2019) to the successful bidder at a "true interest cost" of 2.79%.

Zions Public Finance, Inc., Salt Lake City, Utah, acted as Municipal Advisor.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire OFFICIAL STATEMENT to obtain information essential to the making of an informed investment decision.

This OFFICIAL STATEMENT is dated February 7, 2019, and the information contained herein speaks only as of that date.

¹ The anticipated date of delivery is Thursday, February 21, 2019.

Jordan School District, Utah

\$56,470,000

General Obligation School Building Bonds (Utah School District Bond Guaranty Program), Series 2019B

Dated: Date of Delivery¹

Due: June 15, as shown below

Due June 15	CUSIP® 480772	Principal Amount	Interest Rate	Yield/ Price
2020.....	RW4	\$6,295,000	5.00 %	1.62%
2021.....	RX2	2,050,000	5.00	1.63
2022.....	RY0	2,150,000	5.00	1.65
2023.....	RZ7	2,250,000	5.00	1.68
2024.....	SA1	2,375,000	5.00	1.72
2025.....	SB9	2,475,000	5.00	1.79
2026.....	SC7	2,600,000	5.00	1.87
2027.....	SD5	2,750,000	5.00	1.95
2028.....	SE3	2,875,000	4.00	2.10 ^c
2029.....	SF0	3,000,000	4.00	2.15 ^c
2030.....	SG8	3,100,000	3.00	2.60 ^c
2031.....	SH6	3,200,000	2.75	2.87
2032.....	SJ2	3,300,000	2.875	2.99
2033.....	SK9	3,400,000	3.00	3.11
2034.....	SL7	3,500,000	3.125	3.18
2035.....	SM5	3,600,000	3.25	100.00
2036.....	SN3	3,725,000	3.25	3.33
2037.....	SP8	3,825,000	3.375	3.39

¹ The anticipated date of delivery is Thursday, February 21, 2019.

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^c Priced to par call on June 15, 2027.

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This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of, the 2019B Bonds (as defined herein), by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other informational representations must not be relied upon as having been authorized by any of: the Board of Education of Jordan School District, Utah (the “Board”); Zions Public Finance, Inc., Salt Lake City, Utah (as Municipal Advisor); Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, (as Paying Agent); the State of Utah; the successful bidder(s); or any other entity. The information contained herein has been obtained from the Board, The Depository Trust Company, New York, New York, the State of Utah, and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery or exchange of the 2019B Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the Board, since the date hereof.

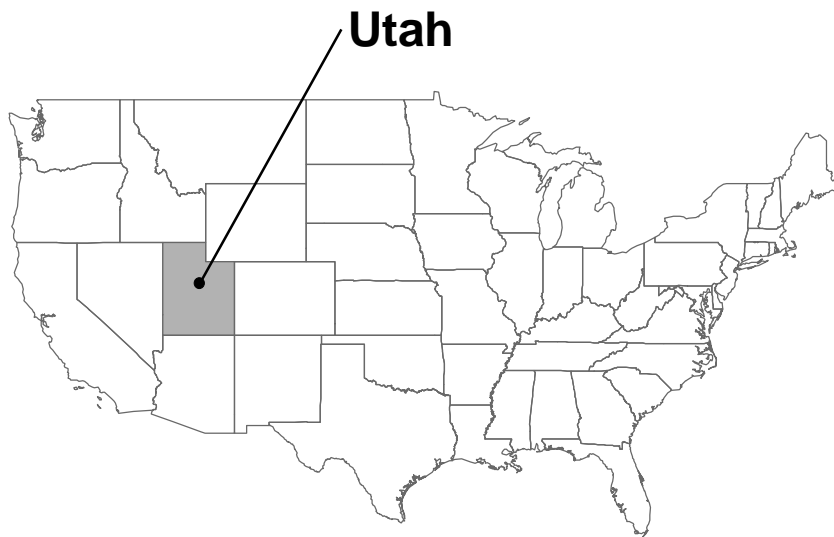
The 2019B Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

The yields/prices at which the 2019B Bonds are offered to the public may vary from the initial reoffering yields/prices on the inside cover page of this OFFICIAL STATEMENT. In addition, the successful bidder(s) may allow concessions or discounts from the initial offering prices of the 2019B Bonds to dealers and others. With any offering of the 2019B Bonds, the successful bidder(s) may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2019B Bonds. Such transactions may include overallotments in connection with the purchase of 2019B Bonds to stabilize their market price and to cover the successful bidder’s short positions. Such transactions, if commenced, may be discontinued at any time.

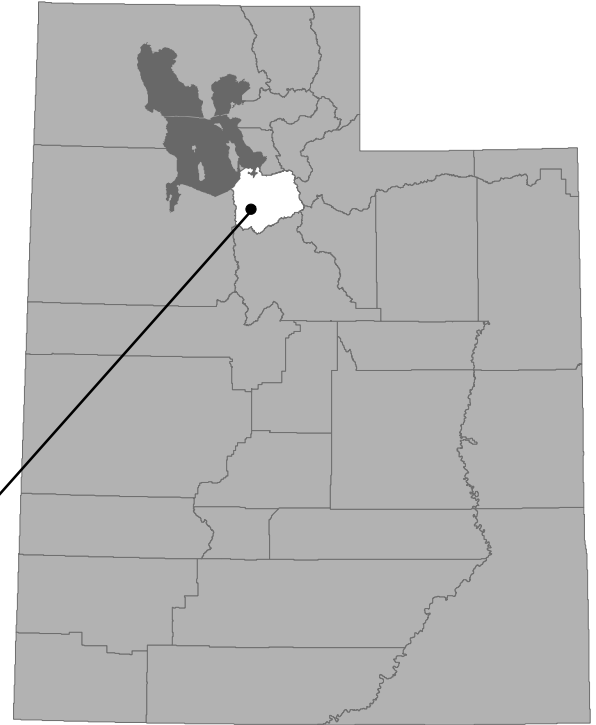
Forward-Looking Statements. Certain statements included or incorporated by reference in this OFFICIAL STATEMENT may constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used, such as “plan,” “project,” “forecast,” “expect,” “estimate,” “budget” or other similar words. ***The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The Board does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations, or events, conditions or circumstances on which such statements are based occur.***

The CUSIP® (Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover page of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders only, and the Board does not make any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® numbers are subject to being changed after the issuance of the 2019B Bonds because of various subsequent actions including, but not limited to, a refunding in whole or in part of the 2019B Bonds.

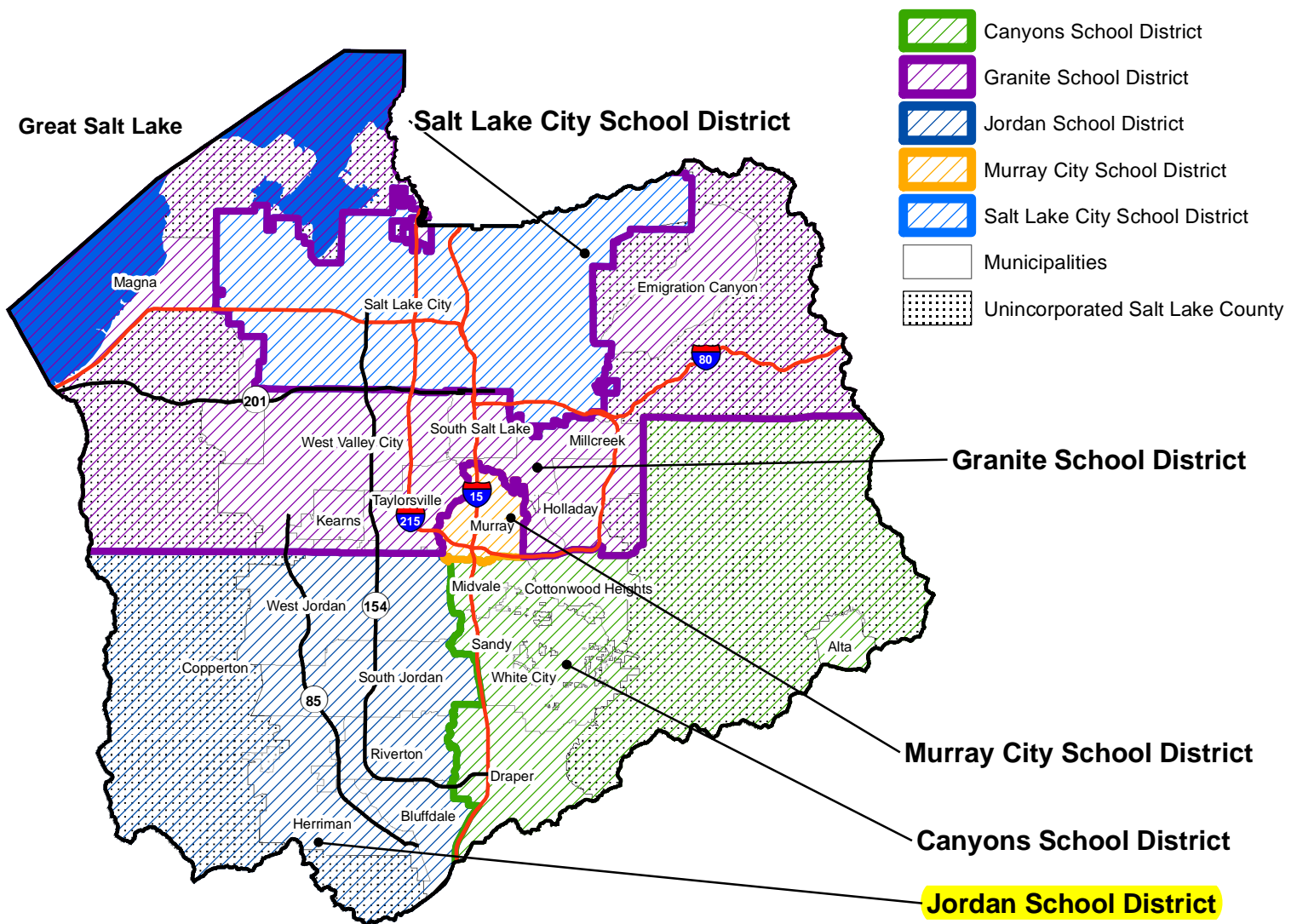
The information available at web sites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided relating to the offering of the 2019B Bonds and is not a part of this OFFICIAL STATEMENT.



Salt Lake County



Salt Lake County School Districts



OFFICIAL STATEMENT RELATED TO

\$56,470,000

Board of Education of Jordan School District, Utah

General Obligation School Building Bonds (Utah School District Bond Guaranty Program), Series 2019B

INTRODUCTION

This introduction is only a brief description of the 2019B Bonds, as hereinafter defined, the security and source of payment for the 2019B Bonds and certain information regarding the Board of Education (the “Board”) of Jordan School District, Utah (the “District”). The information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT, including the appendices. Investors are urged to make a full review of the entire OFFICIAL STATEMENT.

See the following appendices that are attached hereto and incorporated herein by reference: “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018;” “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL;” “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING;” and “APPENDIX D—BOOK-ENTRY SYSTEM.”

When used herein the terms “Fiscal Year[s] 20YY” or “Fiscal Year[s] End[ed][ing] June 30, 20YY” shall refer to the year ended or ending on June 30 of the year indicated and beginning on July 1 of the preceding calendar year. The terms “Calendar Year[s] 20YY” or “Tax Year[s] 20YY” shall refer to the year beginning on January 1 and ending on December 31 of the year indicated. Capitalized terms used but not otherwise defined herein have the same meaning as given to them in the Resolution, as hereinafter defined.

Public Sale/Electronic Bid

The 2019B Bonds were awarded pursuant to competitive bidding received by means of the **PARITY®** electronic bid submission system on February 7, 2019 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated January 29, 2019) to Morgan Stanley & Co. LLC., New York, New York at a “true interest cost” of 2.79%.

Morgan Stanley & Co. LLC., as underwriter of the 2019B Bonds, has entered into a distribution agreement with its affiliate, Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC. may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC. may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the 2019B Bonds.

Jordan School District, Utah

The District was established in 1905 and at that time included the southern portion of Salt Lake County, Utah (the “County”). On July 1, 2009, the District was divided into two school districts. The cities,

townships and unincorporated areas encompassing the southeastern portion of the County are now known as Canyons School District (“Canyons School District” or “Canyons”). The cities of Bluffdale, Herriman, Riverton, South Jordan, West Jordan; the Township of Copperton and certain unincorporated areas in the southwestern portion of the County now constitute the boundaries of the District. See location map above. See “JORDAN SCHOOL DISTRICT, UTAH” below.

The 2019B Bonds

This OFFICIAL STATEMENT, including the cover page, introduction and appendices, provides information about the issuance and sale by the Board of its \$56,470,000 General Obligation School Building Bonds (Utah School District Bond Guaranty Program), Series 2019B (the “2019B Bond” or “2019B Bonds”), initially issued in book–entry form only.

Security

The 2019B Bonds will be general obligations of the Board, payable from the proceeds of ad valorem taxes to be levied, without limitation as to rate or amount, on all taxable property in the District, fully sufficient to pay the 2019B Bonds as to both principal and interest. See “SECURITY AND SOURCES OF PAYMENT” and “FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Ad Valorem Tax Levy And Collection” below.

Payment of the principal of and interest on the 2019B Bonds when due is guaranteed by the full faith and credit and unlimited taxing power of the State under the provisions of Title 53G, Chapter 4, Part 8 (the “Guaranty Act”), Utah Code Annotated 1953, as amended (the “Utah Code”). See “STATE OF UTAH GUARANTY” below.

Authorization For And Purpose Of The 2019B Bonds

Authorization. The 2019B Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14 (the “Local Government Bonding Act”), Utah Code; the Registered Public Obligations Act, Title 15, Chapter 7, Utah Code; and the applicable provisions of Title 53G of the Utah Code, (ii) the resolution of the Board adopted on November 27, 2018 (the “Resolution”), which provides for the issuance of the 2019B Bonds, and (iii) other applicable provisions of law.

The 2019B Bonds were authorized at a special bond election held for that purpose on November 8, 2016 (the “2016 Bond Election”). The proposition submitted to the voters of the District was as follows:

Shall the Board of Education of Jordan School District, Utah, be authorized to issue General Obligation Bonds in a principal amount not to exceed \$245,000,000 and to mature in no more than 21 years from the date or dates of issuance of such bonds for the purpose of paying all or a portion of the costs of constructing, acquiring, furnishing and equipping new school buildings and facilities; rebuilding existing school buildings and facilities; acquiring land for school buildings and facilities, and, to the extent necessary, for providing moneys for the refunding of general obligation bonds?

At the 2016 Bond Election there were 54,704 votes cast in favor of the issuance of bonds and 36,462 votes cast against the issuance of bonds, for a total vote count of 91,166, with approximately 60% in favor of the issuance of bonds.

The 2019B Bonds will be the fourth block of bonds to be issued from the 2016 Bond Election. After the sale and delivery of the 2019B Bonds, the Board will have approximately \$48.675 million authorized unissued bonds from the 2016 Bond Election.

Purpose. The 2019B Bonds are being issued to fund various acquisition, construction, furnishing and equipping of projects as set forth in the 2016 Bond Election proposition and to pay certain costs of issuance. See “THE 2019B BONDS—Sources And Uses Of Funds” below.

Redemption Provisions

The 2019B Bonds are subject to optional redemption prior to maturity. See “THE 2019B BONDS—Redemption Provisions” below.

Registration, Denominations, Manner Of Payment

The 2019B Bonds are issuable only as fully-registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2019B Bonds. Purchases of 2019B Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC’s Direct Participants (as defined herein). Beneficial Owners (as defined herein) of the 2019B Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the 2019B Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined under “APPENDIX D—BOOK-ENTRY SYSTEM.”

Principal of and interest on the 2019B Bonds (interest payable June 15 and December 15 of each year, commencing June 15, 2019) are payable by Zions Bancorporation, National Association, Corporate Trust Department, Salt Lake City, Utah, (“Zions Bank”), as paying agent (the “Paying Agent”) for the 2019B Bonds, to the registered owners of the 2019B Bonds. So long as Cede & Co. is the registered owner of the 2019B Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2019B Bonds, as described in “APPENDIX D—BOOK-ENTRY SYSTEM.”

So long as DTC or its nominee is the registered owner of the 2019B Bonds, neither the Board nor the Paying Agent will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2019B Bonds. Under these same circumstances, references herein and in the Resolution to the “Bondowners” or “Registered Owners” of the 2019B Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2019B Bonds.

Tax-Exempt Status Of The 2019B Bonds

Subject to compliance by the Board with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the 2019B Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals.

In the opinion of Bond Counsel, under the existing laws of the State, as presently enacted and construed, interest on the 2019B Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act.

See “TAX MATTERS” below for a more complete discussion.

Professional Services

In connection with the issuance of the 2019B Bonds, the following have served the Board in the capacity indicated.

Attorney for the Board

Burbidge & White LLC
15 W S Temple Ste 950
Salt Lake City UT 84101
801.359.7000 | f 801.236.5319
pvankomen@burbidgewhite.com

Bond Registrar and Paying Agent

Zions Bancorporation National Association
Zions Bank Building
Corporate Trust Department
One S Main St 12th Fl
Salt Lake City UT 84133-1109
801.844.7517 | f 855.547.5428
carrie.sandoval@zionsbancorp.com

Bond Counsel

Chapman and Cutler LLP
215 S State St Ste 800
Salt Lake City UT 84111-2266
801.536.1426 | f 801.533.9595
bjjerke@chapman.com

Municipal Advisor

Zions Public Finance Inc
Zions Bank Building
One S Main St 18th Fl
Salt Lake City UT 84133-1109
801.844.7373 | f 801.844.4484
johnathan.ward@zionsbancorp.com

Conditions Of Delivery, Anticipated Date, Manner, And Place Of Delivery

The 2019B Bonds are offered, subject to prior sale, when, as and if issued and received by the successful bidder(s), subject to the approval of legality of the 2019B Bonds by Chapman and Cutler LLP, Bond Counsel to the Board, and certain other conditions. Certain legal matters will be passed on for the Board by Burbidge & White LLC, Salt Lake City, Utah. It is expected that the 2019B Bonds, in book-entry form only, will be available for delivery in Salt Lake City, Utah for deposit with Zions Bank, a “fast agent” of DTC, on or about Thursday, February 21, 2019.

Continuing Disclosure Undertaking

The Board will enter a continuing disclosure undertaking for the benefit of the Beneficial Owners of the 2019B Bonds. For a detailed discussion of this disclosure undertaking, previous undertakings and timing of submissions see “CONTINUING DISCLOSURE UNDERTAKING” below and “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

Basic Documentation

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Board, the District, the 2019B Bonds, and the Resolution are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Resolution are qualified in their entirety by reference to such document, and references herein to the 2019B Bonds are qualified in their entirety by reference to the form thereof included in the Resolution. The “basic documentation” which includes the Resolution, the closing documents and other documentation, authorizing the issuance of the 2019B Bonds and establishing the rights and responsibilities of the Board and other parties to the transaction, may be obtained from the “contact persons” as indicated below.

Contact Persons

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to Zions Public Finance, Inc., Salt Lake City, Utah (the “Municipal Advisor”) to the Board:

Johnathan Ward, Vice President, johnathan.ward@zionsbancorp.com
Eric John Pehrson, Senior Vice President, eric.pehrson@zionsbancorp.com
Zions Public Finance, Inc.
Zions Bank Building
One S Main St 18th Fl
Salt Lake City UT 84133-1109
801.844.7373 | f 801.844.4484

As of the date of this OFFICIAL STATEMENT, the chief contact person for the Board concerning the 2019B Bonds is:

John Larsen, CPA, Business Administrator, john.larsen@jordandistrict.org
Jordan School District Administration Center
7387 S Campus View Dr
West Jordan UT 84084
801.567.8120 | f 801.567.8078

As of the date of this OFFICIAL STATEMENT, the chief contact person for the State concerning the State guaranty for the 2019B Bonds is:

David Damschen, Utah State Treasurer, ddamschen@utah.gov
Utah State Treasurer's Office
350 N State St Ste C-180
(PO Box 142315)
Salt Lake City UT 84114-2315
801.538.1042 | f 801.538.1465

SECURITY AND SOURCES OF PAYMENT

The 2019B Bonds will be general obligations of the Board, payable from the proceeds of ad valorem taxes to be levied without limitation as to rate or amount on all the taxable property in the District, fully sufficient to pay the 2019B Bonds as to both principal and interest.

See "FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Property Tax Matters" and "STATE OF UTAH SCHOOL FINANCE" below.

Payment of the principal of and interest on the 2019B Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the State under the provisions of the Guaranty Act. See "STATE OF UTAH GUARANTY" below.

STATE OF UTAH GUARANTY

Guaranty Provisions

Payment of the principal of and interest on the 2019B Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the State under the provisions of the Guaranty Act. The Guaranty Act establishes the Utah School Bond Default Avoidance Program (the "Program" or the "School District Bond Guaranty Program"). The State's guaranty is contained in Section 53G-4-802 (2)(a) of the Guaranty Act, which provides as follows:

The full faith and credit and unlimited taxing power of the state is pledged to guarantee full and timely payment of the principal of (either at the stated maturity or by any advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, bonds as such payments shall become due (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration).

In addition, the Guaranty Act provides that the State pledges to and agrees with the holders of bonds guaranteed under the Guaranty Act that the State will not alter, impair, or limit the rights vested by the

Program with respect to said bonds until said bonds, together with applicable interest, are fully paid and discharged. However, this pledge does not preclude an alteration, impairment, or limitation if adequate provision is made by law for the protection of the holders of the bonds.

The Guaranty Act further provides that (i) the guaranty of the State does not extend to the payment of any redemption premium due on any bonds guaranteed under the Guaranty Act and (ii) bonds which are guaranteed by the State for which payment is provided by the deposit of direct obligations of the United States government under the provisions of the Refunding Bond Act, Title 11, Chapter 27, Utah Code, will no longer be secured by the State's guaranty subsequent to such provision for payment. This is likely to occur only if such bonds are refunded in advance of their maturity. In such an event, such bonds would then be secured solely by the obligations pledged for their payment and not by the State's guaranty.

Guaranty Procedures

Under the Guaranty Act, the Business Administrator of the Board (the "Business Administrator") is required to transfer moneys sufficient for scheduled debt service payments on the 2019B Bonds to the Paying Agent at least 15 days before any principal or interest payment date for the 2019B Bonds. If the Business Administrator is unable to transfer the scheduled debt service payment to the Paying Agent at least 15 days before the payment date, the Business Administrator must immediately notify the Paying Agent and the Utah State Treasurer (the "State Treasurer") by (i) telephone and (ii) a writing sent by (a) facsimile transmission and (b) first-class United States mail. In addition, if the Paying Agent has not received the scheduled debt service payment at least 15 days prior to the scheduled debt service payment date for the 2019B Bonds, then the Paying Agent must at least 10 days before the scheduled debt service payment notify the State Treasurer of that failure by (i) telephone and (ii) a writing sent by (a) facsimile transmission and (b) first-class United States mail. The Guaranty Act further provides that if sufficient moneys to pay the scheduled debt service payment have not been transferred to the Paying Agent, then the State Treasurer shall, on or before the scheduled payment date, transfer sufficient moneys to the Paying Agent to make the scheduled debt service payment. Payment by the State of a debt service payment on the 2019B Bonds discharges the obligation of the Board to the bondholders for that payment, to the extent of the State's payment, and transfers the Board's obligation for that payment to the State.

In the event the State is called upon to make payment of principal of or interest on the 2019B Bonds on behalf of the Board, the State will use cash on hand (or from other legally available moneys) to make the payment. Under the Guaranty Act, the State Treasurer is required to immediately intercept any payments from the Uniform School Fund or from any other source of operating moneys provided by the State to the Board. The intercepted payments will be used to reimburse the State until all obligations of the Board to the State, including interest and penalties, are paid in full. The State does not currently expect to have to advance moneys to the Board pursuant to its guaranty. If, however, at the time the State is required to make a debt service payment under its guaranty on behalf of the Board, sufficient moneys are not on hand and available for that purpose, then the Guaranty Act provides that the State may seek a short-term loan from the Permanent School Fund sufficient to make the required payment (the Permanent School Fund is not required to make such a loan) or issue short-term State debt in the form of general obligation notes as provided in the Guaranty Act. The provisions of the Guaranty Act relating to short-term debt provide that such debt will carry the full faith and credit of the State and will be issued with a maturity of not more than 18 months so that the State could, if necessary, obtain liquidity financing on short notice. Under the State Constitution, debt incurred for this purpose does not count toward the constitutional debt limit of the State.

As of the date of this OFFICIAL STATEMENT, the State has guaranteed the following (statistics include this issuer but not this bond issue) under the Guaranty Act:

Number of school districts (out of 41 school districts in the State)	40
Number of total bond issues	345

Aggregate total principal amount outstanding \$3,499,314,000

The approximate aggregate total annual principal and interest payments (interest payments include anticipated federal interest subsidies on “Build America Bonds” and “Qualified School Construction Bonds”) due on bonds guaranteed by the State under the Program during Fiscal Years 2019 through 2024, inclusive, is as follows (currently, the Program’s annual principal and interest payments extend to Fiscal Year 2039):

Fiscal Year 2019	\$428,748,129
Fiscal Year 2020	387,619,793
Fiscal Year 2021	375,177,914
Fiscal Year 2022	340,085,499
Fiscal Year 2023	322,765,467
Fiscal Year 2024	311,719,033

(Source: Municipal Advisor.)

Purpose Of The Guaranty

The Guaranty Act is for the protection of the bondholders. Ultimate liability for the payment of the 2019B Bonds remains with the Board. Accordingly, the Guaranty Act contains provisions, including interception of State aid to the Board, possible action to compel levy of a tax sufficient to reimburse the State for any payments made to bondholders pursuant to its guaranty and various oversight provisions to assure that the Board, and not the State, will ultimately be responsible for debt service on the 2019B Bonds.

The Guaranty Act also charges the State Superintendent of Public Instruction with the responsibility to monitor and evaluate the fiscal solvency of each school board under the Program. He or she must immediately report to the Governor and the State Treasurer any circumstances suggesting that a school district will be unable to timely meet its debt service obligations and recommend a course of remedial action.

No Call On State Guaranty

According to the State Treasurer’s office, since the Guaranty Act’s inception in January 1997, the State has not been called upon to pay the principal of and interest on any bonds guaranteed under the Guaranty Act.

State Of Utah–Financial And Operating Information

The CAFR of the State for Fiscal Year 2018 (the “State CAFR”), its most recent official statements and current continuing disclosure information for its general obligation (CUSIP®917542) and lease revenue (CUSIP®917547) bond debt are currently on file with EMMA (<http://www.emma.msrb.org/>). The financial and operating information with respect to the State contained in the State CAFR, such official statements and continuing disclosure information, and the Master Agreement are hereby included by reference in this OFFICIAL STATEMENT; provided, however, the Board has not reviewed, approved or taken the responsibility for such financial and operating information incorporated herein by reference.

As of the date of this OFFICIAL STATEMENT, the outstanding general obligation bonds of the State are rated “AAA” by Fitch Ratings (“Fitch”), “Aaa” by Moody’s Investors Service, Inc. (“Moody’s”), and “AAA” by S&P Global Ratings (“S&P”).

CONTINUING DISCLOSURE UNDERTAKING

Continuing Disclosure Undertaking For 2019B Bonds

The Board will enter into a Continuing Disclosure Undertaking (the “Disclosure Undertaking”) for the benefit of the Beneficial Owners of the 2019B Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (“MSRB”) through its Electronic Municipal Market Access system (“EMMA”) pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the proposed form of Disclosure Undertaking in “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

Based on prior disclosure undertakings the Board submits its comprehensive annual financial report for each Fiscal Year Ending June 30 (the “CAFR”) and other operating and financial information on or before January 16 (200 days from the end of the Fiscal Year). The Board will submit the Fiscal Year 2019 CAFR and other required operating and financial information for the 2019B Bonds on or before January 16, 2020, and annually thereafter on or before each January 16.

A failure by the Board to comply with the Disclosure Undertaking will not constitute a default under the Resolution and Beneficial Owners of the 2019B Bonds are limited to the remedies described in the Disclosure Undertaking. See “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING.” A failure by the Board to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2019B Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2019B Bonds and their market price.

The State has entered into a Master Continuing Disclosure Agreement (the “Master Agreement”) for the benefit of the Beneficial Owners of the bonds, including the 2019B Bonds, guaranteed by the State pursuant to the Guaranty Act. See “STATE OF UTAH GUARANTY” above. In the Master Agreement, the State has undertaken to send certain information annually and to provide notice of certain events to the MSRB through EMMA pursuant to the Rule, but solely as to its responsibilities under its guaranty. See “STATE OF UTAH GUARANTY—State Of Utah—Financial And Operating Information” above. Based on prior disclosure undertakings the State submits its Fiscal Year Ending June 30 CAFR and other operating and financial information on or before January 15 (on or before 199 days from the end of the Fiscal Year). The State has agreed to submit the State’s Fiscal Year 2019 CAFR and other operating and financial information on or before January 15, 2020 (and annually thereafter on or before each January 15).

The Board is responsible for continuing disclosure under the Rule for all other matters relating to the 2019B Bonds.

Bond Counsel expresses no opinion as to whether the Disclosure Undertaking or the Master Agreement complies with the requirements of the Rule.

Notice Of Failure To Disclose Historical Operating Information

The Board has previously entered a continuing disclosure undertaking for the 2014 Bonds (as defined hereinafter) (dated and issued on April 29, 2014; base CUSIP®480772) (the “2014 Disclosure Undertaking”).

On January 16, 2015 and January 16, 2016 (January 16 is the covenanted due date for annual continuing disclosure submission under the 2014 Disclosure Undertaking), the Board filed its audited compre-

hensive annual financial reports but failed to file its “annual operating and financial information” regarding Canyons School District pursuant to the 2014 Disclosure Undertaking.

The Board submitted the required annual operating and financial information regarding Canyons School District on December 13, 2016 (from January 16, 2015 (697 days late) and from January 16, 2016 (332 days late) and notified Municipal Securities Rulemaking Board by filing to EMMA of these failures to comply with its 2014 Disclosure Undertaking.

The Board has hired an independent third party for future continuing disclosure filings.

THE 2019B BONDS

General

The 2019B Bonds will be dated the date of their original issuance and delivery* (the “Dated Date”) and will mature on June 15 of the years and in the amounts as set forth on the inside cover page of this OFFICIAL STATEMENT. The 2019B Bonds will bear interest from their Dated Date at the rates set forth on the inside cover page of this OFFICIAL STATEMENT. Interest on the 2019B Bonds is payable semiannually on each June 15 and December 15, commencing June 15, 2019. Interest on the 2019B Bonds will be computed based on a 360-day year comprised of 12, 30-day months.

Zions Bank is the Bond Registrar (the initial “Bond Registrar”) and Paying Agent for the 2019B Bonds under the Resolution.

The 2019B Bonds will be issued as fully-registered bonds, initially in book-entry form, in the denomination of \$5,000 or any whole multiple thereof, not exceeding the amount of each maturity.

The 2019B Bonds are being issued within the constitutional debt limit imposed on boards of education of school districts in the State. See “DEBT STRUCTURE OF JORDAN SCHOOL DISTRICT, UTAH—General Obligation Legal Debt Limit And Additional Debt Incurring Capacity” below.

Redemption Provisions

Optional Redemption. The 2019B Bonds maturing on or after June 15, 2028, are subject to redemption prior to maturity in whole or in part at the option of the Board on June 15, 2027, or on any date thereafter, from such maturities or parts thereof as may be selected by the Board, and at random within each maturity if less than the full amount of any maturity is to be redeemed, upon not less than 30 nor more than 45 days’ prior written notice, at a redemption price of 100% of the principal amount of the 2019B Bonds to be redeemed, plus accrued interest thereon to the redemption date.

Selection for Redemption. If less than all 2019B Bonds of any maturity are to be redeemed, the 2019B Bonds or portion of 2019B Bonds of such maturity to be redeemed will be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate. The portion of any registered 2019B Bond of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or a whole multiple thereof, and in selecting portions of such 2019B Bonds for redemption, the Bond Registrar will treat each such 2019B Bond as representing that number of 2019B Bonds of \$5,000 denomination that is obtained by dividing the principal amount of such 2019B Bond by \$5,000.

* The anticipated date of delivery is Thursday, February 21, 2019.

Notice of Redemption. Notice of redemption will be given by the Bond Registrar by registered or certified mail, not less than 30 nor more than 45 days prior to the redemption date, to the owner, as of the Record Date, as defined under “THE 2019B BONDS—Registration And Transfer; Record Date” below, of each 2019B Bond that is subject to redemption, at the address of such owner as it appears on the registration books of the Board kept by the Bond Registrar, or at such other address as is furnished to the Bond Registrar in writing by such owner on or prior to the Record Date. Each notice of redemption will state the Record Date, the principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the 2019B Bonds are to be redeemed, the distinctive numbers of the 2019B Bonds or portions of 2019B Bonds to be redeemed, and will also state that the interest on the 2019B Bonds in such notice designated for redemption will cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of the 2019B Bonds to be redeemed the principal thereof and interest accrued thereon to the redemption date.

Each notice of optional redemption may further state that such redemption will be conditioned upon the receipt by the Paying Agent, on or prior to the date fixed for redemption, of moneys sufficient to pay the principal of and premium, if any, and interest on such 2019B Bonds to be redeemed and that if such moneys have not been so received the notice will be of no force or effect and the Board will not be required to redeem such 2019B Bonds. If such notice of redemption contains such a condition and such moneys are not so received, the redemption will not be made, and the Bond Registrar will within a reasonable time thereafter give notice, in the way the notice of redemption was given, that such moneys were not so received.

Any notice of redemption mailed as provided in the Resolution will be conclusively presumed to have been duly given, whether the Bondowner receives such notice. Failure to give such notice or any defect therein with respect to any 2019B Bond will not affect the validity of the proceedings for redemption with respect to any other 2019B Bond.

In addition to the foregoing notice, further notice of such redemption will be given by the Bond Registrar by posting to EMMA as provided in the Resolution.

For so long as a book-entry system is in effect with respect to the 2019B Bonds, the Bond Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any Direct Participants or any failure of the Direct Participants or Indirect Participants to convey such notice to any Beneficial Owner will not affect the sufficiency of the notice or the validity of the redemption of 2019B Bonds. See “THE 2019B BONDS—Book-Entry System” below.

Registration And Transfer; Record Date

Registration and Transfer. In the event the book-entry system is discontinued, any 2019B Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by such owner’s duly authorized attorney, upon surrender of such 2019B Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any 2019B Bond is surrendered for transfer, the Bond Registrar will authenticate and deliver a new fully-registered 2019B Bond or 2019B Bonds of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the Board, for a like aggregate principal amount.

The 2019B Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully-registered 2019B Bonds of the same series, designation, maturity and interest rate of other authorized denominations.

For every such exchange or transfer of the 2019B Bonds, the Bond Registrar must make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer of the 2019B Bonds.

Record Date. The term “Record Date” means the day that is 15 days immediately preceding each interest payment date. The Bond Registrar will not be required to transfer or exchange any 2019B Bond (a) after the Record Date with respect to any interest payment date to and including such interest payment date, or (b) after the notice of redemption has been given by the Bond Registrar.

The Board, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2019B Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

Book–Entry System

DTC will act as securities depository for the 2019B Bonds. The 2019B Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered 2019B Bond certificate will be issued for each maturity of the 2019B Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX D—BOOK–ENTRY SYSTEM” for a more detailed discussion of the book–entry system and DTC.

In the event the book–entry system is discontinued, interest on the 2019B Bonds will be payable by check or draft of the Paying Agent, mailed to the registered owners thereof at the addresses shown on the registration books of the Board kept for that purpose by the Bond Registrar. The principal of all 2019B Bonds will be payable at the principal corporate trust office of the Paying Agent.

Sources And Uses Of Funds

The proceeds from the sale of the 2019B Bonds are estimated to be applied as set forth below:

Sources:

Par amount of 2019B Bonds	\$56,470,000.00
Original issue premium.....	<u>3,962,421.85</u>
Total	<u>\$60,432,421.85</u>

Uses:

Deposit to Construction Account.....	\$60,032,000.00
Original issue discount.....	194,611.25
Costs of Issuance (1).....	154,385.85
Successful bidder’s discount.....	<u>51,424.75</u>
Total	<u>\$60,432,421.85</u>

(1) Includes legal fees, Municipal Advisor fees, rating agency fees, Bond Registrar and Paying Agent fees, rounding amounts and other miscellaneous costs of issuance.

(Source: Municipal Advisor.)

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Debt Service On The 2019B Bonds

Payment Date	The 2019B Bonds		Period Total	Fiscal Total
	Principal	Interest		
June 15, 2019.....	\$ 0.00	\$ 708,274.48	\$ 708,274.48	\$ 708,274.48
December 15, 2019.....	0.00	1,118,328.13	1,118,328.13	
June 15, 2020.....	6,295,000.00	1,118,328.13	7,413,328.13	8,531,656.26
December 15, 2020.....	0.00	960,953.13	960,953.13	
June 15, 2021.....	2,050,000.00	960,953.13	3,010,953.13	3,971,906.26
December 15, 2021.....	0.00	909,703.13	909,703.13	
June 15, 2022.....	2,150,000.00	909,703.13	3,059,703.13	3,969,406.26
December 15, 2022.....	0.00	855,953.13	855,953.13	
June 15, 2023.....	2,250,000.00	855,953.13	3,105,953.13	3,961,906.26
December 15, 2023.....	0.00	799,703.13	799,703.13	
June 15, 2024.....	2,375,000.00	799,703.13	3,174,703.13	3,974,406.26
December 15, 2024.....	0.00	740,328.13	740,328.13	
June 15, 2025.....	2,475,000.00	740,328.13	3,215,328.13	3,955,656.26
December 15, 2025.....	0.00	678,453.13	678,453.13	
June 15, 2026.....	2,600,000.00	678,453.13	3,278,453.13	3,956,906.26
December 15, 2026.....	0.00	613,453.13	613,453.13	
June 15, 2027.....	2,750,000.00	613,453.13	3,363,453.13	3,976,906.26
December 15, 2027.....	0.00	544,703.13	544,703.13	
June 15, 2028.....	2,875,000.00	544,703.13	3,419,703.13	3,964,406.26
December 15, 2028.....	0.00	487,203.13	487,203.13	
June 15, 2029.....	3,000,000.00	487,203.13	3,487,203.13	3,974,406.26
December 15, 2029.....	0.00	427,203.13	427,203.13	
June 15, 2030.....	3,100,000.00	427,203.13	3,527,203.13	3,954,406.26
December 15, 2030.....	0.00	380,703.13	380,703.13	
June 15, 2031.....	3,200,000.00	380,703.13	3,580,703.13	3,961,406.26
December 15, 2031.....	0.00	336,703.13	336,703.13	
June 15, 2032.....	3,300,000.00	336,703.13	3,636,703.13	3,973,406.26
December 15, 2032.....	0.00	289,265.63	289,265.63	
June 15, 2033.....	3,400,000.00	289,265.63	3,689,265.63	3,978,531.26
December 15, 2033.....	0.00	238,265.63	238,265.63	
June 15, 2034.....	3,500,000.00	238,265.63	3,738,265.63	3,976,531.26
December 15, 2034.....	0.00	183,578.13	183,578.13	
June 15, 2035.....	3,600,000.00	183,578.13	3,783,578.13	3,967,156.26
December 15, 2035.....	0.00	125,078.13	125,078.13	
June 15, 2036.....	3,725,000.00	125,078.13	3,850,078.13	3,975,156.26
December 15, 2036.....	0.00	64,546.88	64,546.88	
June 15, 2037.....	<u>3,825,000.00</u>	<u>64,546.88</u>	<u>3,889,546.88</u>	3,954,093.76
Totals.....	<u>\$56,470,000.00</u>	<u>\$20,216,524.66</u>	<u>\$76,686,524.66</u>	

(Source: Municipal Advisor.)

JORDAN SCHOOL DISTRICT, UTAH

General

The District was established in 1905 and at that time included the southern portion of the County.

On July 1, 2009, the District was divided into two school districts. The cities of Buffdale, Herriman, Riverton, South Jordan, West Jordan; the Township of Copperton; and certain unincorporated areas in the southwestern portion of the County remained within the boundaries of the District. The town of Alta; the cities of Cottonwood Heights, Draper, Midvale, Sandy City; the Township of White City and certain unincorporated areas in the southeastern portion of the County became Canyons School District.

The District covers an area of approximately 182 square miles and based on the 2017 population estimate from the U.S. Census Bureau of incorporated cities within the District, population is estimated at 280,911 people. See “Population” below.

The Board’s main administration building is in West Jordan, Utah and the Board maintains a website at <https://www.jordandistrict.org/>. *The information available at this website is provided by the Board and has not been reviewed for accuracy or completeness. Such information is not a part of this OFFICIAL STATEMENT.*

The District presently operates 61 schools/buildings (consisting of 36 elementary schools, 10 middle schools, eight high schools, three special purpose schools and four other buildings). For a 10–year history of District facilities regarding square footage, capacity of students (if applicable), enrollment, percentage of capacity and average age see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Capital Asset Information Last Ten Fiscal Years June 30, 2009 through June 30, 2018” (CAFR page 119).

The historical October 1 enrollment within the District for the past 10–years is as follows:

<u>October 1</u>	<u>Total</u>	<u>% Increase Over Prior Year</u>
2018	54,865	2.5%
2017	53,519	1.9
2016	52,507	0.4
2015	52,324	1.0
2014	51,806	(2.0)
2013	52,855	1.6
2012	52,043	2.9
2011	50,581	1.7
2010	49,729	2.7
2009	48,411	–

(Source: The District.)

Charter Schools. The District has 15 operating charter schools located within the boundaries of the District. The October 1, 2018 enrollment within these 15 charter schools is approximately 14,400 students. Students who attend charters schools in the District may live outside the boundaries of the District and the District cannot determine the number of charter school students who live outside the boundaries of the District. However, the decrease in student enrollment in the District on October 1, 2014 (as indicated above) can be attributed to openings of several new charter schools within the boundaries of the District.

Funding for charter schools comes directly from the State based on student attendance. Beginning in Fiscal Year 2017, the State required the District to indicate the tax rate levy for the funding of charter schools within the District. Property tax revenues from the charter school tax rate levy is not received by the District but paid directly to the State. Also, see “FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Historical Tax Rates Of The District” below.

Additional Information. For a history of Fiscal Year average daily membership, average daily membership and October 1 student enrollments within the District see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Student Enrollment Statistics” (CAFR page 115).

Form Of Government

Board of Education. The determination of policies for the management of the District is the responsibility of the Board, the members of which are elected by the qualified electors within the District. The District is divided into seven representative precincts, and a member of the Board is elected from each precinct. Members serve four-year terms, which are staggered to provide continuity.

The Board is empowered, among other things, to: (i) implement core curriculum; (ii) administer tests which measure the progress of each student, and create plans to improve the student's progress; (iii) implement training programs for school administrators; (iv) purchase, sell and improve school sites, buildings and equipment; (v) construct and furnish school buildings; (vi) establish, locate and maintain elementary, secondary and applied technology schools; (vii) maintain school libraries; (viii) make and enforce all necessary rules and regulations for the control and management of the public schools in the District; (ix) adopt bylaws and rules for its own procedure; and (x) appoint a superintendent of schools, business administrator, and such officers or employees as are deemed necessary for the promotion of the interests of the schools.

Superintendent. The Superintendent of Schools (the "Superintendent") is appointed by the Board and is responsible for the actual administration of the schools in the District. The powers and duties of the Superintendent are prescribed by the Board. Pursuant to State law, the Superintendent is required to prepare and submit to the Board an annual budget itemizing anticipated revenues and expenditures for the next school year. The Superintendent is appointed for a two-year term and until a successor is appointed.

Business Administrator. The Business Administrator is appointed by the Board and reports to the Superintendent. The duties of the Business Administrator, among others, are to (i) attend all meetings of the Board and keep a journal of the proceedings, (ii) countersign all warrants drawn upon the District treasury, (iii) keep an account and prepare and publish an annual statement of moneys received by the District and amounts paid out of the treasury, and (iv) have custody of the records and papers of the Board. The Business Administrator is the custodian of all moneys belonging to the District and is required to prepare and submit to the Board a monthly report of the receipts and disbursements of the Business Administrator's office. The Business Administrator is appointed for a two-year term and until a successor is appointed.

Current members of the Board, the Superintendent, the Business Administrator, and other administrators and their respective terms in office are as follows:

Office	Person	Years in Position	Expiration of Current Term
President.....	Bryce Dunford	2	January 2021
Vice President	Tracy Miller	2	January 2023
Member	Janice L. Voorhies	6	January 2021
Secretary/Member.....	Matthew Young, CPA	4	January 2023
Member	Jen Atwood	4	January 2023
Member	Marilyn Richards	2	January 2021
Member	Darrell Robinson	2	January 2021
Superintendent	Dr. Patrice Johnson	7	Appointed/July 2019
Business Administrator	John Larsen, CPA	4	Appointed/Feb. 2019

(Source: The District.)

Employee Workforce And Retirement System; Post–Employment Benefits

Employee Workforce and Retirement System. As of Fiscal Year 2018 the District employed approximately 4,335 full–time equivalent employees. The District participates in cost–sharing multiple employer public employee retirement systems which are defined benefit retirement plans covering public employees of the State and employees of participating local government entities administered by the Utah State Retirement Systems (“URS”). The retirement system provides refunds, retirement benefits, annual cost of living adjustment and death benefits to plan members and beneficiaries in accordance with retirement statutes. The District also participates in deferred compensation plans with URS. The retirement and deferred compensation plans are administered by the URS under the direction of the URS board, which consists of six members appointed by the Governor of the State and the State Treasurer.

For a detailed discussion regarding URS retirement benefits and contributions see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018–Notes to Basic Financial Statements–Note 9. State Retirement Plans” (CAFR page 43) and “–Note 10. District Retirement Plans” (CAFR page 48).

Post–Employment Benefits. Beginning July 1, 2006, the District offers retirement benefit stipends to employees retiring under the guidelines of URS. These benefits are based on the tenure and salary of those employees working in the District as of June 30, 2006, effectively eliminating the benefit over a period and “freezing” the total future liability of the District.

The District also provides post–employment healthcare benefits to employees who retire with URS. Retirees are permitted to participate with active employees in the health–care plan but retirees must pay all premiums assigned to them as described below. Those employees (employed before June 30, 2006) retiring after June 30, 2006 may purchase health insurance at a percentage above the total District premium. The number of participants (those employed before June 30, 2006) who received post–employment insurance benefits for Fiscal Year 2018 was 89.

The District pays these benefit costs from moneys the Board set aside in the General Fund established for that purpose and which fund has a Fiscal Year 2018 balance of \$43,223,884 (the Board may authorize that these funds be used for other purposes at any time). As of the date of this OFFICIAL STATEMENT, the Board currently does not expect its current or future policies regarding these post–employment benefits to have a negative financial impact on the District. For a detailed discussion regarding these retirement benefits see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018–Notes to Basic Financial Statements–Note 11. Other Post–Employment Benefit (OPEB) Plan” (CAFR page 49).

Risk Management

The District is a member of a risk pool through which the State self–insures portions of certain property and liability claims and purchases commercial insurance for claims above the self–insured retention amounts. This is done through the State’s Administrative Services Risk Management Fund. The fund is maintained via premiums charged to its members—State agencies, institutions of higher education, school districts and charter schools.

As of Fiscal Year 2018, the Administrative Services Risk Management Fund contained approximately \$57.3 million in reserve available to pay for claims incurred.

For a general discussion of insurance coverage, limits of coverage, health insurance benefits, dental insurance benefits, unemployment compensation and payment claims see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018–Notes to Basic Financial Statements–Note. 12. Risk Management” (CAFR page 51).

Investment Of Funds

The State Money Management Act. The State Money Management Act, Title 51, Chapter 7 of the Utah Code (the “Money Management Act”), governs and establishes criteria for the investment of all public funds held by public treasurers in the State. The Money Management Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, obligations of the State and political subdivisions of the State, U.S. Treasury and approved federal government agency and instrumentality securities, certain investment agreements and repurchase agreements and investments in corporate securities meeting certain ratings requirements. The Money Management Act establishes the State Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The Board is currently complying with all the provisions of the Money Management Act for all Board operating funds.

The Utah Public Treasurers’ Investment Fund. A significant portion of Board funds may be invested in the Utah Public Treasurers Investment Fund (“PTIF”). The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. All investments in the PTIF must comply with the Money Management Act and rules of the Money Management Council. The PTIF invests primarily in money market securities. Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the Money Management Council and is audited by the State Auditor. The PTIF is not rated.

See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Notes to Basic Financial Statements—Note 2. Deposits and Investments” (CAFR page 37).

Investment of 2019B Bond Proceeds. The proceeds of the 2019B Bonds will be held by the Board and invested to be readily available. The 2019B Bond proceeds may also be invested in the PTIF or other investments authorized under the Money Management Act.

Population

Based on the 2017 population estimate from the U.S. Census Bureau of incorporated cities within the District, population is estimated at 280,911.

The following historical population information is provided for the County and the State.

	<u>County</u>	<u>% Change From Prior Period</u>	<u>State of Utah</u>	<u>% Change From Prior Period</u>
2017 Estimate (1)	1,135,649	10.3%	3,101,833	12.2%
2010 Census	1,029,655	14.6	2,763,885	23.8
2000 Census	898,387	23.7	2,233,169	29.6
1990 Census	725,956	17.3	1,722,850	17.9
1980 Census	619,066	35.0	1,461,037	37.9
1970 Census	458,607	19.7	1,059,273	18.9
1960 Census	383,035	39.3	890,627	29.3
1950 Census	274,895	29.9	688,862	25.2
1940 Census	211,623	9.0	550,310	8.4
1930 Census	194,102	21.9	507,847	13.0
1920 Census	159,282	21.2	449,396	20.4
1910 Census	131,426	69.1	373,351	34.9

(1) U.S. Bureau of the Census estimates for July 1, 2017. Percentage change is calculated from the 2010 Census.

(Source: U.S. Department of Commerce, Bureau of the Census.)

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Employment, Income, Construction, and Sales Taxes Within Salt Lake County and the State of Utah

Labor Force, Nonfarm Jobs and Wages within Salt Lake County

	Calendar Year (1)						% change from prior year				
	2017	2016	2015	2014	2013	2012	2016-17	2015-16	2014-15	2013-14	2012-13
Civilian labor force.....	621,759	603,897	586,753	575,842	569,638	556,484	3.0	2.9	1.9	1.1	2.4
Employed persons.....	602,541	584,758	566,890	554,611	544,635	527,250	3.0	3.2	2.2	1.8	3.3
Unemployed persons.....	19,218	19,139	19,863	21,231	25,003	29,234	0.4	(3.6)	(6.4)	(15.1)	(14.5)
Total private sector (average).....	595,855	581,825	565,635	540,662	528,937	511,092	2.4	2.9	4.6	2.2	3.5
Agriculture, forestry, fishing and hunting.....	220	214	192	179	194	213	2.8	11.5	7.3	(7.7)	(8.9)
Mining.....	2,704	2,428	2,696	2,948	3,399	3,652	11.4	(9.9)	(8.5)	(13.3)	(6.9)
Utilities.....	1,470	1,439	1,532	1,483	1,460	1,532	2.2	(6.1)	3.3	1.6	(4.7)
Construction.....	38,050	35,777	33,452	31,621	30,606	30,535	6.4	7.0	5.8	3.3	0.2
Manufacturing.....	55,973	54,492	53,357	52,468	52,562	52,503	2.7	2.1	1.7	(0.2)	0.1
Wholesale trade.....	32,285	32,050	31,414	30,538	30,758	31,161	0.7	2.0	2.9	(0.7)	(1.3)
Retail trade.....	72,156	71,791	69,427	67,280	66,412	64,161	0.5	3.4	3.2	1.3	3.5
Transportation and warehousing.....	33,012	31,579	30,334	28,319	27,984	27,125	4.5	4.1	7.1	1.2	3.2
Information.....	20,200	18,888	17,959	18,154	17,937	17,468	6.9	5.2	(1.1)	1.2	2.7
Finance and insurance.....	46,313	45,194	43,228	40,888	39,525	37,556	2.5	4.5	5.7	3.4	5.2
Real estate, rental and leasing.....	10,660	10,250	9,840	9,609	9,294	9,168	4.0	4.2	2.4	3.4	1.4
Professional, scientific, and technical services.....	52,861	51,656	49,355	46,708	43,994	40,654	2.3	4.7	5.7	6.2	8.2
Management of companies and enterprises.....	16,493	16,263	16,622	16,559	16,319	16,109	1.4	(2.2)	0.4	1.5	1.3
Admin., support, waste mgmt., remediation.....	52,748	52,777	50,397	48,327	46,489	43,552	(0.1)	4.7	4.3	4.0	6.7
Education services.....	14,889	13,975	13,016	12,215	11,697	10,769	6.5	7.4	6.6	4.4	8.6
Health care and social assistance.....	66,255	64,613	62,061	59,778	59,266	57,259	2.5	4.1	3.8	0.9	3.5
Arts, entertainment and recreation.....	9,313	8,806	7,751	7,430	7,098	6,892	5.8	13.6	4.3	4.7	3.0
Accommodation and food services.....	49,477	48,772	47,803	46,218	44,774	42,550	1.4	2.0	3.4	3.2	5.2
Other services.....	21,287	21,018	20,758	20,066	19,338	18,535	1.3	1.3	3.4	3.8	4.3
Unclassified establishments.....	6	59	105	56	26	19	(89.8)	(43.8)	87.5	115.4	36.8
Total public sector (average).....	104,593	102,621	100,193	98,849	95,372	92,821	1.9	2.4	1.4	3.6	2.7
Federal.....	11,368	11,433	11,115	10,374	10,210	10,265	(0.6)	2.9	7.1	1.6	(0.5)
State.....	47,719	46,631	45,306	44,389	41,904	39,663	2.3	2.9	2.1	5.9	5.7
Local.....	45,507	44,557	43,771	44,086	43,259	42,907	2.1	1.8	(0.7)	1.9	0.8
Total payroll (in millions).....	\$ 36,455	\$ 34,599	\$ 32,692	\$ 30,472	\$ 28,858	\$ 27,728	5.4	5.8	7.3	5.6	4.1
Average monthly wage.....	\$ 4,337	\$ 4,211	\$ 4,120	\$ 3,971	\$ 3,852	\$ 3,826	3.0	2.2	3.8	3.1	0.7
Average employment.....	700,449	684,639	661,297	639,511	624,309	603,913	2.3	3.5	3.4	2.4	3.4
Establishments.....	43,798	42,813	41,519	40,022	38,702	36,826	2.3	3.1	3.7	3.4	5.1

(1) Source: Utah Department of Workforce Services.

Employment, Income, Construction, and Sales Taxes Within Salt Lake County and the State of Utah—continued

Personal Income; Per Capital Personal Income; Median Household Income within Salt Lake County and the State of Utah (1)

	Calendar Year						% change from prior year				
	2017	2016	2015	2014	2013	2012	2016–17	2015–16	2014–15	2013–14	2012–13
Total Personal Income (in \$1,000's):											
Salt Lake County.....	\$ 56,152,594	\$ 53,755,259	\$ 51,301,827	\$ 47,637,422	\$ 45,096,302	\$ 43,816,498	4.5	4.8	7.7	5.6	2.9
State of Utah.....	134,803,800	128,407,000	121,876,400	113,230,000	106,612,900	103,227,800	5.0	5.4	7.6	6.2	3.3
Total Per Capita Personal Income:											
Salt Lake County.....	0	46,762	45,148	42,746	40,992	40,492	(100.0)	3.6	5.6	4.3	1.2
State of Utah.....	43,459	42,179	40,831	38,531	36,764	36,167	3.0	3.3	6.0	4.8	1.7
Median Household Income:											
Salt Lake County.....	71,396	68,404	65,549	62,536	61,716	58,743	4.4	4.4	4.8	1.3	5.1
State of Utah.....	68,395	65,931	62,961	60,943	59,715	57,067	3.7	4.7	3.3	2.1	4.6

Construction within Jordan School District (2)

	Calendar Year						% change from prior year				
	2017	2016	2015	2014	2013	2012	2016–17	2015–16	2014–15	2013–14	2012–13
Number new dwelling units.....	4,186	3,291	3,136	2,649	2,478	1,800	27.2	4.9	18.4	6.9	37.7
New (in \$1,000's):											
Residential value.....	\$ 857,637.6	\$ 742,931.1	\$ 647,493.0	\$ 503,755.2	\$ 532,945.8	\$ 395,921.5	15.4	14.7	28.5	(5.5)	34.6
Non-residential value.....	255,998.8	214,978.9	104,015.6	107,223.0	101,391.4	63,948.6	19.1	106.7	(3.0)	5.8	58.6
Additions, alterations, repairs (in \$1,000's):											
Residential value.....	15,673.2	26,900.8	21,432.0	13,218.4	8,227.3	7,899.0	(41.7)	25.5	62.1	60.7	4.2
Non-residential value.....	44,022.4	82,522.5	65,803.8	86,957.6	84,477.2	25,526.7	(46.7)	25.4	(24.3)	2.9	230.9
Total construction value (in \$1,000's).....	<u>\$ 1,173,332.0</u>	<u>\$ 1,067,333.3</u>	<u>\$ 838,744.4</u>	<u>\$ 711,154.2</u>	<u>\$ 727,041.7</u>	<u>\$ 493,295.8</u>	9.9	27.3	17.9	(2.2)	47.4

Sales Taxes Within Salt Lake County and the State of Utah (3)

	Calendar Year						% change from prior year				
	2017	2016	2015	2014	2013	2012	2016–17	2015–16	2014–15	2013–14	2012–13
Gross Taxable Sales (in \$1,000's):											
Salt Lake County.....	\$ 27,084,521	\$ 25,415,491	\$ 24,256,515	\$ 22,940,973	\$ 21,986,133	\$ 21,387,821	6.6	4.8	5.7	4.3	2.8
State of Utah.....	61,031,692	56,502,434	53,933,277	51,709,163	49,404,046	47,531,180	8.0	4.8	4.3	4.7	3.9
	Fiscal Year						% change from prior year				
	2017	2016	2015	2014	2013	2012	2016–17	2015–16	2014–15	2013–14	2012–13
Local Sales and Use Tax Distribution:											
Salt Lake County (and all cities).....	\$ 230,302,588	\$ 220,401,770	\$ 211,079,080	\$ 200,829,369	\$ 195,073,246	\$ 183,870,893	4.5	4.4	5.1	3.0	6.1

(1) Source: U.S. Department of Commerce; Bureau of Economic Analysis and U.S. Census Bureau

(2) Source: University of Utah Kem C. Gardner Policy Institute, Ivory-Boyer Utah Report and Database. **Includes the incorporated cities of Bluffdale, Herriman, Riverton, South Jordan and West Jordan.**

(3) Source: Utah State Tax Commission.

Additional Information. For a 10-year history of the District's presentation of demographic and economic statistics (CAFR page 105) are provided in "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section."

Largest Employers

The County is the business and financial center for many of the major businesses and industries in the State. Major employers (over 2,000 employees) in the County area include:

<u>Employer (Location)</u>	<u>Business Category</u>	<u>Range of Number of Employees</u>
University of Utah (county-wide)	Higher education, health care	20,000+
Intermountain Health Care Center (county-wide)	Health care and social assistance	15,000–20,000
State of Utah (county-wide)	All services	10,000–20,000
Granite School District (county-wide)	Education services	7,000–10,000
Jordan School District (county-wide)	Education services	5,000–7,000
Salt Lake County (county-wide)	County administration	5,000–7,000
Wal Mart (county-wide)	Retail trade	5,000–7,000
The Canyons School District (county-wide)	Education services	4,000–5,000
Smiths (county-wide)	Retail trade	4,000–5,000
Delta Airlines (Salt Lake)	Transportation and warehousing	4,000–5,000
Discover Products (Salt Lake)	Finance and insurance	3,000–4,000
Salt Lake City School District (Salt Lake)	Education services	3,000–4,000
Associated Reg. & University Patholo (Salt Lake)	Health care and social assistance	3,000–4,000
Merit Medical (South Jordan)	Manufacturing	3,000–4,000
U. S. Postal Service (county-wide)	Transportation and warehousing	3,000–4,000
Zions Bancorporation (county-wide)	Finance and insurance	3,000–4,000
Goldman Sachs and Co. (Salt Lake)	Finance and insurance	3,000–4,000
L3 Communications Corp. (Salt Lake)	Manufacturing	3,000–4,000
C.R. England Inc. (Salt Lake)	Transportation and warehousing	3,000–4,000
Department of Veterans Affairs (Salt Lake)	Health care and social assistance	3,000–4,000
Fidelity Brokerage Services LLC (Salt Lake)	Finance and insurance	3,000–4,000
Select Health, Inc. (county-wide)	Finance and insurance	2,000–3,000
Salt Lake Community College (county-wide)	Education services	2,000–3,000
Kennecott Utah Copper (county-wide)	Mining; manufacturing	2,000–3,000
Wells Fargo Bank/Advisors (county-wide)	Finance and insurance	2,000–3,000
Snowbird Operations LLC (Salt Lake)	Accommodations and food services	2,000–3,000
Benton, Dickinson and Company (Sandy)	Manufacturing	2,000–3,000
United Parcel Service (Salt Lake)	Transportation and warehousing	2,000–3,000
Jet Blue Airways (Salt Lake)	Administration	2,000–3,000
Utah Transit Authority (Salt Lake)	Transportation and warehousing	2,000–3,000
Harmons (county-wide)	Retail trade	2,000–3,000
Skywest Airlines (Salt Lake)	Transportation and warehousing	2,000–3,000
Cellco	Administrative	2,000–3,000

(Source: Utah Department of Workforce Services. Updated information as of September 2018.)

Additional Information. For a presentation of the largest employers in the District in Fiscal Years 2018 and 2009 see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Ten of the Principal Employers" (CAFR page 106).

Rate Of Unemployment—Annual Average

<u>Year</u>	<u>Salt Lake County</u>	<u>State of Utah</u>	<u>United States</u>
2018 (1).....	3.1%	3.2%	3.9%
2017	3.1	3.2	4.4
2016	3.2	3.4	4.9
2015	3.4	3.6	5.3
2014	3.7	3.8	6.2
2013	4.4	4.6	7.4

(1) Preliminary, subject to change. As of December 2018 (seasonally adjusted).

(Source: Utah Department of Workforce Services.)

DEBT STRUCTURE OF JORDAN SCHOOL DISTRICT, UTAH

Outstanding General Obligation Bonded Indebtedness

The year prior to the creation of the Canyons School District, the debt of the District was allocated for accounting and operation purposes between the two school districts based on the two-school district's portion of taxable valuation of real property in Calendar Year 2006 (the year before the referendum regarding the creation of Canyons). Accordingly, the District's outstanding \$104,665,000, Series 2014 Bonds (the "2014 Bonds"), currently outstanding in the principal amount of \$56,360,000, will be paid by Canyons in the approximate amount of 58% and by the District in the approximate amount of 42%.

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2019B (a) (1).....	Building	\$ 56,470,000	June 15, 2037	\$ 56,470,000
2019A (2).....	Building	20,000,000	June 15, 2037	20,000,000
2018 (1).....	Building	72,970,000	June 15, 2037	72,970,000
2017 (1).....	Building	35,905,000	June 15, 2037	35,905,000
2014 (1) (3)	Refunding (Jordan/Canyons)	104,665,000	June 15, 2022	<u>56,360,000</u>
Total direct general obligation debt (3).....				<u>\$241,705,000</u>
The District's portion of direct general obligation debt (3).....				\$201,390,000
Canyons' portion of direct general obligation debt (3).....				<u>40,315,000</u>
Total direct general obligation debt.....				<u>\$241,705,000</u>

- (a) For purposes of this OFFICIAL STATEMENT the 2019B Bonds will be considered issued and outstanding.
- (1) Rated "AAA" (State of Utah Guaranty; underlying "AAA") by Fitch and "Aaa" (State of Utah Guaranty; underlying "Aaa") by Moody's, as of the date of this OFFICIAL STATEMENT.
- (2) Issued through a direct purchase on January 8, 2019. *The 2019A Bonds are not rated (no ratings were applied for).* The 2019A Bonds are issued under the Guaranty Act.
- (3) At the issuance of the 2014 Bonds, Canyons opted to retain the same payoff date on the refunded bonds of June 15, 2022 and reduce its annual payments. The District opted to retire its portion earlier to reduce its interest payments. Therefore, the 2014 Bonds are not an equal split of 58% for Canyons and 42% for the District and percentages vary based on the year.

(Source: Municipal Advisor.)

Additional Information. For the schedule of annual debt service requirement of the District as of Fiscal Year 2018 for the Fiscal Years 2018 through Fiscal Year 2038 see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH

FOR FISCAL YEAR 2018—Notes to Basic Financial Statements—5. Long-Term Liabilities—General Obligation Bonds” (CAFR page 41) and “—Statistical Section—Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year) As of June 30, 2018” (CAFR page 103).

Other Financial Considerations, Future Issuance Of Debt; Local Building Authority Of Jordan School District, Utah

Other Financial Considerations. In January 2019, the Board entered into an agreement to purchase 100-acres of land for \$31 million. The Board purchased the first 20-acres for \$6.2 million in January 2019 and the agreement allows the Board to purchase the four remaining 20-acre parcels in January 2020, January 2021, January 2022 and January 2023, paying \$6.2 million for each 20-acre parcel.

Future Issuance of Debt. The Board anticipates the issuance of additional general obligation bonds from the 2016 Bond Election in Fiscal Year 2020 of approximately \$48.675 million.

Local Building Authority of Jordan School District, Utah. In September 2010, the Board created the Local Building Authority of Jordan School District, Utah (the “Authority”) as a nonprofit corporation in accordance with the provisions of the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code (the “Nonprofit Corporation Act”) and as provided in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code. *The Authority’s debt does not constitute legal debt within the meaning of any constitutional provision or statutory limitation of the Board. The Authority has entered annual leases with the Board for each school project constructed by the Authority. The leases may be terminated by the Board in any year and payments by the Board may be made only from moneys which are annually budgeted and appropriated by the Board for such purpose.*

Debt issued by the Authority is being paid from rental payments received by the Authority from the Board. The Board’s rental payments are being made from the capital projects fund from property taxes and earnings on investments.

As of the date of this OFFICIAL STATEMENT, the Authority has outstanding the following lease revenue bonds:

In 2010, the Authority issued \$9,000,000, Lease Revenue Bonds, Series 2010 (the “2010 MBA Bonds”), under a 2010 Indenture (the “2010 Indenture”), which bond proceeds (together with other legally available moneys) were used for the construction and equipping of an elementary school building (the “2010 Project”). The Authority may, from time to time, issue additional bonds under the 2010 Indenture, but the Authority has not done so. The Authority has leased the 2010 Project to the Board, pursuant to a 2010 Master Lease (the “2010 Master Lease”). The Authority has granted to a trustee, for the benefit of the owners of the 2010 MBA Bonds, a security interest in all the Authority’s right, title and interest in the 2010 Project financed with the 2010 MBA Bonds issued under the 2010 Indenture.

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2010 (1).....	Building/QSCB (elementary)	\$9,000,000	June 15, 2027	<u>\$9,000,000</u>

- (1) These bonds were placed with a private investor and were not rated (no rating was applied for). These bonds are federally taxable, Qualified School Construction Bonds (“QSCB”) and were issued with a coupon rate of 6.00% per annum. The 2010 Lease Revenue Bonds will mature on June 1, 2027. However, the Authority is required to make an annual sinking fund deposit of \$562,500 (or less, depending on interest earnings) into a sinking fund held by Zions Bank, as escrow agent for the 2010 Lease Revenue Bonds. Based on the requirements under the 2010 Indenture, as of June 30, 2018, the Authority is required to have \$3,937,500 in the sinking fund (as June 30, 2018, the current deposit in the sinking fund is \$4,333,673).

(Source: Municipal Advisor.)

Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year

Issued by Jordan School District

Fiscal Year Ending June 30	Series 2019B \$56,470,000		Series 2019A \$20,000,000		Series 2018 \$72,970,000		Series 2017 \$35,905,000		Series 2014 \$104,665,000		Total Issued Debt		
											Total	Total	Total Debt
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Service
2018.....	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,848,435	\$ 23,820,000	\$ 4,009,000	\$ 23,820,000	\$ 5,857,435	\$ 29,677,435
2019.....	0	708,274	0	285,889	0	3,722,983	0	1,403,875	23,970,000	2,818,000	23,970,000	8,939,021	32,909,021
2020.....	6,295,000	2,236,656	1,150,000 (1)	664,000	2,745,000	2,746,463	0	1,403,875	13,385,000	1,619,500	23,575,000	8,670,494	32,245,494
2021.....	2,050,000	1,921,906	845,000 (1)	625,820	2,900,000	2,609,213	1,475,000	1,403,875	9,650,000	950,250	16,920,000	7,511,064	24,431,064
2022.....	2,150,000	1,819,406	870,000 (1)	597,766	3,025,000	2,464,213	1,550,000	1,330,125	9,355,000	467,750	16,950,000	6,679,260	23,629,260
2023.....	2,250,000	1,711,906	900,000 (1)	568,882	3,175,000	2,312,963	1,600,000	1,283,625	—	—	7,925,000	5,877,376	13,802,376
2024.....	2,375,000	1,599,406	930,000 (1)	539,002	3,350,000	2,154,213	1,650,000	1,235,625	—	—	8,305,000	5,528,246	13,833,246
2025.....	2,475,000	1,480,656	960,000 (1)	508,126	3,500,000	1,986,713	1,750,000	1,153,125	—	—	8,685,000	5,128,620	13,813,620
2026.....	2,600,000	1,356,906	995,000 (1)	476,254	3,700,000	1,811,713	1,825,000	1,065,625	—	—	9,120,000	4,710,498	13,830,498
2027.....	2,750,000	1,226,906	1,025,000 (1)	443,220	3,875,000	1,626,713	1,925,000	974,375	—	—	9,575,000	4,271,214	13,846,214
2028.....	2,875,000	1,089,406	1,060,000 (1)	409,190	4,025,000	1,471,713	2,005,000	878,125	—	—	9,965,000	3,848,434	13,813,434
2029.....	3,000,000	974,406	1,095,000 (1)	373,998	4,200,000	1,310,713	2,125,000	777,875	—	—	10,420,000	3,436,992	13,856,992
2030.....	3,100,000	854,406	1,130,000 (1)	337,644	4,350,000	1,142,713	2,225,000	671,625	—	—	10,805,000	3,006,388	13,811,388
2031.....	3,200,000	761,406	1,170,000 (1)	300,128	4,475,000	1,029,613	2,300,000	582,625	—	—	11,145,000	2,673,772	13,818,772
2032.....	3,300,000	673,406	1,205,000 (1)	261,284	4,600,000	908,788	2,375,000	513,625	—	—	11,480,000	2,357,103	13,837,103
2033.....	3,400,000	578,531	1,250,000 (1)	221,278	4,725,000	777,688	2,450,000	439,406	—	—	11,825,000	2,016,903	13,841,903
2034.....	3,500,000	476,531	1,290,000 (1)	179,778	4,850,000	635,938	2,525,000	359,781	—	—	12,165,000	1,652,028	13,817,028
2035.....	3,600,000	367,156	1,330,000 (1)	136,950	5,000,000	490,438	2,625,000	277,719	—	—	12,555,000	1,272,263	13,827,263
2036.....	3,725,000	250,156	1,375,000 (1)	92,794	5,150,000	340,438	2,700,000	189,125	—	—	12,950,000	872,513	13,822,513
2037.....	3,825,000	129,094	1,420,000 (1)	47,144	5,325,000	173,063	2,800,000	98,000	—	—	13,370,000	447,300	13,817,300
Totals.....	<u>\$ 56,470,000</u>	<u>\$ 20,216,525</u>	<u>\$ 20,000,000</u>	<u>\$ 7,069,147</u>	<u>\$ 72,970,000</u>	<u>\$ 29,716,283</u>	<u>\$ 35,905,000</u>	<u>\$ 17,890,466</u>	<u>\$ 80,180,000</u>	<u>\$ 9,864,500</u>	<u>\$ 265,525,000</u>	<u>\$ 84,756,920</u>	<u>\$ 350,281,920</u>

Fiscal Year Ending June 30	Canyons' Portion of Jordan's Series 2014 Debt			Jordan's Portion of Jordan's Series 2014 Debt			Total Series 2014 Issued Debt
	Total	Total	Total Debt	Total	Total	Total Debt	
	Principal	Interest	Service	Principal	Interest	Service	
2018.....	\$ 11,255,000	\$ 2,578,500	\$ 13,833,500	\$ 12,565,000	\$ 1,430,500	\$ 13,995,500	\$ 27,829,000
2019.....	10,775,000	2,015,750	12,790,750	13,195,000	802,250	13,997,250	26,788,000
2020.....	10,535,000	1,477,000	12,012,000	2,850,000	142,500	2,992,500	15,004,500
2021.....	9,650,000	950,250	10,600,250	0	0	0	10,600,250
2022.....	9,355,000	467,750	9,822,750	0	0	0	9,822,750
Totals.....	<u>\$ 51,570,000</u>	<u>\$ 7,489,250</u>	<u>\$ 59,059,250</u>	<u>\$ 28,610,000</u>	<u>\$ 2,375,250</u>	<u>\$ 30,985,250</u>	<u>\$ 90,044,500</u>

(1) Mandatory sinking fund principal payments from a \$20,000,000, 3.32%, term bond due June 15, 2037.

(Source: Municipal Advisor.)

Debt Service Schedule Of Outstanding Lease Revenue Bonds Of The Local Building Authority Of Jordan School District, Utah By Fiscal Year

**Issued under the 2010 Indenture
Series 2010; \$9,000,000**

Fiscal Year Ending June 30	Principal	Interest (1)	Federal Interest Rate Subsidy (2)	Remaining Debt Service Interest Pay- ment on the 2010 Bonds	Estimated Annual Contributions to Sinking Account (3)	Total Payment Required For Debt Service (3)
2018.....	\$ 0	\$ 540,000	\$ (444,600)	\$ 95,400	\$ 562,500	\$ 657,900
2019.....	0	540,000	(444,600)	95,400	562,500	657,900
2020.....	0	540,000	(444,600)	95,400	562,500	657,900
2021.....	0	540,000	(444,600)	95,400	562,500	657,900
2022.....	0	540,000	(444,600)	95,400	562,500	657,900
2023.....	0	540,000	(444,600)	95,400	562,500	657,900
2024.....	0	540,000	(444,600)	95,400	562,500	657,900
2025.....	0	540,000	(444,600)	95,400	562,500	657,900
2026.....	0	540,000	(444,600)	95,400	562,500	657,900
2027.....	9,000,000	540,000	(444,600)	95,400	562,500	657,900
Totals.....	<u>\$9,000,000</u>	<u>\$ 5,400,000</u>	<u>\$ (4,446,000)</u>	<u>\$ 954,000</u>	<u>\$ 5,625,000</u>	<u>\$ 6,579,000</u>

(1) Federally taxable bonds. Interest based on a coupon rate of 6.00% per annum.

(2) Assumes a portion of the interest due will be paid from the federal interest rate subsidy up to 4.94% per annum.

(3) The Authority will contribute \$562,500 on June 15, 2018 and approximately \$562,500 (or less, depending on interest earnings) on June 15, 2019 through 2027 into a sinking account, which account may earn interest up to a limit of 4.20%. Contributions of principal amounts, together with interest earnings and the reserve fund amount, should be sufficient to retire the 2010 MBA Bonds on June 15, 2027.

(Source: Municipal Advisor.)

Additional Information. For the Authority's lease revenue debt outstanding as of Fiscal Year 2018 see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Notes to Basic Financial Statements—5. Long-Term Liabilities—Qualified School Construction Bonds" (CAFR page 42).

Overlapping And Underlying General Obligation Debt

Taxing Entity	2018 Taxable Value (1)	Board's Portion of Tax- able Value	Board's Per- centage	Entity's General Obligation Debt	Board's Portion of G.O. Debt
<i>Overlapping:</i>					
State of Utah	\$285,970,117,064	\$23,698,734,490	8.3%	\$2,274,735,000	\$188,803,005
CUWCD (2)	168,739,037,460	23,698,734,490	14.0	206,900,000	28,966,000
Salt Lake County	109,703,813,229	23,698,734,490	21.6	186,755,000	40,339,080
Total overlapping					<u>258,108,085</u>
<i>Underlying:</i>					
West Jordan City	7,672,205,658	7,672,205,658	100.0	4,785,000	<u>4,785,000</u>
Total underlying					<u>4,785,000</u>
Total overlapping and underlying general obligation debt					<u>\$262,893,085</u>
Total <i>overlapping</i> general obligation debt (excluding the State) (3)					\$ 69,305,080
Total of the District's portion of <i>direct</i> general obligation bonded indebtedness					<u>201,390,000</u>
Total <i>direct</i> and <i>overlapping</i> general obligation debt (excluding the State)					<u>\$270,695,080</u>

This table excludes any additional principal amounts attributable to unamortized original issue bond premium.

- (1) *Preliminary; subject to change.* Taxable value used in this table *excludes* the taxable value used to determine uniform fees on tangible personal property and valuation on semiconductor manufacturing equipment. See "FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Taxable, Fair Market And Market Value Of Property Within The District" below.
- (2) Central Utah Water Conservancy District ("CUWCD") outstanding general obligation bonds are limited ad valorem tax bonds. Certain portions of the principal of and interest on CUWCD's general obligation bonds are paid from revenues from the sale of water.
- (3) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.

(Source: Municipal Advisor.)

Additional Information. For the schedule of direct and overlapping governmental entities debt in the District as of Fiscal Year 2018 see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Direct and Overlapping Governmental Activities Debt as of June 30, 2018" (CAFR page 102).

Debt Ratios Regarding General Obligation Debt

The following table sets forth the ratios of general obligation debt (excluding any additional principal amounts attributable to unamortized original issue bond premium) that is expected to be paid from taxes levied specifically for such debt and not from other revenues over the taxable value of property within the District, the estimated market value of such property and the population of the District. *The State's general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation debt.*

These ratios are based on the Board's direct general obligation debt of \$201,390,000 (which does not include the Canyons' portion of the Board's general obligation bonds).

	To 2018 Estimated Taxable Value (1)	To 2018 Estimated Market Value (2)	To 2017 Population Estimate Per Capita (3)
<i>Direct</i> general obligation debt	0.85%	0.56%	\$717
<i>Direct and overlapping</i> general obligation debt	1.14	0.76	964

- (1) Based on an estimated 2018 Taxable Value of \$23,697,384,490, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (2) Based on an estimated 2018 Market Value of \$35,746,698,171, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (3) Based on the 2017 population estimate (based on incorporated cities within the District) of 280,911 from the U.S. Census Bureau.

(Source: Municipal Advisor.)

Additional Information. For a 10-year history of various debt ratios calculated by the District see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Ratios of Outstanding Debt Last Ten Fiscal Years June 30, 2009 through 2018” (CAFR page 100).

See “FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Property Tax Matters—Uniform Fees” and “—Taxable, Fair Market And Market Value Of Property Within The District” below.

General Obligation Legal Debt Limit And Additional Debt Incurring Capacity

The general obligation indebtedness of the Board is limited by State law to 4% of the fair market value of taxable property in the District (*based on the last equalized property tax assessment roll*). The legal debt limit and additional debt incurring capacity of the Board (after the issuance of the 2019B Bonds) are based on the fair market value for 2017 and the calculated valuation value from 2017 Uniform Fees, and are calculated as follows:

2017 “Fair Market Value”	\$31,516,061,806
2017 valuation from Uniform Fees.....	<u>577,485,399</u>
2017 “Fair Market Value for Debt Incurring Capacity” (1)	<u>\$32,093,547,205</u>
“Fair Market Value for Debt Incurring Capacity” times 4% (the “Debt Limit”)	\$1,283,741,888
Less: current outstanding general obligation debt (2).....	<u>(251,925,946)</u>
Estimated additional debt incurring capacity.....	<u>\$1,031,815,942</u>

- (1) For debt incurring capacity only, in computing the fair market value of taxable property in the District, the value of all motor vehicles and state-assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) will be included as a part of the fair market value of the taxable property in the District. Does not include valuation regarding Semiconductor Manufacturing Equipment (“SCME”).
- (2) For legal debt limit purposes, the outstanding general obligation debt as shown above is increased by the premium associated with debt issued that is reported in the long-term debt notes of the Board’s financial statements. For accounting purposes, the total unamortized bond premium was \$10,220,946 (as of June 30, 2018) and together with current outstanding debt of \$241,705,000, results in total outstanding debt of \$251,925,946.

(Source: Municipal Advisor.)

Additional Information. For a 10-year Fiscal Year history of the Board’s legal debt margin limit and debt capacity see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Legal Debt Margin Information Last Ten Years June 30, 2009 through 2018” (CAFR page 104).

Federal Funding Cuts

Federal Sequestration. Pursuant to the Budget Control Act of 2011 (the “BCA”), cuts to federal programs necessary to reduce federal spending to levels specified in the BCA (known as “sequestration”) were ordered in federal fiscal years ending September 30, 2013 through 2021 and were subsequently extended through September 30, 2027. These reductions include cuts to the subsidy payments to be made to issuers of QSCBs and various other federal expenditures.

The Authority is impacted by federal sequestration in Fiscal Year 2019 with reductions in subsidy payments by \$27,565 for its lease revenue bonds. The Board anticipates that any future reductions of subsidy payments with respect to the Authority’s \$9,000,000 of outstanding QSCBs and reductions in other federal grants because of sequestration would have no material impact on its operations or financial position. The Board cannot predict whether Congress will act to avoid or extend sequestration in the future.

No Defaulted Obligations

The Board has never failed to pay principal of and interest on its financial obligations when due.

FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH

Fund Structure; Accounting Basis

The accounting policies of the District conform to all generally accepted accounting principles for governmental units in general and the State’s school districts.

The accounts of the District are organized based on funds or groups of accounts, each of which is a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and how spending activities are controlled. The various funds are grouped by type in the combined financial statements. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018–Notes to Basic Financial Statements–Note 1. Summary of Significant Accounting Policies” (CAFR page 33).

Budgets And Budgetary Accounting

The District operates within the budget requirements for school districts as specified by State law and as interpreted by the State Superintendent of Public Instruction. The superintendent of each school district is the budget officer of each respective district.

For the fiscal year beginning July 1, the Business Administrator under the supervision of the Superintendent prepares a tentative budget for all funds which is presented to the Board by the Superintendent on or before June 1. State law requires budgets for all governmental fund types and the Board has adopted budgets for those funds.

After a public hearing has been held, the Board, by resolution, legally adopts the final budget prior to June 22. If the tax rate in the proposed budget exceeds the “certified tax rate,” the Board shall, if required by State law, comply with the notice and hearing requirements contained in the Property Tax Act, Chapter 2, Title 59, Utah Code (the “Property Tax Act”) in adopting the budget. See in this section “Ad Valorem Tax Levy And Collection” and “Public Hearing On Certain Tax Increases” below.

Once adopted, the budget can be amended by subsequent Board action. Reductions in appropriations can be approved by the Board upon recommendation of the Superintendent; however, increased appropriations require a public hearing prior to amending the budget.

Adjustments in estimated revenue and revisions of appropriations due to operational changes in categorical program funding are integrated into the amended budget approved by the Board.

A final amended budget is legally approved by the Board prior to the end of the fiscal year.

The total budgeted expenditures of a given fund may not exceed the revenues expected to be received for the fiscal year plus the fund balance. Control of the budget is exercised at the fund level.

All governmental funds are prepared using the modified accrual basis of accounting, adjusted for encumbrances. Unencumbered appropriations lapse at year end.

Undistributed Reserve in School Board Budget. A local school board may adopt a budget with an undistributed reserve. The reserve may not exceed 5% of the maintenance and operation budget adopted by each local board in accordance with a scale developed by the State Board of Education. The scale is based on the size of the school district's budget.

Each local board may appropriate all or a part of the undistributed reserve made to any expenditure classification in the maintenance and operation budget by written resolution adopted by majority vote of such board setting forth the reasons for the appropriation.

The board may not use undistributed reserves in the negotiation or settlement of contract salaries for school district employees.

Limits on Appropriations—Estimated Expendable Revenue. A local school board may not make any appropriation more than its estimated expendable revenue, including undistributed reserves, for the following fiscal year.

In determining the estimated expendable revenue, any existing deficits arising through excessive expenditures from former years are deducted from the estimated revenue for the ensuing year to the extent of at least 10% of the entire tax revenue of the school district for the previous year.

In the event of financial hardships, a local board may deduct from the estimated expendable revenue for the ensuing year, by fund, at least 25% of the deficit amount.

All estimated balances available for appropriations at the end of the fiscal year shall revert to the funds from which they were appropriated and shall be fund balances available for appropriation in the budget of the following year.

A local school board may reduce a budget appropriation at its regular meeting if notice of the proposed action is given to all board members and the district superintendent at least one week prior to the meeting.

An increase in an appropriation may not be made by a local school board unless the following steps are taken: (a) the local school board receives a written request from the district superintendent that sets forth the reasons for the proposed increase; (b) notice of the request is published in a newspaper of general circulation within the school district at least one week prior to a local school board meeting at which the request will be considered; and (c) the local school board holds a public hearing on the request prior to the board's acting on the request.

School District Interfund Transfers. The State Board of Education may authorize school district inter-fund transfers for financially distressed districts if the State Board of Education determines the following: (a) the school district has a significant deficit in its maintenance and operations fund which has resulted from circumstances not subject to the administrative decisions of the school district and which cannot be reasonably reduced under Section 53G-7-306 of the Utah Code; and (b) without the transfer, the school district will not be capable of meeting statewide educational standards adopted by the State Board of Education.

Adoption of Ad Valorem Tax Levy. The governing body of each taxing entity shall, before June 22 of each year, adopt a proposed or, if the tax rate is not more than the certified tax rate, a final tax rate for the taxing entity. The governing body shall report the rate and levy, and any other information prescribed by rules of the county commission for the preparation, review, and certification of the rate, to the county auditor of the county in which the taxing entity is located.

Additional Information. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Notes to Basic Financial Statements—1. Summary of Significant Accounting Policies—Budgets and Budgetary Accounting” (CAFR page 34).

Management’s Discussion And Analysis

The administration of the District prepared a narrative discussion, overview, and analysis of the financial activities of the District for Fiscal Year 2018. For the complete discussion see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Management’s Discussion and Analysis” (CAFR page 12).

Economic Stabilization Fund. As directed by the Board, the District has increased its fund balance commitment to economic stabilization in the General Fund. For Fiscal Year 2018, the District has committed \$18.2 million of the General Fund fund balance to economic stabilization. For Fiscal Year 2018, the District has approximately \$32.6 million of unassigned fund balances in the General Fund. As defined in State law as an “undistributed reserve,” the District maintains up to 5% of General Fund budgeted expenditures for economic stabilization. Potential State budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also, defined by State law, the commitment is not to be used “in the negotiation or settlement of contract salaries for school district employees” and the use of this reserve requires a written resolution adopted by a majority vote of the Board filed with the Utah State Board of Education and the Utah State Auditor.

The Management’s Discussion and Analysis for Fiscal Year 2019 is not available. Under State law the Board must complete its annual financial report for Fiscal Year 2019 by November 30, 2019.

Financial Summaries

The summaries contained herein were extracted from the District’s basic financial statements. The summaries have not been audited. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018.”

Jordan School District

Statement of Net Position

Governmental Activities

(This summary has not been audited)

	As of June 30				
	2018	2017	2016	2015	2014
Assets and deferred outflows of resources					
Assets					
Capital assets					
Other capital assets, net of depreciation.....	\$ 640,967,098	\$ 622,397,869	\$ 637,000,668	\$ 647,872,700	\$ 634,271,798
Sites and construction in progress.....	216,062,019	155,810,627	92,415,399	90,612,797	105,364,439
Cash and investments.....	389,815,957	359,284,357	328,832,339	299,720,313	289,382,198
Accounts receivable					
Property taxes.....	166,346,699	147,017,536	144,413,033	128,941,803	104,006,042
Federal government.....	5,775,857	7,828,720	9,767,647	6,520,696	6,301,926
State of Utah.....	1,979,545	2,626,299	1,805,217	2,083,904	2,009,047
Other local.....	197,158	245,341	317,213	150,715	194,873
Investments restricted for debt service.....	4,333,673	3,550,958	3,027,671	2,459,954	1,900,693
Inventories.....	2,589,988	2,544,048	2,292,505	1,841,813	1,754,576
Net retirement asset.....	—	—	31,328,549	30,104,573	28,724,816
Net pension asset.....	—	—	9,185	137,439	8,421 (r)
Total assets.....	<u>1,428,067,994</u>	<u>1,301,305,755</u>	<u>1,251,209,426</u>	<u>1,210,446,707</u>	<u>1,173,918,829</u>
Deferred outflows of resources					
Related to pensions.....	76,388,983	68,460,667	60,976,688	19,643,471	15,895,884 (r)
Deferred charge on refunding.....	1,146,180	1,719,269	2,292,358	2,865,447	3,438,536
Total deferred outflows of resources.....	<u>77,535,163</u>	<u>70,179,936</u>	<u>63,269,046</u>	<u>22,508,918</u>	<u>19,334,420</u>
Total assets and deferred outflows of resources.....	<u>\$ 1,505,603,157</u>	<u>\$ 1,371,485,691</u>	<u>\$ 1,314,478,472</u>	<u>\$ 1,232,955,625</u>	<u>\$ 1,193,253,249</u>
Liabilities, deferred inflows of resources, and net position					
Liabilities					
Noncurrent liabilities:					
Due or payable after one year.....	\$ 280,441,261	\$ 258,489,954	\$ 205,859,430	\$ 185,254,294	\$ 217,080,890 (1)
Due or payable within one year.....	27,385,198	25,254,533	24,121,320	23,890,207	24,896,674
Accrued payroll and related benefits.....	37,029,561	33,090,431	31,461,241	29,350,387	27,824,193
Unearned revenue:					
State of Utah.....	21,233,601	22,898,994	22,566,409	20,725,553	18,158,320
Federal government.....	2,553,437	1,756,213	1,545,859	1,152,726	400,909
Other local.....	821,166	695,058	820,046	884,766	655,810
Accounts and contracts payable.....	21,074,279	10,813,418	6,688,839	8,733,647	9,998,568
Accrued interest.....	209,041	121,991	86,609	107,799	127,199
Total liabilities.....	<u>390,747,544</u>	<u>353,120,592</u>	<u>293,149,753</u>	<u>270,099,379</u>	<u>299,142,563</u>
Deferred inflows of resources					
Property taxes levied for future year.....	165,065,108	145,377,828	142,381,941	126,393,762	101,332,080
Related to pensions.....	64,044,749	21,671,849	16,059,297	12,232,142	—
Total deferred inflows of resources.....	<u>229,109,857</u>	<u>167,049,677</u>	<u>158,441,238</u>	<u>138,625,904</u>	<u>101,332,080</u>
Net position					
Net investment in capital assets.....	741,237,859	699,854,929	677,463,407	674,379,692	664,132,697 (r)
Restricted for:					
Capital projects.....	67,025,451	86,168,781	85,941,213	71,545,939	64,687,349
Nutrition services.....	9,021,462	8,179,173	7,751,305	7,475,581	7,021,064
Reading achievement.....	6,282,123	5,760,591	6,042,513	3,748,410	— (r)
Debt service.....	5,135,717	7,644,241	3,211,631	2,214,683	2,193,800
Other purposes.....	1,080,049	999,236	1,002,225	986,627	6,088,433 (r)
Unrestricted.....	55,963,095	42,708,471	81,475,187	63,879,410	48,655,263 (r)
Total net position.....	<u>885,745,756</u>	<u>851,315,422</u>	<u>862,887,481</u>	<u>824,230,342</u>	<u>792,778,606</u>
Total liabilities, deferred inflows of resources and net position.....	<u>\$ 1,505,603,157</u>	<u>\$ 1,371,485,691</u>	<u>\$ 1,314,478,472</u>	<u>\$ 1,232,955,625</u>	<u>\$ 1,193,253,249</u>

(r) Restated by the District.

(1) Restated by the District. The large increase from Fiscal Year 2013 to Fiscal Year 2014 was due to GASB Statement 68.

(Source: Information taken from the District's audited basic financial statements. Compiled by the Municipal Advisor.)

Jordan School District

Statement of Activities (1)

Total Governmental Activities

(This summary has not been audited)

	Net (Expense) Revenue and Changes in Net Position				
	June 30				
	2018	2017	2016	2015	2014
Governmental activities					
Instructional services.....	\$ (164,704,773)	\$ (159,246,994)	\$ (152,673,832)	\$ (146,294,004)	\$ (143,971,219)
Supporting services					
Operation and maintenance of facilities.....	(36,939,333)	(35,449,475)	(34,701,498)	(33,302,520)	(34,217,874)
School administration.....	(21,349,782)	(20,888,769)	(19,770,118)	(18,829,978)	(19,580,860)
Students.....	(11,933,976)	(9,068,536)	(8,703,863)	(7,696,842)	(7,701,522)
Instructional staff.....	(8,688,028)	(8,279,151)	(7,866,104)	(7,796,415)	(8,154,805)
Personnel, planning and data processing.....	(6,593,735)	(7,048,814)	(6,937,405)	(6,407,800)	(6,141,215)
Student transportation.....	(5,892,186)	(5,971,534)	(6,261,851)	(5,968,783)	(6,099,779)
General district administration.....	(3,326,657)	(3,212,165)	(2,772,694)	(2,571,116)	(2,873,120)
Business.....	(3,029,156)	(2,944,884)	(3,187,542)	(3,616,563)	(3,269,050)
Community services (2).....	(17,222,559)	(13,212,561)	(11,752,288)	(10,231,395)	—
Interest on long-term liabilities.....	(3,188,561)	(1,910,742)	(2,367,310)	(3,260,584)	(3,649,802)
Nutrition services.....	495,644	926,726	465,592	581,453	767,008
Total school district.....	(282,373,102)	(266,306,899)	(256,528,913)	(245,394,547)	(234,892,238)
General revenues					
Federal and state aid not restricted to specific purposes.....	163,457,576	156,631,205	151,682,696	147,394,903	147,618,952
Property taxes levied for					
Capital local.....	41,657,302	33,598,239	25,348,173	30,148,511	33,330,150
Voted local.....	31,663,508	33,142,530	30,632,233	25,071,527	25,214,298
Basic.....	31,030,237	34,696,085	33,235,973	22,235,310	24,189,967
Debt service.....	12,111,292	15,846,272	16,349,954	13,867,688	13,347,819
Board local.....	10,666,644	13,339,869	14,512,021	13,663,982	16,310,498
Redevelopment agencies and charter schools (2).....	16,424,358	12,458,418	11,752,288	10,231,395	—
Capital equalization payments (2).....	—	426,882	3,911,776	10,395,559	—
Total taxes.....	143,553,341	143,508,295	135,742,418	125,613,972	112,392,732
Special item— gain on sale of land.....	—	6,347,698	—	—	—
Earnings on investments.....	6,904,685	4,036,032	2,403,498	1,567,780	1,497,162
Miscellaneous.....	2,887,834	2,695,931	5,357,440	2,269,628	3,349,672
Total general revenues.....	316,803,436	313,219,161	295,186,052	276,846,283	264,858,518
Change in net position.....	34,430,334	46,912,262	38,657,139	31,451,736	29,966,280
Net position—beginning (as restated).....	851,315,422	804,403,160 (3)	824,230,342	792,778,606 (4)	895,347,482
Net position—ending.....	\$ 885,745,756	\$ 851,315,422	\$ 862,887,481	\$ 824,230,342	\$ 925,313,762

- (1) This report is presented in summary format concerning the single item of “Net (Expense) Revenue and Changes in Net Assets” and is not intended to be complete.
- (2) Beginning in Fiscal Year 2015, the District was required by the State Auditor to include these items as revenues and/or expenditures. Historically, the District did not account for these items because the revenues and/or expenditures were either received or transferred by a different governmental entity and either received or transferred by the District.
- (3) The large decrease from Fiscal Year 2016 to Fiscal Year 2017 was due to GASB Statements 73 and 75.
- (4) The large decrease from Fiscal Year 2014 to Fiscal Year 2015 was due to GASB Statement 68.

(Source: Information taken from the District’s audited basic financial statements. Compiled by the Municipal Advisor.)

Jordan School District

Balance Sheet—Governmental Funds

Major Funds—General Fund

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2018	2017	2016	2015	2014
Assets					
Cash and investments.....	\$ 217,560,436	\$ 207,423,400	\$ 189,986,810	\$ 178,551,089	\$ 174,963,001
Receivables					
Property taxes.....	83,227,998	76,378,685	71,842,584 (r)	66,448,394	57,248,072
Federal government.....	5,229,260	7,144,365	8,882,124	5,950,007	5,304,576
State of Utah.....	777,078	635,780	286,217	406,038	470,794
Other local.....	168,966	238,133	308,246	106,877	110,568
Inventories.....	904,430	1,048,049	1,062,366	1,154,094	1,040,095
Total assets.....	\$ 307,868,168	\$ 292,868,412	\$ 272,368,347	\$ 252,616,499	\$ 239,137,106
Liabilities					
Accrued payroll and related benefits.....	\$ 37,029,561	\$ 33,090,431	\$ 31,461,241	\$ 29,350,387	\$ 27,824,193
Unearned revenue					
State of Utah.....	19,196,180	21,042,063	20,905,145	19,249,155	16,737,749
Federal government.....	2,259,038	1,707,719	1,545,859	1,152,726	400,909
Local.....	218,940	133,343	121,829	66,207	62,558
Accounts and contracts payable.....	2,806,296	2,564,078	1,986,813	2,456,377	3,300,805
Total liabilities.....	61,510,015	58,537,634	56,020,887	52,274,852	48,326,214
Deferred inflows of resources					
Property taxes levied for future year.....	82,457,951	75,320,634	70,743,037	65,149,719	55,731,286
Unavailable property tax revenue.....	775,797	873,151	984,251 (r)	1,113,136	1,238,366
Total deferred inflows of resources.....	83,233,748	76,193,785	71,727,288	66,262,855	56,969,652
Fund balances					
Committed to					
Retiree benefits.....	43,223,884	48,945,833	52,528,487	57,115,248	63,406,198
Economic stabilization.....	18,200,000	17,400,000	16,700,000	16,000,000	15,450,000
Educator grants.....	11,000,000	—	—	—	—
West Jordan feeder system (1).....	3,403,027	4,358,914	—	—	—
Compensated absences.....	3,887,954	3,621,259	3,225,151	3,054,256	2,913,689
Contractual obligations.....	1,257,302	2,296,770	1,842,647	894,790	1,236,323
Assigned to					
Personnel.....	36,068,014	31,178,576	19,950,186	24,294,623	28,750,811
Educational programs.....	6,284,355	6,483,836	6,797,029	5,381,488	5,162,665
Unassigned.....	32,638,901	37,070,628	36,504,140	22,471,743	10,702,332
Restricted for					
Transportation and reading achievement.....	6,256,538	—	—	—	—
Property tax programs.....	—	5,733,128	6,010,166	3,712,550	5,179,127
Nonspendable					
Inventories.....	904,430	1,048,049	1,062,366	1,154,094	1,040,095
Total fund balances.....	163,124,405	158,136,993	144,620,172	134,078,792	133,841,240
Total liabilities, deferred inflows of resources, and fund balances.....	\$ 307,868,168	\$ 292,868,412	\$ 272,368,347	\$ 252,616,499	\$ 239,137,106

(1) One-time revenues dedicated to educating students within a specific school area within the District

(r) Restated by the District.

(Source: Information taken from the District's audited basic financial statements. Compiled by the Municipal Advisor.)

Jordan School District

Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental Funds—Major Governmental Funds

General Fund

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2018	2017	2016	2015	2014
Revenues					
State of Utah.....	\$ 243,418,338	\$ 227,932,411	\$ 217,432,316	\$ 207,909,276	\$ 210,081,172
Property taxes.....	71,228,405	73,914,151	70,443,092	59,369,132	58,565,960
Federal government.....	15,940,313	16,608,010	16,630,763	17,422,527	15,765,974
Other local sources.....	7,650,463	8,280,040	7,713,261	7,258,440	6,723,379
Interest.....	4,094,086	2,317,208	1,527,182	969,874	937,064
Total revenues.....	<u>342,331,605</u>	<u>329,051,820</u>	<u>313,746,614</u>	<u>292,929,249</u>	<u>292,073,549</u>
Expenditures					
Current					
Instruction.....	222,472,021	210,067,176	200,689,103	192,123,387	184,974,229
Support services					
Operation and maintenance of facilities....	34,514,029	32,791,320	32,543,189	31,394,721	31,389,725
School administration.....	23,252,337	21,906,876	21,317,489	20,508,229	19,978,546
Students.....	16,788,155	11,997,632	11,296,375	10,584,305	9,650,162
Instructional staff.....	15,229,615	14,231,029	13,246,639	14,387,077	14,962,336
Student transportation.....	11,998,090	11,607,846	11,307,750	10,955,155	10,265,761
Personnel, planning and data processing...	7,131,457	7,293,357	7,265,266	6,888,450	6,242,453
Business.....	3,082,345	2,953,600	3,246,676	3,715,867	3,215,500
General district administration.....	2,654,550	2,511,140	2,121,286	1,969,069	1,941,013
Total expenditures.....	<u>337,122,599</u>	<u>315,359,976</u>	<u>303,033,773</u>	<u>292,526,260</u>	<u>282,619,725</u>
Revenues over (under) expenditures.....	<u>5,209,006</u>	<u>13,691,844</u>	<u>10,712,841</u>	<u>402,989</u>	<u>9,453,824</u>
Other financing sources (uses)					
Transfers in (out).....	<u>(221,594)</u>	<u>(175,023)</u>	<u>(171,461)</u>	<u>(165,437)</u>	<u>(155,270)</u>
Total other financing sources (uses).....	<u>(221,594)</u>	<u>(175,023)</u>	<u>(171,461)</u>	<u>(165,437)</u>	<u>(155,270)</u>
Net change in fund balances.....	4,987,412	13,516,821	10,541,380	237,552	9,298,554
Fund balances—beginning.....	158,136,993	144,620,172	134,078,792	133,841,240	124,542,686
Fund balances—ending.....	<u>\$ 163,124,405</u>	<u>\$ 158,136,993</u>	<u>\$ 144,620,172</u>	<u>\$ 134,078,792</u>	<u>\$ 133,841,240</u>

(Source: Information taken from the District's audited basic financial statements. Compiled by the Municipal Advisor.)

Additional Information. For a 10-year financial history of various District funds see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018–Statistical Section” at the indicated pages as set forth below.

- (i) “Net Position by Component Last Ten Fiscal Years June 30, 2009 to 2018” (CAFR page 88);
- (ii) “Fund Balances–Governmental Funds Last Ten Fiscal Years June 30, 2009 to 2018” (CAFR page 89);
- (iii) “Changes in Net Position Last Ten Fiscal Years June 30, 2009 to 2018” (CAFR page 90); and
- (iv) “Changes in Fund Balances–Governmental Funds Last Ten Fiscal Years June 30, 2009 to 2018” (CAFR page 92).

Ad Valorem Tax Levy And Collection

The Utah State Tax Commission (the “State Tax Commission”) must assess all centrally-assessed property (as defined under “Property Tax Matters” below) by May 1 of each year. County assessors must assess all locally-assessed property (as defined under “Property Tax Matters” below) before May 22 of each year. The State Tax Commission apportions the value of centrally-assessed property to the various taxing entities within each county and reports such values to county auditors before June 8. The governing body of each taxing entity must adopt a proposed tax rate or, if the tax rate is not more than the certified tax rate, a final tax rate before June 22; provided if the governing body has not received the taxing entity’s certified tax rate at least seven days prior to June 22, the governing body of the taxing entity must, no later than 14 days after receiving the certified tax rate from the county auditor, adopt a proposed tax rate or, if the tax rate is not more than the certified tax rate, a final tax rate. County auditors must forward to the State Tax Commission a statement prepared by the legislative body of each taxing entity showing the amount and purpose of each levy. Upon determination by the State Tax Commission that the tax levies comply with applicable law and do not exceed maximum permitted rates, the State Tax Commission notifies county auditors to implement the levies. If the State Tax Commission determines that a tax levy established by a taxing entity exceeds the maximum levy permitted by law, the State Tax Commission must lower the levy to the maximum levy permitted by law, notify the taxing entity that the rate has been lowered and notify the county auditor (of the county in which the taxing entity is located) to implement the rate established by the State Tax Commission.

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county boards of equalization will meet to hear complaints. Taxpayers owning property assessed by a county assessor may file an application within statutorily defined time limits based on the nature of the contest with the appropriate county board of equalization for contesting the assessed valuation of their property. The county board of equalization must render a decision on each appeal in the time frame prescribed by the Property Tax Act. Under certain circumstances, the county board of equalization must hold a hearing regarding the application, at which the taxpayer has the burden of proving that the property sustained a decrease in fair market value. Decisions of the county board of equalization may be appealed to the State Tax Commission, which must decide all appeals relating to real property by March 1 of the following year. Owners of centrally-assessed property or any county showing reasonable cause, may, on or before the later of August 1 or a day within 90 days of the date the notice of assessment is mailed by the State Tax Commission, apply to the State Tax Commission for a hearing to contest the assessment of centrally-assessed property. The State Tax Commission must render a written decision within 120 days after the hearing is completed and all post-hearing briefs are submitted. The county auditor makes a record of all changes, corrections and orders, and delivers before November 1 the corrected assessment rolls to the county treasurers. On or before November 1, each county treasurer furnishes each taxpayer a notice containing, among other things, the kind and value of

the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year the property is subject to a detailed review.

Without an extension by a County legislative body, taxes are due November 30 (and if a Saturday, Sunday or holiday, the next business day). Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay to the State and each taxing entity within the county its proportionate share of the taxes, on or before the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or \$10 whichever is greater (delinquent taxes paid on or before January 31 immediately following the delinquency date the penalty is 1% of the amount of the delinquent tax or \$10 whichever is greater). Unless the delinquent taxes and penalty are paid before January 31 of the following year, the amount of delinquent taxes and penalty bears interest at the federal funds rate target established by the Federal Open Market Committee plus 6% from the January 1 following the delinquency date until paid (said interest may not be less than 7% nor more than 10%). If delinquent taxes have not been paid by March 15 following the lapse of four years from the delinquency date, the affected county advertises and sells the property at a final tax sale held in May or June of the fifth year after assessment.

The process described above changes if a county or other taxing entity proposes a tax rate in excess of the certified tax rate (as described under “Public Hearing On Certain Tax Increases” below). If such an increase is proposed, the taxing entity must adopt a proposed tax rate before June 22. In addition, the county auditor must include certain information in the notices to be mailed by July 22, as described above, including information concerning the tax impact of the proposed increase on the property and the time and place of the public hearing described in “Public Hearing On Certain Tax Increases” below. In most cases, notice of the public hearing must also be advertised by publication. After the public hearing is held, the taxing entity may adopt a resolution levying a tax more than the certified tax rate. A resolution levying a tax more than the certified tax rate must be forwarded to the county auditor by August 17. The final tax notice is then mailed by November 1.

Public Hearing On Certain Tax Increases

Each taxing entity that proposes to levy a tax rate that exceeds the “certified tax rate” may do so (by resolution) only after holding a properly noticed public hearing. Generally, the certified tax rate is the rate necessary to generate the same property tax revenue that the taxing entity budgeted for the prior year, with certain exclusions. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of eligible new growth. With certain exceptions, the certified tax rate for the minimum school levy, debt service voted on by the public and certain state and county assessing and collecting levies are the actual levies imposed for such purposes and no hearing is required for these levies.

Among other requirements, on or before July 22 of the year in which such an increase is proposed, the county auditor must mail to all property owners a notice of the public hearing. In most cases, the taxing entity must advertise the notice of public hearing by publication in a newspaper. Such notices must state, among other things, the value of the property, the time and place of the public hearing, and the tax impact of the proposed increase.

Property Tax Matters

The Property Tax Act provides that all taxable property is required to be assessed and taxed at a uniform and equal rate based on its “fair market value” as of January 1 of each year, unless otherwise provided by law. “Fair market value” is defined in the Property Tax Act as “the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts.” Pursuant to an exemption for residential property provided for under the Property Tax Act and Article XIII of the State Constitution, the “fair market value” of residential property is reduced by 45%. The residential exemption is limited to

one acre of land per residential unit and to one primary residence per household, except that an owner of multiple residential properties may exempt his or her primary residence and each residential property that is the primary residence of a tenant.

The Property Tax Act provides that the State Tax Commission shall assess certain types of property (“centrally-assessed property”), including (i) properties that operate as a unit across county lines that must be apportioned among more than one county or state, (ii) public utility (including railroad) properties, (iii) airline operating properties, (iv) geothermal resources and (v) mines, mining claims and appurtenant machinery, facilities and improvements. All other taxable property (“locally-assessed property”) is required to be assessed by the county assessor of the county in which such locally-assessed property is located. Each county assessor must update property values annually based upon a systematic review of current market data by using a State mandated mass appraisal system and must also complete a detailed review of property characteristics for each parcel of property at least once every five years. The Property Tax Act requires that the State Tax Commission conduct an annual investigation in each county to determine whether all property subject to taxation is on the assessment rolls and whether the property is being assessed at its “fair market value.”

The State Tax Commission and the county assessors utilize various valuation methods, as determined by statute, administrative regulation or accepted practice, to determine the “fair market value” of taxable property.

Uniform Fees. An annual statewide uniform fee is levied on tangible personal property in lieu of the ad valorem tax. The uniform fee is based on the value of motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. The current uniform fee is established at 1.5% of the fair market value of motor vehicles that weigh 12,001 pounds or more, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State, excluding exempt property such as aircraft and property subject to a fixed age-based fee. Motor vehicles weighing 12,000 pounds or less and certain other vehicles are subject to an age-based fee that is due each time the vehicle is registered. The revenues collected from the various uniform fees are distributed by the county to the taxing entity in which the property is in the same proportion in which revenue collected from ad valorem real property is distributed.

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Historical Tax Rates Of The District

		Tax Rate (Fiscal Year)				
	Maximum Tax Rate (1)	2018–19	2017–18	2016–17	2015–16	2014–15
General Fund:						
Basic school levy (2).....	formula	.001666	.001568	.001675	.001736	.001419
Voted local levy (3).....	.001600	.001600	.001600	.001600	.001600	.001600
Board local levy .....	.002500 (4)	.000249	.000368	.000644	.000758	.000872
Subtotals .....		.003515	.003536	.003919	.004094	.003891
Capital outlay:						
Capital local levy (5).....	.003000	.001969	.002105	.001622	.001324	.001324
Capital outlay equalized (6) .....	.000600	.000000	.000000	.000600	.000600	.000600
Subtotals .....		.001969	.002105	.002222	.001924	.001924
Debt service (general obligation bonds):						
Debt service (7).....	none	.000866	.000612	.000765	.000854	.000885
Charter school levy (8)	(4)	.000151	.000171	.000000	.000000	.000000
Judgment recovery levy (9)	none	—	—	—	—	—
Total all funds.....		.006501	.006424	.006906	.006872	.006700

- (1) Maximum tax rate where applicable under current State law.
- (2) Set by law for the District's portion of the State Minimum School Program.
- (3) General maintenance and operation revenue. *In 2003 District residents approved a Voted Local Levy tax rate (which results in a maximum tax rate of .001600).* In some circumstances, the State Tax Commission will allow the tax rate to exceed its maximum tax rate.
- (4) The Board local leeway and the Charter school levy are both included in calculating the maximum tax rate for the Board local leeway of .002500.
- (5) Construction remodeling projects and purchase of school sites/equipment, etc.
- (6) This levy is established by State law for school districts located in first-class counties (having a population of 700,000 or more). *However, this special levy ended in Fiscal Year 2017.*
- (7) This maximum limitation is not applicable to levies made to provide for payment of the principal of and interest on general obligation bonds authorized by vote of school district electors.
- (8) Charter school levy revenues to be directed to State Charter School program.
- (9) A "judgment levy" is levied for collecting additional revenues. The Board has the legal right to levy a "Judgment Levy" in the succeeding tax year to make up for any tax revenue shortfall due to tax or revaluation "judgment" circumstances that the Board had no control over.

(Source: From records of the Utah State Tax Commission compiled by the Municipal Advisor.)

See "STATE OF UTAH SCHOOL FINANCE" below.

Additional Information. For a 10-year Fiscal Year history of the Board's direct and overlapping property tax rates based on a Calendar Year see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Direct and Overlapping Property Tax Rates Last Ten Years December 31, 2008 through 2017" (CAFR page 95).

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Comparative Ad Valorem Total Property Tax Rates Within Salt Lake County

This table only reflects those municipal entities and property tax rates within the County, except as noted.

Tax Levying Entity (1)	Total Tax Rate Within Taxing Area (Calendar Year)				
	2018	2017	2016	2015	2014
Canyons School District:					
Alta Town .....	.011554	.011899	.012177	.012807	.013323
Cottonwood Heights City .....	.014013	.014273	.014675	.015549	.016280
Draper City (3) (4) .....	.012816	.013399	.013808	.014604	.014620
Midvale City .....	.014350	.014932	.015397	.015391	.016080
Sandy City .....	.012974	.013581	.014020	.015000	.015386
Granite School District:					
Holladay City .....	.013507	.012934	.012913	.013557	.014099
Millcreek City (5) .....	.015603	.014910	—	—	—
Murray City (3) .....	.014420	.013101	.013118	.013795	.014343
Salt Lake City (3) .....	.015820	.015430	.014758	.015504	.016731
South Salt Lake City .....	.013612	.013029	.013166	.013806	.014351
Taylorsville City (3) .....	.015811	.015248	.015335	.016206	.016820
West Jordan City (3) .....	.015143	.014354	.014451	.015239	.015830
West Valley City .....	.017270	.017172	.016864	.017844	.018598
Jordan School District:					
Bluffdale Town .....	.011872	.012412	.012523	.012573	.013082
Draper City (3) .....	.011816	.012156	.012903	.013008	.013497
Herriman City .....	.014665	.014832	.015460	.015667	.016289
Riverton City .....	.014136	.014506	.015118	.015306	.015905
South Jordan City .....	.012344	.012596	.013294	.013389	.013916
Taylorsville City (3) .....	.013119	.013383	.014173	.014317	.014847
West Jordan City (3) .....	.013796	.013966	.014846	.015101	.015666
Murray City	—	.011492	.012227	.012276	.012733
Murray City School District:					
Murray City .....	.011641	.011626	.012056	.012961	.013384
Salt Lake City School District:					
Salt Lake City .....	.015428	.016423	.016225	.017716	.019040
Unincorporated areas (2):					
Canyons School District .....	.015817	.016202	.016492	.017425	.018213
Granite School District .....	.017613	.016931	.016512	.017760	.018536
Jordan School District .....	.015678	.015901	.016588	.016965	.017617
Alpine School District (Utah County):					
Bluffdale City (3) (4) .....	.010482	.011003	.011088	.011515	.011856
Draper City (3) (4) .....	.010951	.011318	.012075	.012583	.012253

- (1) These tax rates represent a taxing district within the city or town with the highest combined total tax rates of all overlapping taxing districts.
- (2) These tax rates represent a taxing district within the unincorporated areas within the County with the highest combined total tax rates of all overlapping taxing districts.
- (3) Portions of these cities boundaries are within two or more school district boundaries.
- (4) A portion of the city is also located in Utah County.
- (5) Incorporated January 1, 2017.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

Taxable, Fair Market And Market Value Of Property

Calendar Year	Taxable Value (2)	% Change Over Prior Year	Fair Market/ Market Value (3)	% Change Over Prior Year
2018 (1)	\$ 23,697,384,490	12.8	\$ 35,746,698,171	13.4
2017	21,001,006,343	8.8	31,516,061,806	9.8
2016	19,298,217,580	9.1	28,695,030,818	9.5
2015	17,690,149,456	9.5	26,195,362,695	9.6
2014	16,149,521,723	13.1	23,900,237,507	12.9

(1) Preliminary; subject to change. Fair Market/Market Value calculated by the Municipal Advisor.

(2) Taxable valuation includes redevelopment agency valuation but excludes semi-conductor manufacturing equipment ("SCME"). The estimated redevelopment agency valuation for Calendar Year 2018 was approximately \$2.3 billion; for Calendar Year 2017 was approximately \$2 billion; for Calendar Year 2016 was approximately \$1.826 billion; for Calendar Year 2015 was approximately \$1.678 billion; and for Calendar Year 2014 was approximately \$1.337 billion.

(3) Estimated fair market values were calculated by dividing the taxable value of primary residential property by 55%, which eliminates the 45% exemption on primary residential property granted under the Property Tax Act. Does not include market valuation for SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

Historical Summaries Of Taxable Values Of Property

	Calendar Year					
	2018		2017	2016	2015	2014
	Taxable	% of	Taxable	Taxable	Taxable	Taxable
	Value*	T.V.	Value	Value	Value	Value
Set by State Tax Commission (centrally assessed)						
Total centrally assessed.....	\$ 2,560,999,414	10.8 %	\$ 2,263,803,330	\$ 2,314,465,710	\$ 2,291,176,345	\$ 2,030,409,084
Set by County Assessor (locally assessed)						
Real property (land and buildings)						
Primary residential.....	14,723,888,943	62.1	12,848,679,083	11,481,830,824	10,391,969,914	9,469,690,654
Secondary residential.....	630,000,000	2.7	627,169,150	620,609,390	550,053,980	482,753,030
Commercial and industrial.....	4,500,000,000	19.0	3,975,852,920	3,650,622,450	3,306,146,990	3,040,499,520
FAA (greenbelt).....	35,000,000	0.1	37,961,810	139,600	115,700	147,500
Unimproved non FAA (vacant)....	150,000	0.0	147,300	42,491,890	37,820,680	49,187,600
Agricultural.....	4,025,000	0.0	4,073,480	4,321,650	3,982,030	3,634,040
Total real property.....	19,893,063,943	83.9	17,493,883,743	15,800,015,804	14,290,089,294	13,045,912,344
Personal property						
Primary mobile homes.....	3,050,000	0.0	3,055,372	3,163,134	3,290,712	3,406,415
Secondary mobile homes.....	820,000	0.0	819,298	1,168,180	1,080,574	1,522,518
Other business.....	1,239,451,133	5.2	1,239,444,600	1,179,404,752	1,104,512,531	1,068,271,362
SCME.....	1,350,000	0.0	1,351,863	4,250,669	18,420,040	26,911,868
Total personal property.....	1,244,671,133	5.3	1,244,671,133	1,187,986,735	1,127,303,857	1,100,112,163
Total locally assessed.....	21,137,735,076	89.2	18,738,554,876	16,988,002,539	15,417,393,151	14,146,024,507
Total taxable value.....	\$ 23,698,734,490	100.0 %	\$ 21,002,358,206	\$ 19,302,468,249	\$ 17,708,569,496	\$ 16,176,433,591
Total taxable value (1).....	\$ 23,697,384,490		\$ 21,001,006,343	\$ 19,298,217,580	\$ 17,690,149,456	\$ 16,149,521,723

* Preliminary; subject to change.

(1) Not including taxable valuation associated with SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by the Municipal Advisor.)

Additional Information on Taxable Valuations. For a 10-year history of the Board's taxable valuations and estimated actual valuations based on a Calendar Year see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Assessed Value and Estimated Actual Value of Taxable Property Last Ten Years December 31, 2008 through 2017" (CAFR page 94).

Additional Information on Historical Summaries of Taxable Values. For a 10-year history of the Board's historical summaries of taxable values of property see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Historical Summaries of Taxable Values of Property Last Ten Years December 31, 2008 through 2017" (CAFR page 126).

Tax Collection Record

Ad valorem property taxes are due on November 30th of each year. Final Fiscal Year 2019 (Tax Year or Calendar Year 2018) tax collections (due November 30, 2018) are not available.

Tax Year	(1) Total Taxes Levied	(2) Treasurer's Relief	Net Taxes Assessed	Current Collections	(3) Deliq., Personal Property and Miscellaneous Collections	(4) Total Collections	% of Current Collections to Net Taxes Assessed	% of Total Collections to Net Taxes Assessed
12/31								
2017	\$135,658,160	\$967,553	\$134,690,607	\$132,756,025	\$ 4,686,803	\$137,442,828	98.6%	102.0%
2016	133,387,166	857,350	132,529,816	130,660,062	4,514,511	135,174,573	98.6	102.0
2015	121,375,979	778,095	120,597,884	118,985,638	8,563,229	127,548,867	98.7	105.8
2014	108,665,565	648,089	108,017,476	106,202,228	14,766,996	120,969,224	98.3	112.0
2013	92,333,576	589,492	91,744,084	89,698,566	15,026,637	104,725,203	97.8	114.1

(1) Excludes redevelopment agencies valuation.

(2) Treasurer's Relief includes abatements established by statute to low-income, elderly and for hardship situations. These Treasurer's Relief items are levied against the property but are never collected and paid to the entity.

(3) Delinquent Collections include interest; sales of real and personal property; and miscellaneous delinquent collections. Does not include revenues collected from semi-conductor manufacturing equipment ("SCME"). The large increase, in Tax Years 2013 through 2016, includes the collection of moneys from the county-wide equalized capital outlay program (which program ended in Fiscal Year 2017 (Tax Year 2017)). Delinquent collections include equalized capital outlay of: \$392,156 for Tax Year 2016; \$4,320,958 for Tax Year 2015; \$10,777,882 for Tax Year 2014; and \$11,249,056 for Tax Year 2013.

(4) In addition to the Total Collections indicated above, the District also collected Uniform Fees (fees-in-lieu payments) for Tax Year 2017 of \$8,662,281; for Tax Year 2016 of \$8,353,231 (which includes \$725,737 from equalized capital outlay); for Tax Year 2015 of \$7,616,162 (which includes \$664,973 from equalized capital outlay); for Tax Year 2014 of \$6,896,441 (which includes \$617,592 from equalized capital outlay); and for Tax Year 2013 of \$6,802,429 (which includes \$572,274 from equalized capital outlay); from tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. *Beginning in Tax Year 2017 Total Collections include revenues collected for Charter Schools.*

(Source: Information taken from the Utah State Tax Commission reports, compiled by the Municipal Advisor.)

Additional Information. For a 10-year history of property tax levies and collections see "APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Property Tax levies and Collections (summary) Last Ten Tax Years December 31, 2008 through 2017" (CAFR page 97) and "—Property Tax levies and Collections (detail) Last Ten Tax Years December 31, 2008 through 2017" (CAFR page 98).

Some Of The Largest Taxpayers

The 10 largest ad valorem property taxpayers for Fiscal Year 2019 (Calendar Year or Tax Year 2018) is as follows:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2018 Taxable Value (1)</u>	<u>% of Jor- dan's 2018 Prel. Tax- able Value</u>
Kennecott Utah Copper LLC	Manufacturing/real estate	\$1,814,692,056	7.7%
Pacificorp	Electric utility	377,508,791	1.6
Ebay	Buildings/real estate	316,159,771	1.3
Riverpark (et al)	Buildings/real estate	285,492,700	1.2
Plaza at Jordan Landing LLC.....	Buildings/real estate	146,429,000	0.6
Verizon Wireless.....	Communication utility	134,843,338	0.6
Oracle America, Inc.	Buildings/real estate	132,961,476	0.6
Boeing Co.	Buildings/real estate	129,683,138	0.5
Dannon Company	Manufacturing/real estate	128,192,677	0.5
The/District LC	Buildings/real estate	<u>128,145,200</u>	0.5
Totals		<u>\$3,594,108,147</u>	15.2%

(1) Taxable Value used in this table *excludes* the taxable value used to determine “uniform fees” on tangible personal property.

(Source: Information taken from reports of the State Tax Commission and Salt Lake County, compiled by the Municipal Advisor.)

Additional Information. For a listing of the District’s 10 largest property tax payers for Calendar Year 2017/Tax Year 2017) see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018—Statistical Section—Ten of the Principal Property Taxpayers Current Year and Nine Years Ago December 31, 2017 and 2008” (CAFR page 96).

STATE OF UTAH SCHOOL FINANCE

Sources Of Funds

Funding for schools in the State is provided from local school district sources consisting of property taxes imposed by the local school district (“Local District Funding”), State sources that are funded primarily by State imposed personal income taxes and corporate franchise taxes (“State Funding”) and federal sources (“Federal Funding”). For Fiscal Year 2018, approximately 55.7% of the District’s funding was provided by State Funding, approximately 38.4% was provided by Local District Funding, and approximately 5.9% was provided from Federal Funding. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018.”

Local District Funding

School districts are authorized by State law to levy taxes, certain of which require voter approval, on real property for various purposes. Funding for operation and maintenance is derived primarily through a minimum tax levy (the “Minimum Tax Levy”) by each school district at a rate established each year by the State. Imposition of this Minimum Tax Levy is required for a school district to qualify for receipt of contributions by the State for such purposes. Additional tax levies for, among other things, educational programs and capital outlay and debt service to finance capital outlays may be made at the option of a school district. Certain of such levies will entitle a school district to State guaranteed levels of funding or

receipt of specific additional contributions from the State. The Board has received all voter approval necessary for the taxes it currently levies. See “FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Historical Tax Rates Of The District” above.

State Funding

Under its school funding program, the State guarantees that in connection with the Minimum Tax Levy and certain of a school district’s additional tax levies each school district will receive certain amounts based primarily on the number of students attending schools in such district. To the extent that such levies do not generate receipts at least equal to such guaranteed amounts, the State contributes funds to the school district in the amount of the shortfall. If a school district’s receipts from such levies reach such prescribed levels, there is no State contribution to such district. Further, school district receipts from the Minimum Tax Levy in excess of the guaranteed amounts are required to be paid over to the State for distribution to other school districts.

In addition to any contributions relating to shortfalls described above, the State annually appropriates fixed amounts to fund certain programs and services statewide. Funds for contributions to school districts and for other programs and services are appropriated from the State Uniform School Fund and the Education Fund, which are funded primarily from personal income taxes and corporate franchise taxes. State Funding is also available, under certain circumstances, to school districts for payment of a portion of capital costs.

Federal Funding

Federal funding is provided for various school programs including child nutrition, vocational education and special education.

Summary Of State And Federal Funding

During the past five–years, the District received the following in State and federal funding:

	Fiscal Year				
	2018	2017	2016	2015	2014
State Funds					
General.....	\$243,418,338	\$227,932,411	\$217,432,316	\$207,909,276	\$210,081,172
Other governmental.....	9,457,969	8,840,055	7,595,242	6,907,993	6,281,690
Capital projects	—	93,741	393,054	279,713	320,177
Total	<u>\$252,876,307</u>	<u>\$236,866,207</u>	<u>\$225,420,612</u>	<u>\$215,096,982</u>	<u>\$216,683,039</u>
% change over prior year	6.8%	5.1%	4.8%	(0.7)%	7.0%
Federal Funds					
General.....	\$15,940,313	\$16,608,010	\$16,630,763	\$17,422,527	\$15,765,974
Other governmental.....	10,476,502	10,888,520	10,847,378	10,060,471	9,913,632
Capital projects	<u>415,256</u>	<u>413,923</u>	<u>444,009</u>	<u>462,144</u>	<u>530,985</u>
Total	<u>\$26,832,071</u>	<u>\$27,910,453</u>	<u>\$27,922,150</u>	<u>\$27,945,142</u>	<u>\$26,210,591</u>
% change over prior year	(3.9)%	(0.0)%	(0.1)%	6.6%	2.5%

(Source: Information taken from the District’s audited financial statements for the indicated years. This summary has not been audited. Compiled by the Municipal Advisor.)

See “FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Financial Summaries” above.

LEGAL MATTERS

Absence Of Litigation

The attorneys for the Board, Burbidge & White, LLC, Salt Lake City, Utah, have advised that, to the best of their knowledge after due inquiry, there is no pending or threatened litigation that would legally stop, enjoin, or prohibit the issuance, sale or delivery of the 2019B Bonds.

General

The authorization and issuance of the 2019B Bonds are subject to the approval of Chapman and Cutler LLP, Bond Counsel to the Board. Certain legal matters will be passed upon for the Board by Burbidge & White LLC, Salt Lake City, Utah. The approving opinion of Bond Counsel will be delivered with the 2019B Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL” will be made available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness, or sufficiency of the OFFICIAL STATEMENT or other offering material relating to the 2019B Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this OFFICIAL STATEMENT.

The various legal opinions to be delivered concurrently with the delivery of the 2019B Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

Federal

Federal tax law contains a number of requirements and restrictions which apply to the 2019B Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Board has covenanted to comply with all requirements that must be satisfied in order for the interest on the 2019B Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2019B Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the 2019B Bonds.

Subject to the Board’s compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the 2019B Bonds is excludable from the gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the “Code”).

In rendering its opinion, Bond Counsel will rely upon certifications of the Board with respect to certain material facts within the Board’s knowledge. Bond Counsel’s opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the 2019B Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the 2019B Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the “OID Issue Price”) for each maturity of the 2019B Bonds is the price at which a substantial amount of such maturity of the 2019B Bonds is first sold to the public (excluding bond houses and brokers and similar person or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the 2019B Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

If the OID Issue Price of a maturity of the 2019B Bonds is less than the amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the 2019B Bonds (the “OID Bonds”) and the amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Board complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Code; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Bonds should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Bonds.

Owners of 2019B Bonds who dispose of 2019B Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2019B Bonds in the initial public offering, but at a price different from the Issue Price or purchase 2019B Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2019B Bond is purchased at any time for a price that is less than the 2019B Bond’s stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the “Revised Issue Price”), the purchaser will be treated as having purchased a 2019B Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a 2019B Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser’s election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such 2019B Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2019B Bonds.

An investor may purchase a 2019B Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “bond premium” and must be amortized by an investor on a constant yield basis over the remaining term of the 2019B Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor’s basis in the 2019B Bond. Investors who

purchase a 2019B Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2019B Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2019B Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the 2019B Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the 2019B Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the 2019B Bonds. If an audit is commenced, under current procedures the Service may treat the Board as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2019B Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the 2019B Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2019B Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any 2019B Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

State

In the opinion of Bond Counsel, under the existing laws of the State, as presently enacted and construed, interest on the 2019B Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. Bond Counsel expresses no opinion with respect to any other taxes imposed by the State or any political subdivision thereof. Ownership of the 2019B Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2019B Bonds. Prospective purchasers of the 2019B Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

MISCELLANEOUS

Bond Ratings

As of the date of this OFFICIAL STATEMENT, the 2019B Bonds have been rated "AAA" by Fitch and "Aaa" by Moody's, based upon the Guaranty Act. An explanation of the above rating may be obtained from Fitch and Moody's. *The Board has not directly applied to S&P for a rating on the 2019B Bonds.*

Additionally, as of the date of this OFFICIAL STATEMENT, Fitch has given the 2019B Bonds an underlying rating of "AAA" and Moody's has given the 2019B Bonds an underlying rating of "Aaa."

Any explanation of the significance of these outstanding ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given the outstanding general obliga-

tion bonds will continue for any given period or that the ratings will not be revised downward or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2019B Bonds.

Municipal Advisor

The Board has entered into an agreement with the Municipal Advisor where under the Municipal Advisor provides financial recommendations and guidance to the Board with respect to preparation for sale of the 2019B Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2019B Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the OFFICIAL STATEMENT, or any other related information available to the Board, with respect to accuracy and completeness of disclosure of such information, and the Municipal Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

Independent Auditors

The financial statements of the Board as of June 30, 2018 and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by Squire & Company, PC, Orem, Utah (“Squire”), as stated in their report in “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018” (CAFR page 9) to this OFFICIAL STATEMENT.

Squire has not participated in the preparation or review of this OFFICIAL STATEMENT. Based upon their non-participation, they have not consented to the use of their name in this OFFICIAL STATEMENT.

Additional Information

All quotations contained herein from and summaries and explanations of the State Constitution, statutes, programs and laws of the State, court decisions and the Resolution, do not purport to be complete, and reference is made to said State Constitution, statutes, programs, laws, court decisions and the Resolution for full and complete statements of their respective provisions.

Any statements in this OFFICIAL STATEMENT involving matters of opinion, whether expressly so stated, are intended as such and not as representation of fact.

The appendices attached hereto are an integral part of this OFFICIAL STATEMENT and should be read in conjunction with the foregoing material.

This OFFICIAL STATEMENT and its distribution and use have been duly authorized by the Board.

Board of Education of Jordan School District, Utah

APPENDIX A

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018

The comprehensive annual financial report of the Board for Fiscal Year 2018 is contained herein. Copies of current and prior financial reports are available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

The District’s basic financial statements for Fiscal Year 2019 must be completed under State law by November 30, 2019.

Government Finance Officers Association—Financial Reporting

Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada (“GFOA”) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Board for its CAFR for the 32nd consecutive year, beginning with Fiscal Year 1986 through Fiscal Year 2017. For the Fiscal Year 2017 certificate see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2018–Certificate of Achievement” (CAFR page 7).

The Board has submitted its Fiscal Year 2018 CAFR to GFOA to determine its eligibility for a Certificate of Achievement for Excellence in Financial Reporting. The Board believes that its Fiscal Year 2018 CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting program requirements.

To be awarded a certificate of achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate of achievement is valid for a period of one year only.

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Jordan School District

7387 South Campus View Drive
West Jordan, Utah 84084
(801) 567-8100

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2018

Prepared by:

John Larsen, CPA.....	Business Administrator
Daniel Ellis, CPA	Director of Accounting, Budgets, and Audits
Jason Mott, CPA.....	Accountant/Internal Auditor
Jeri Clayton	Administrative Assistant

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November 15, 2018

Members of the Board of Education Jordan School District

The Comprehensive Annual Financial Report of Jordan School District (the District) for the fiscal year ended June 30, 2018, is submitted herewith.

State law requires school districts publish, within five months of the close of each year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. This report is published to fulfill that requirement for the fiscal year ended June 30, 2018.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the costs of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Squire & Company, PC, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on the District's financial statements for the fiscal year ended June 30, 2018. 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 of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of Jordan School District

Jordan School District was established in 1905 and provides elementary and secondary public education (K-12) with general, vocational, and special education programs. The District is located approximately 12 miles south of Salt Lake City and is comprised of urban, suburban, and rural areas encompassing the cities of Bluffdale, Copperton, Herriman, Riverton, South Jordan, and West Jordan, as well as surrounding unincorporated areas of Salt Lake County.

Effective July 1, 2009, Jordan School District was divided into two school districts. The cities and areas encompassing the east portion of the former district is known now as Canyons School District. The remaining cities and areas to the west are still known as Jordan School District. This Comprehensive Annual Financial Report represents the ninth fiscal year of the remaining Jordan School District since the division.

Jordan School District is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. The District is fiscally independent and is governed by a Board of Education that is comprised of seven elected board members. The Board establishes District policies, determines its own budget, levies taxes, incurs bonded debt, and is independent of any other unit of local government.

For the fiscal year ended June 30, 2018, the State of Utah had 41 school districts with Jordan being the fourth largest. Approximately 53,500 students were enrolled in the District. For the 2017-18 fiscal year, the District had 57 schools—36 elementary schools, 10 middle schools, 6 high schools, 2 technical centers, and 3 special education schools. The average age of the District's 61 buildings is approximately 22 years.

The District adopts an annual budget for all revenues and expenditures which acts as the financial operating plan for the entire year. State law requires a balanced budget. *Utah Code 53A-19-104*, states, "A local school board may not make any appropriation in excess of its estimated expendable revenue, including undistributed reserves." The level of legal budgetary control is at the overall fund level. For further details on the budget, please see the notes to the basic financial statements.

Local Economy

The State of Utah and the Wasatch Front continue to be excellent locations to do business. The assessed value of taxable property within the District was \$21.6 billion in tax year 2017, an increase of 8.7 percent compared to tax year 2016. This increase is mostly due to increases in residential real estate. Current indicators point to an increase in overall assessed valuation for tax year 2018. The District's student enrollment is projected to increase by 816 students next year. The 2018 legislature increased the value of the weighted pupil unit (WPU) for regular school programs by 2.5 percent for the 2018-19 fiscal year. It is anticipated the 2019 legislature will increase the value of the WPU by about 2.5 percent for the 2019-20 fiscal year.

Long-term Financial Planning

Jordan School District is located in a high growth area. Recent growth was absorbed due to several charter schools within District boundaries opening or expanding. Due to the growth of the area, several hundred additional students are expected each year. On November 8, 2016, voters within the District voted to authorize the District to issue up to \$245 million in general obligation bonds. The bonds will be used to rebuild the District's oldest school (West Jordan Middle School) and construct five new schools in the highest growth areas. During the 2017-18 fiscal year the District issued \$77.4 million (\$73.0 million of par bonds plus \$4.9 million in premiums) of bonds from the authorized \$245 million to begin construction on needed schools. Future issuances from the authorized amount will be required to meet the continuing construction needs of the District.

Major Initiatives and Events

During the 2017-18 fiscal year the District issued \$77.4 million (\$73.0 million of par bonds plus \$4.9 million in premiums) of bonds from the authorized amount of \$245 million. The issued bonds have been used to fund construction on the West Jordan Middle rebuild, a new middle school, and a new high school.

Also, during the 2017-18 fiscal year, the Board worked with the Jordan Education Association to increase teacher wages district wide. As a result, a new salary schedule was introduced increasing the starting salary of teachers to \$42,800 and providing greater earning potential throughout a teacher's career.

Challenges Facing the District

The State is currently facing a teacher shortage for all instructional levels. This has made it difficult to properly staff schools and retain quality teachers. The Board has taken steps to address this issue, as stated above, by increasing teacher salaries and earnings potential. However, the District will need to consider other possible options to attract and retain qualified teachers.

State and federal earmarks, mandates, and paperwork are increasing which require additional non-teaching staff to remain compliant. With fewer students after the District division, these overhead costs, on a per student basis, increased. Additionally, increased uncertainty regarding federal and state

initiatives and mandates and their effects on the District's operations has increased the ongoing challenge of effectively planning for the future.

GFOA Certificate

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Jordan School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the thirty-second consecutive year that Jordan School District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

The preparation of the report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Business Department. We would like to express appreciation to all of the members of the department who assisted in the timely closing of the District's financial records and the preparation of this report.

Special appreciation is expressed to Dan Ellis, CPA, director of Accounting, Budgets, and Audits; Jason Mott, CPA, accountant/internal auditor; and Jeri Clayton, administrative assistant, for their contribution in the preparation of this report.

We would also like to thank our Board president and members of the Board of Education for their interest and support in conducting the financial affairs of Jordan School District for the fiscal year ended June 30, 2018.

Respectfully submitted,

/s/
Patrice A. Johnson, Ed.D.
Superintendent of Schools
Chief Administrative Officer

/s/
John Larsen, CPA
Business Administrator
Chief Financial Officer

JORDAN SCHOOL DISTRICT

SYNOPSIS OF ADMINISTRATIVE RESPONSIBILITIES

The following information is a synopsis of the positions identified on the line/staff chart on page 6, including titles, names, and primary areas of responsibility. Board members are listed first, followed by cabinet level positions.

Board of Education

- Board President Janice L. Voorhies
Mrs. Voorhies represents Precinct 6. Her term of office is 2017-2020.
- Board Vice President Matthew Young, CPA
Mr. Young represents Precinct 2. His term of office is 2015-2018.
- Board Secretary Jen Atwood
Mrs. Atwood represents Precinct 7. Her term of office is 2015-2018.
- Board Member Marilyn Richards
Ms. Richards represents Precinct 4. Her term of office is 2017-2020.
- Board Member Bryce Dunford
Mr. Dunford represents Precinct 5. His term of office is 2017-2020.
- Board Member Tracy J. Miller
Mrs. Miller represents Precinct 3. Her term of office is 2017-2018.
- Board Member Darrell Robinson
Mr. Robinson represents Precinct 1. His term of office is 2017-2020.

Cabinet

- Superintendent of Schools.....Patrice A. Johnson, Ed.D.
Appointed April 19, 2011; began her term as superintendent on June 1, 2011. Serves as the chief executive officer for the school system and is responsible for implementation of Board policies and all administrative procedures.
- Associate Superintendent of SchoolsAnthony Godfrey, Ed.D.
Provides support for the Office of the Superintendent. Serves concurrently as administrator of schools for the Bingham Feeder System.
- Business AdministratorJohn Larsen, CPA
Appointed January 27, 2015; began his term as business administrator on February 1, 2015.
Manages all activities related to finances, school board meetings, elections, tax assessments, and other general business matters.
- Administrator of Auxiliary ServicesScott Thomas
Administers maintenance services related to keeping schools, offices, and other buildings open, comfortable, and safe for use. Administers operation of the following departments: Custodial/Energy, New Construction, Maintenance, Transportation, and Nutrition Services.

JORDAN SCHOOL DISTRICT

Administrator of Curriculum and Staff Development..... Laura Finlinson
Administers instructional and educational support services including the development, preparation, and presentation of special curriculum materials and providing assistance to teachers in the instructional process. Administers services related to instructional support, alternative language programs, career technology, and federal program administration.

Administrator of Human Resources June LeMaster, Ph.D.
Administers personnel, including hiring staff, implementing personnel policies, negotiating contracts, and maintaining personnel records.

Administrator of Schools – Bingham Feeder SystemAnthony Godfrey, Ed.D.

Administrator of Schools – Copper Hills Feeder SystemJill Durrant

Administrator of Schools – Herriman Feeder SystemBrad Sorensen

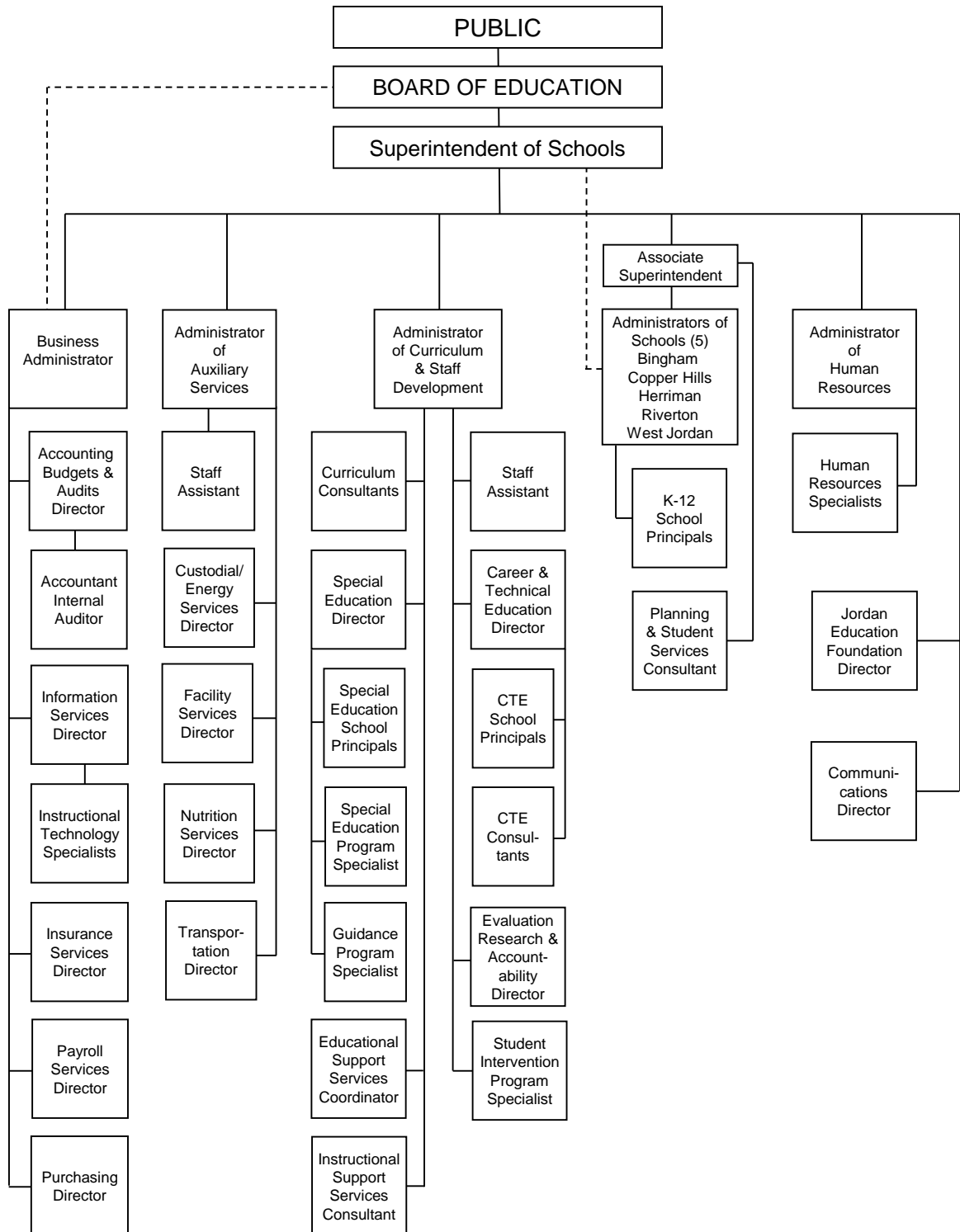
Administrator of Schools – Riverton Feeder SystemMichael Anderson

Administrator of Schools – West Jordan Feeder SystemTeri Timpson

Administers activities related to the improvement of instruction and education in all schools for students in grades kindergarten through twelve. Administers services related to applied technology.

LINE/STAFF ORGANIZATION

2017-18





Government Finance Officers Association

**Certificate of
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**Jordan School District
Utah**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

JORDAN SCHOOL DISTRICT

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Independent Auditor's Report

Board of Education
Jordan 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 Jordan School District (the District) as of and for the year ended June 30, 2018, 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 Jordan School District as of June 30, 2018, 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, the schedules of changes in the District's total OPEB and related ratios, the schedules of changes in the District's total retirement liability and related ratios, the schedules of the District's proportionate share of the net pension liability (asset) – Utah Retirement Systems, the schedules of District contributions – Utah Retirement Systems, and the related notes to the required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

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

Orem, Utah
November 15, 2018

Management's Discussion and Analysis

As management of the Jordan School District (the District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here, in conjunction with additional information we have furnished in our letter of transmittal, which can be found on pages 1 through 3 of this report.

Financial Highlights

- Federal and state revenue not restricted to specific purposes increased \$6.8 million primarily due to an increase of \$8.6 million for general K-12 education funding, offset by decreases in various State grants. Operating grants and contributions increased \$8.2 million primarily due to special education and digital teaching and learning grant increases. Interest revenue increased \$2.9 million primarily due to increased rates and balances from bond proceeds.
- Instruction expenses increased \$12.9 million during 2018 of which \$14.4 million was due to increased salaries and benefits from step and COLA increases given to employees. Instruction decreased \$2.5 million due to a policy change on recording the charter local replacement expense. In addition, the URS pension expense decreased \$3.3 million. These are offset by a decrease of \$0.2 million in District retirement and OPEB benefit expenses.
- During 2018, the District began construction on two elementary schools, one middle school, and continued construction on two more middle schools and a high school. Total additions to capital assets (sites, improvements, buildings, equipment, and vehicles) were \$117.3 million for the year, which includes a donation of land of \$4.1 million.
- The District's total net position increased by \$34.4 million during 2018. Expenditures for capital purchases and debt principal repayment of \$117.3 million and \$12.6 million, respectively, do not change the District's total net position, unlike fund balances which are decreased as a result of these transactions.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains information intended to furnish additional detail to support the basic financial statements themselves.

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

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflows/outflows 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 the District is improving or deteriorating.

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

JORDAN SCHOOL DISTRICT

The government-wide financial statements report functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The governmental activities of the District include instruction, supporting services, community services, nutrition services, and interest on long-term liabilities.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate education foundation and a local building authority. The Jordan Education Foundation and The Local Building Authority of Jordan School District, although legally separate, function for all practical purposes as departments of the District, and therefore are included as an integral part of the primary government.

The government-wide financial statements can be found on pages 22 through 23 of this report.

Fund financial statements – A *fund* is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be grouped into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, and the Capital Projects Fund, which are considered to be major funds. Individual fund data for all major funds is provided in the form of individual fund schedules found on pages 62 through 67 of this report. Data from the other five governmental funds (the special revenue funds) are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining and individual fund statements and schedules section of this report.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement is provided on page 28 for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24 through 28 of this report.

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

The basic proprietary fund financial statements can be found on pages 29 through 31 of this report.

JORDAN SCHOOL DISTRICT

Notes to basic financial statements – The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 33 through 52 of this report.

Additional information – In addition to the basic financial statements and related notes, this report also presents required supplementary information concerning the District's changes in other postemployment benefits and retirement liabilities to its eligible employees as well as the schedules of the District's proportionate shares of the Utah Retirement Systems (URS) net pension liabilities and contributions to the URS. Required supplementary information and related notes can be found on pages 53 through 58 of this report.

The combining and individual statements and schedules referred to earlier in connection with governmental funds and the internal service fund are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 61 through 86 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$885.7 million at June 30, 2018.

Jordan School District's Net Position June 30, 2018 and 2017

	Governmental activities		Increase (decrease) from 2017
	2018	2017	
Current and other assets	\$ 571,038,877	\$ 523,097,259	\$ 47,941,618
Capital assets	857,029,117	778,208,496	78,820,621
Total assets	1,428,067,994	1,301,305,755	126,762,239
Deferred outflows of resources	77,535,163	70,179,936	7,355,227
Other liabilities	82,921,085	69,376,105	13,544,980
Long-term liabilities outstanding	307,826,459	283,744,487	24,081,972
Total liabilities	390,747,544	353,120,592	37,626,952
Deferred inflows of resources	229,109,857	167,049,677	62,060,180
Net position:			
Net investment in capital assets	741,237,859	729,649,174	11,588,685
Restricted	88,544,802	78,957,777	9,587,025
Unrestricted	55,963,095	42,708,471	13,254,624
Total net position	\$ 885,745,756	\$ 851,315,422	\$ 34,430,334

JORDAN SCHOOL DISTRICT

The largest portion of the District's net position (83.7 percent) reflects its investment in capital assets (e.g., sites, construction in progress, site improvements, buildings, equipment, and vehicles, net of accumulated depreciation), less any related outstanding debt (general obligation bonds and qualified school construction bonds payable less unspent bond proceeds) used to acquire those assets. The District uses these capital assets to provide services to students. Accordingly, these assets are *not* available for future spending. 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 the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (10.0 percent) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital projects. The remaining balance of the District's net position (6.3 percent) is unrestricted and may be used to meet the District's ongoing obligations to students, employees, creditors, and to honor next year's budget.

At June 30, 2018, the District is able to report positive balances in all three categories of net position. The same situation held true for the prior fiscal year.

Capital assets increased \$78.8 million during the year ended June 30, 2018. This increase is due to the construction in progress of two elementary schools, two middle schools, one high school, improvements to existing buildings, and other capital purchases offset by the depreciation of existing facilities and sale of land. This increase also includes \$4.1 million in land that was donated to the District.

Long-term liabilities increased \$24.1 million due to the District's bond issuance. This is offset by regular annual payments on the District's general obligation bonds and retirement obligations.

Unrestricted net position increased by \$13.3 million during the current fiscal year. This increase resulted primarily from an increase in State funding.

Governmental activities – The key elements of the increase in the District's net position for the year ended June 30, 2018 are as follows:

- Programs and schools did not spend all of their authorized allocations. This resulted in positive budget variances which results in higher net position.
- Overall revenues increased compared to the prior year. Federal and state revenue not restricted to specific purposes increased \$6.8 million primarily due an increase of \$8.6 million for general K-12 education funding offset by decreases to various grants. Operating grants and contributions increased \$8.2 million primarily due to special education and digital teaching and learning grant increases. Interest revenue increased \$2.9 million primarily due to increased rates and balances from bond proceeds.
- Instruction expenses increased \$12.9 million during 2018 of which \$14.4 million was due to increased salaries and benefits from step and COLA increases given to employees. Instruction decreased \$2.5 million due to a policy change on recording the charter local replacement expense. In addition, the URS pension expense decreased \$3.3 million. These are offset by a decrease of \$0.2 million in District retirement and OPEB benefit expenses.

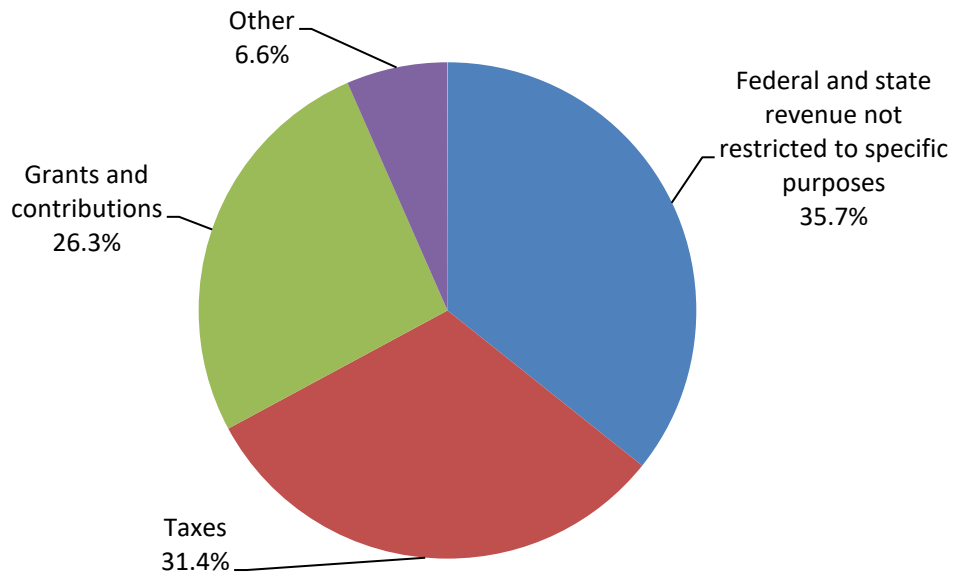
JORDAN SCHOOL DISTRICT

Jordan School District's Changes in Net Position
Years Ended June 30, 2018 and 2017

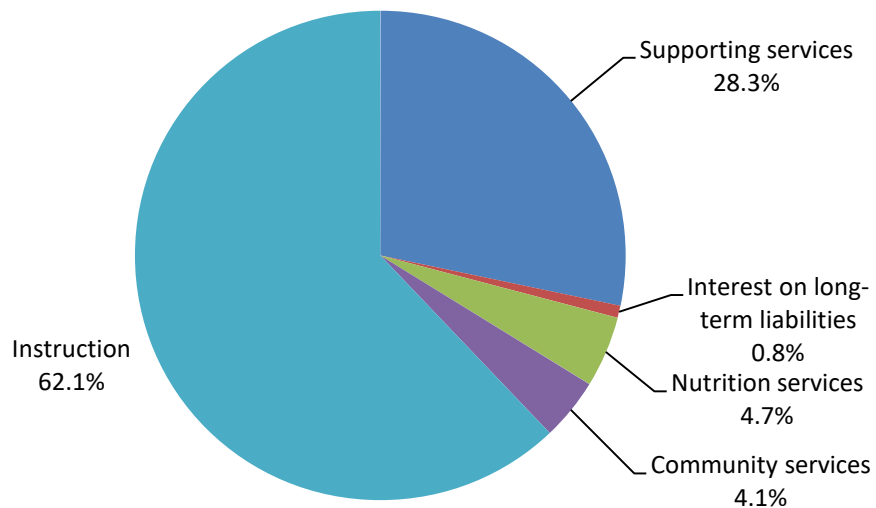
	Governmental activities		Increase (decrease) from 2017
	2018	2017	
Revenues:			
Program revenues:			
Charges for services	\$ 20,207,963	\$ 19,305,475	\$ 902,488
Operating grants and contributions	116,250,802	108,051,714	8,199,088
Capital grants and contributions	4,125,000	2,553,741	1,571,259
General revenues:			
Property taxes	127,128,983	130,622,995	(3,494,012)
Incremental taxes and charter school levy	16,424,358	12,458,418	3,965,940
Capital equalization payments	-	426,882	(426,882)
Federal and state revenue not restricted to specific purposes	163,457,576	156,631,205	6,826,371
Interest	6,904,685	4,036,032	2,868,653
Miscellaneous	2,887,834	2,695,931	191,903
Total revenues	<u>457,387,201</u>	<u>436,782,393</u>	<u>20,604,808</u>
Expenses:			
Instruction	262,700,882	249,848,637	12,852,245
Supporting services:			
Students	16,422,335	11,971,373	4,450,962
Instructional staff	15,087,548	14,345,373	742,175
General district administration	3,326,657	3,212,165	114,492
School administration	23,949,436	22,909,774	1,039,662
Business	3,029,156	2,944,884	84,272
Operation and maintenance of facilities	37,497,111	35,894,002	1,603,109
Student transportation	13,936,421	13,465,456	470,965
Personnel, planning, and data processing	6,848,393	7,260,640	(412,247)
Community services	17,222,559	13,212,561	4,009,998
Nutrition services	19,747,808	19,242,222	505,586
Interest on long-term liabilities	3,188,561	1,910,742	1,277,819
Total expenses	<u>422,956,867</u>	<u>396,217,829</u>	<u>26,739,038</u>
Changes in net position before special item	34,430,334	40,564,564	(6,134,230)
Special item - gain on sale of land	<u>-</u>	<u>6,347,698</u>	<u>(6,347,698)</u>
Changes in net position	34,430,334	46,912,262	(12,481,928)
Net position - beginning	<u>851,315,422</u>	<u>804,403,160</u>	<u>46,912,262</u>
Net position - ending	<u><u>\$ 885,745,756</u></u>	<u><u>\$ 851,315,422</u></u>	<u><u>\$ 34,430,334</u></u>

JORDAN SCHOOL DISTRICT

Jordan School District Revenues by Source - Governmental Activities Year Ended June 30, 2018



Jordan School District Expenses by Function - Governmental Activities Year Ended June 30, 2018



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.

JORDAN SCHOOL DISTRICT

Governmental funds – The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District’s financing requirements. Governmental funds report assets, liabilities, and deferred inflows of resources, with the remainder reported as fund balance. At June 30, 2018, the District’s governmental funds reported a combined fund balance of \$281.6 million, an increase of \$11.2 million in comparison with the prior year. Fund balance is divided into five portions as follows:

- *nonspendable*, or not in spendable form, includes inventories that are not expected to be converted to cash (\$2.6 million or 0.9 percent);
- *restricted* includes resources subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors including tax revenues levied for specific purposes (\$113.7 million or 40.4 percent);
- *committed* includes resources that by Board of Education resolution or contractual obligation are limited in use to particular purposes (\$90.4 million or 32.1 percent);
- *assigned* includes resources that management designates to particular purposes (\$42.4 million or 15.0 percent); and
- *unassigned* or all other available net fund resources (\$32.6 million or 11.6 percent).

Most of this year’s change in the combined fund balances is due to the increase in the General Fund which is the result of an assignment of fund balance for the increase in negotiated employee raises. The following changes in revenues and expenditures should also be noted:

- Overall revenues increased 4.1 percent or \$18.0 million, of which \$8.2 million in operating grants is due to increases in special education and digital teaching and learning grants. Federal and state revenue not restricted to specific purposes increased \$6.8 million primarily due to an increase of \$8.6 million for general K-12 education funding, offset by decreases in various State grants.
- Expenditures for the General Fund totaled \$337.1 million, an increase of 6.9 percent during the fiscal year. This increase is mostly due to increases in salaries and related benefits. Instruction represents 66.0 percent of the General Fund expenditures.
- General Fund salaries totaled \$208.5 million while the associated benefits of retirement, social security, Medicare, unemployment, industrial insurance, disability insurance, and health and accident insurance added \$88.0 million to arrive at 87.9 percent of the total General Fund expenditures.
- Expenditures for the Capital Projects Fund totaled \$116.0 million, an increase of 37.2 percent during the fiscal year due to five schools being under construction.

General Fund Budgetary Highlights

During the year, the Board revised the District’s budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was a decrease of \$12.1 million or 3.2 percent in total General Fund expenditures. The most significant change was the decrease in instructional salaries and benefits for staff as the effect of wage increases was originally overestimated.

Final budgeted revenues exceeded original budgetary estimates by \$14.7 million or 4.4 percent, mostly to account for increases in state revenue as well as state carryovers from the prior year. This increase is mostly due to expenditure-driven state grants which, for budgeting purposes, are assumed to be spent each year.

JORDAN SCHOOL DISTRICT

With these adjustments, actual expenditures were \$27.5 million less than final budgeted amounts. The most significant positive variances were \$18.8 million in instruction and \$6.9 million in supporting services-instructional staff. Actual revenues were \$10.3 million less than final budgeted amounts. A variance of \$4.9 million in estimated property taxes resulted primarily from an overestimation in the tax projection process. Variances of \$6.0 million resulted from expenditure-driven federal and state grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met. Unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted.

Commitments and assignments of fund balance are also budgeted each year. The three largest committed fund balances are retiree benefits, economic stabilization, and teacher grants. The Board of Education has committed funds estimated to cover the costs of paying District retirement benefits promised to current and future retirees. Details of these benefits are in the notes to the basic financial statements. Under Utah State law, school districts are allowed to commit up to five percent of the General Fund's budgeted expenditures for economic stabilization. The law calls this commitment the "undistributed reserve." Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). As defined by state law, the commitment is not to be used "in the negotiation or settlement of contract salaries for school district employees." The Board of Education committed funds for teacher grants as a method to compensate teachers for additional projects or ideas which help improve instruction.

Management utilizes assignments of fund balance as a budgetary tool in three categories. First, funds were set aside to cover the District's latest negotiated agreement with employees. Second, as the District is self-insured and given health care's natural uncertainty as well as current regulatory and legal uncertainty, funds were set aside for health care costs. Third, funds were set aside for unspent budget allocations to schools which the District allows schools to carry forward.

Capital Assets and Long-term Debt

Capital assets – The District's investment in capital assets as of June 30, 2018 amounts to \$857.0 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment, and vehicles. The total investment increased \$78.8 million (10.1 percent) for the year ended June 30, 2018. Total additions to capital assets (sites, construction in progress, improvements, buildings, equipment, and vehicles) were \$117.3 million for the year.

Capital assets are outlined below:

Jordan School District's Capital Assets (Net of accumulated depreciation) June 30, 2018 and 2017

	Governmental activities		Increase (decrease) from 2017
	2018	2017	
Sites and improvements	\$ 155,594,099	\$ 141,847,190	\$ 13,746,909
Construction in progress	84,164,149	38,835,966	45,328,183
Buildings and improvements	582,816,998	560,217,412	22,599,586
Furniture and equipment	22,627,516	25,837,380	(3,209,864)
Vehicles	11,826,355	11,470,548	355,807
Total capital assets	<u>\$ 857,029,117</u>	<u>\$ 778,208,496</u>	<u>\$ 78,820,621</u>

JORDAN SCHOOL DISTRICT

Additional information on the District's capital assets can be found in Note 4 to the basic financial statements.

Long-term debt – As of June 30, 2018, the District's long-term debt totaled \$144.1 million, an increase of \$64.1 million (80.0 percent) from the prior year.

General obligation bonds have a balance of \$124.9 million. The District has a remaining authorization amount of \$128.7 million from the approved election of \$245 million. Fitch Ratings and Moody's Investment Service have given these bonds an underlying rating of 'AAA' and 'Aaa,' respectively. In April 2014, Jordan and Canyons School Districts worked together to refinance most of the old bond debt resulting in a reduction in the time needed to pay the debt by Jordan taxpayers by 2.75 years with a direct savings of \$5.3 million in future interest payments for Jordan taxpayers.

The general obligation bonded debt of the District, net of unamortized bond premiums, is limited by state law to four percent of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2018 is \$1.3 billion. Total general obligation debt with bond premiums at June 30, 2018 is \$135.1 million, resulting in a legal debt margin of \$1.1 billion.

Jordan School District's Long-term Debt June 30, 2018 and 2017

	Governmental activities		Increase (Decrease) from 2017
	2018	2017	
General obligation bonds	\$ 124,920,000	\$ 64,515,000	\$ 60,405,000
Bond premium	10,220,946	6,557,836	3,663,110
Qualified school construction bonds	9,000,000	9,000,000	-
Total long-term debt	<u>\$ 144,140,946</u>	<u>\$ 80,072,836</u>	<u>\$ 64,068,110</u>

Additional information on the District's long-term debt can be found in Note 5 to the basic financial statements.

Bond authorization – On November 8, 2016, voters in the District voted to authorize the District to issue up to \$245 million in general obligation bonds for the construction and rebuild of schools.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Business Administrator, Jordan School District, 7387 South Campus View Drive, West Jordan, Utah 84084-5500.

Basic Financial Statements

JORDAN SCHOOL DISTRICT

Statement of Net Position

June 30, 2018

	Governmental Activities
Assets:	
Cash and investments	\$ 389,815,957
Investments restricted for debt service	4,333,673
Accounts receivable:	
Property taxes	166,346,699
Other local	197,158
State of Utah	1,979,545
Federal government	5,775,857
Inventories	2,589,988
Capital assets:	
Sites and construction in progress	216,062,019
Other capital assets, net of accumulated depreciation	640,967,098
Total assets	<u>1,428,067,994</u>
Deferred outflows of resources:	
Deferred charge on refunding	1,146,180
Related to pensions	76,388,983
Total deferred outflows of resources	<u>77,535,163</u>
Liabilities:	
Accounts and contracts payable	21,074,279
Accrued payroll and related benefits	37,029,561
Accrued interest	209,041
Unearned revenue:	
Local	821,166
State of Utah	21,233,601
Federal government	2,553,437
Noncurrent liabilities:	
Due or payable within one year	27,385,198
Due or payable after one year	280,441,261
Total liabilities	<u>390,747,544</u>
Deferred inflows of resources:	
Related to pensions	64,044,749
Property taxes levied for future year	165,065,108
Total deferred inflows of resources	<u>229,109,857</u>
Net position:	
Net investment in capital assets	741,237,859
Restricted for:	
Debt service	5,135,717
Capital projects	67,025,451
Nutrition services	9,021,462
Reading achievement	6,282,123
Other purposes	1,080,049
Unrestricted	55,963,095
Total net position	<u>\$ 885,745,756</u>

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

JORDAN SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2018

Activities and Functions	Expenses	Program Revenues			Net (Expense)
		Charges for	Operating	Capital	Revenue and
		Services	Grants and	Grants and	Changes in
			Contributions	Contributions	Net Position
					Total
					Governmental
					Activities
Governmental activities:					
Instruction	\$ 262,700,882	\$ 10,674,530	\$ 83,196,579	\$ 4,125,000	\$ (164,704,773)
Supporting services:					
Students	16,422,335	33,045	4,455,314	-	(11,933,976)
Instructional staff	15,087,548	181,932	6,217,588	-	(8,688,028)
General district administration	3,326,657	-	-	-	(3,326,657)
School administration	23,949,436	34,851	2,564,803	-	(21,349,782)
Business	3,029,156	-	-	-	(3,029,156)
Operation and maintenance of facilities	37,497,111	490,663	67,115	-	(36,939,333)
Student transportation	13,936,421	1,002,053	7,042,182	-	(5,892,186)
Personnel, planning, and data processing	6,848,393	89,361	165,297	-	(6,593,735)
Community services	17,222,559	-	-	-	(17,222,559)
Nutrition services	19,747,808	7,701,528	12,541,924	-	495,644
Interest on long-term liabilities	3,188,561	-	-	-	(3,188,561)
Total school district	<u>\$ 422,956,867</u>	<u>\$ 20,207,963</u>	<u>\$ 116,250,802</u>	<u>\$ 4,125,000</u>	<u>(282,373,102)</u>
General revenues:					
Taxes:					
Property taxes levied for:					
Basic					31,030,237
Voted local					31,663,508
Board local					10,666,644
Debt service					12,111,292
Capital local					41,657,302
Redevelopment agencies and charter schools					<u>16,424,358</u>
Total taxes					143,553,341
Federal and state revenue not restricted to specific purposes					163,457,576
Interest					6,904,685
Miscellaneous					<u>2,887,834</u>
Total general revenues					<u>316,803,436</u>
Change in net position					34,430,334
Net position - beginning					<u>851,315,422</u>
Net position - ending					<u><u>\$ 885,745,756</u></u>

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

JORDAN SCHOOL DISTRICT**Balance Sheet
Governmental Funds
June 30, 2018**

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 217,560,436	\$ 954,226	\$ 110,663,377	\$ 20,445,332	\$ 349,623,371
Accounts receivable:					
Property taxes	83,227,998	19,721,636	45,096,225	18,300,840	166,346,699
Other local	168,966	25,447	2,745	-	197,158
State of Utah	777,078	-	-	1,202,467	1,979,545
Federal government	5,229,260	-	-	546,597	5,775,857
Inventories	904,430	-	-	1,685,558	2,589,988
Investments restricted for debt service	-	-	4,333,673	-	4,333,673
Total assets	<u>\$ 307,868,168</u>	<u>\$ 20,701,309</u>	<u>\$ 160,096,020</u>	<u>\$ 42,180,794</u>	<u>\$ 530,846,291</u>
Liabilities:					
Accounts and contracts payable	\$ 2,806,296	\$ -	\$ 16,764,275	\$ 110,761	\$ 19,681,332
Due to student organizations	-	-	-	1,339,767	1,339,767
Accrued payroll and related benefits	37,029,561	-	-	-	37,029,561
Unearned revenue:					
Local	218,940	-	-	602,226	821,166
State of Utah	19,196,180	-	-	2,037,421	21,233,601
Federal government	2,259,038	-	-	294,399	2,553,437
Total liabilities	<u>61,510,015</u>	<u>-</u>	<u>16,764,275</u>	<u>4,384,574</u>	<u>82,658,864</u>
Deferred inflows of resources:					
Unavailable property tax revenue	775,797	129,405	445,095	153,618	1,503,915
Property taxes levied for future year	82,457,951	19,690,224	44,769,113	18,147,820	165,065,108
Total deferred inflows of resources	<u>83,233,748</u>	<u>19,819,629</u>	<u>45,214,208</u>	<u>18,301,438</u>	<u>166,569,023</u>
Fund balances:					
Nonspendable:					
Inventories	904,430	-	-	1,685,558	2,589,988
Restricted for:					
Transportation and reading achievement	6,256,538	-	-	-	6,256,538
Debt service	-	881,680	4,333,673	-	5,215,353
Capital projects	-	-	93,783,864	-	93,783,864
Nutrition services	-	-	-	7,335,904	7,335,904
Donated purposes	-	-	-	1,072,014	1,072,014
Committed to:					
Contractual obligations	1,257,302	-	-	-	1,257,302
Economic stabilization	18,200,000	-	-	-	18,200,000
Compensated absences	3,887,954	-	-	-	3,887,954
Retiree benefits	43,223,884	-	-	-	43,223,884
West Jordan feeder system	3,403,027	-	-	-	3,403,027
Educator grants	11,000,000	-	-	-	11,000,000
Students	-	-	-	9,401,306	9,401,306
Assigned to:					
Educational programs	6,284,355	-	-	-	6,284,355
Personnel	36,068,014	-	-	-	36,068,014
Unassigned	32,638,901	-	-	-	32,638,901
Total fund balances	<u>163,124,405</u>	<u>881,680</u>	<u>98,117,537</u>	<u>19,494,782</u>	<u>281,618,404</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 307,868,168</u>	<u>\$ 20,701,309</u>	<u>\$ 160,096,020</u>	<u>\$ 42,180,794</u>	<u>\$ 530,846,291</u>

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

JORDAN SCHOOL DISTRICT

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

June 30, 2018

Total fund balance of governmental funds \$ 281,618,404

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$1,239,249,495 and accumulated depreciation is \$382,220,378 (see Note 4). 857,029,117

Property tax revenue is recognized when levied (claim to resources established) rather than when "available." The portion not available soon enough to pay for the current period's expenditures is deferred in the funds. 1,503,915

An internal service fund is used by the District to charge the costs of health and life insurance benefits to individual funds. The assets and liabilities of the internal service fund are included with governmental activities. 29,253,969

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (209,041)

In an advance refunding of bonds, the unamortized difference between the reacquisition price and the net carrying amount of the old bonds is reported as a deferred outflow of resources in the statement of net position and recognized as a component of interest expense over the remaining life of the new debt. 1,146,180

Long-term liabilities that pertain to governmental funds, including bonds payable and the net pension liability, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

General obligation bonds payable	\$ (124,920,000)	
Qualified school construction bonds	(9,000,000)	
Unamortized bond premiums	(10,220,946)	
Compensated absences	(3,887,954)	
Net pension liability	(128,409,461)	
Total District retirement liability	(16,809,370)	
Total OPEB obligation	(3,693,291)	
Deferred outflows of resources related to pensions	76,388,983	
Deferred inflows of resources related to pensions	(64,044,749)	(284,596,788)
Total net position of governmental activities		<u><u>\$ 885,745,756</u></u>

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

JORDAN SCHOOL DISTRICT**Statement of Revenues, Expenditures, and Changes in Fund Balances****Governmental Funds**

Year Ended June 30, 2018

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 71,228,405	\$ 12,489,406	\$ 42,706,043	\$ 17,207,169	\$ 143,631,023
Interest	4,094,086	195,285	1,656,110	426,937	6,372,418
School lunch sales	-	-	-	7,701,528	7,701,528
Other local	7,650,463	-	-	8,931,747	16,582,210
State of Utah	243,418,338	-	-	9,457,969	252,876,307
Federal government	15,940,313	-	415,256	10,476,502	26,832,071
Total revenues	342,331,605	12,684,691	44,777,409	54,201,852	453,995,557
Expenditures:					
Current:					
Instruction	222,472,021	-	-	17,003,055	239,475,076
Supporting services:					
Students	16,788,155	-	-	-	16,788,155
Instructional staff	15,229,615	-	-	-	15,229,615
General district administration	2,654,550	-	-	-	2,654,550
School administration	23,252,337	-	-	-	23,252,337
Business	3,082,345	-	-	-	3,082,345
Operation and maintenance of facilities	34,514,029	-	-	-	34,514,029
Student transportation	11,998,090	-	-	-	11,998,090
Personnel, planning, and data processing	7,131,457	-	-	-	7,131,457
Nutrition services	-	-	-	19,632,756	19,632,756
Community services	-	-	-	17,222,559	17,222,559
Capital outlay	-	-	115,010,147	-	115,010,147
Debt service:					
Principal	-	12,565,000	-	-	12,565,000
Issuance costs	-	-	449,341	-	449,341
Interest and fees	-	3,279,653	540,000	-	3,819,653
Total expenditures	337,122,599	15,844,653	115,999,488	53,858,370	522,825,110
Excess (deficiency) of revenues over (under) expenditures	5,209,006	(3,159,962)	(71,222,079)	343,482	(68,829,553)
Other financing sources (uses):					
Transfers in (out)	(221,594)	-	-	221,594	-
General obligation bonds issued	-	-	72,970,000	-	72,970,000
Premium on bonds issued	-	-	4,954,341	-	4,954,341
Proceeds from sale of capital assets	-	-	2,063,680	-	2,063,680
Total other financing sources (uses)	(221,594)	-	79,988,021	221,594	79,988,021
Net change in fund balances	4,987,412	(3,159,962)	8,765,942	565,076	11,158,468
Fund balances - beginning	158,136,993	4,041,642	89,351,595	18,929,706	270,459,936
Fund balances - ending	<u>\$ 163,124,405</u>	<u>\$ 881,680</u>	<u>\$ 98,117,537</u>	<u>\$ 19,494,782</u>	<u>\$ 281,618,404</u>

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

JORDAN 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, 2018

Net change in fund balances of governmental funds	\$ 11,158,468
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The change in net position reported for governmental activities in the statement of activities is different because:

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

Capital outlays	\$ 113,189,218	
Gain on sale of capital assets	175,236	
Contributions of capital assets	4,125,000	
Proceeds from sale of capital assets	(2,063,680)	
Depreciation expense	<u>(36,605,153)</u>	78,820,621

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

Bonds issued	\$ (72,970,000)	
Bond premiums	(4,954,341)	
Repayment of bond principal	12,565,000	
Bond interest expense	(87,050)	
Amortization of deferred charge on refunding	(573,089)	
Amortization of bond premiums	<u>1,291,231</u>	(64,728,249)

Property taxes that are not collected for several months after the District's fiscal year end are not considered as available revenues in the governmental funds and are, instead, counted as deferred inflows of resources. They are however, recorded as revenues in the statement of activities. (77,682)

Some items 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.

URS pension expense	\$ 4,133,183	
Compensated absence expense	(266,695)	
OPEB expense	497,645	
District retirement expense	<u>2,451,395</u>	6,815,528

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

2,441,648

Change in net position of governmental activities	<u>\$ 34,430,334</u>
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The notes to the financial statements are an integral part of this statement.

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

Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 74,480,700	\$ 76,146,269	\$ 71,228,405	\$ (4,917,864)
Interest	1,170,000	2,700,000	4,094,086	1,394,086
Other local	6,715,987	8,445,927	7,650,463	(795,464)
State of Utah	238,892,269	248,468,918	243,418,338	(5,050,580)
Federal government	16,665,816	16,873,756	15,940,313	(933,443)
Total revenues	337,924,772	352,634,870	342,331,605	(10,303,265)
Expenditures:				
Current:				
Instruction	260,766,016	241,297,748	222,472,021	18,825,727
Supporting services:				
Students	12,155,140	14,272,148	16,788,155	(2,516,007)
Instructional staff	15,972,907	22,200,981	15,229,615	6,971,366
General district administration	2,438,900	2,802,268	2,654,550	147,718
School administration	23,491,745	23,988,830	23,252,337	736,493
Business	3,483,439	3,299,918	3,082,345	217,573
Operation and maintenance of facilities	37,208,542	35,648,622	34,514,029	1,134,593
Student transportation	13,034,424	12,360,912	11,998,090	362,822
Personnel, planning, and data processing	8,203,600	8,757,850	7,131,457	1,626,393
Total expenditures	376,754,713	364,629,277	337,122,599	27,506,678
Excess (deficiency) of revenues over (under) expenditures	(38,829,941)	(11,994,407)	5,209,006	17,203,413
Other financing sources (uses):				
Transfer out	(181,578)	(225,449)	(221,594)	3,855
Net change in fund balances	(39,011,519)	(12,219,856)	4,987,412	17,207,268
Fund balances - beginning	125,211,519	158,136,993	158,136,993	-
Fund balances - ending	<u>\$ 86,200,000</u>	<u>\$ 145,917,137</u>	<u>\$ 163,124,405</u>	<u>\$ 17,207,268</u>

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

JORDAN SCHOOL DISTRICT

Statement of Fund Net Position **Proprietary Fund** June 30, 2018

	<u>Governmental Activities - Internal Service Fund Self-Insurance</u>
Assets:	
Current assets:	
Cash and investments	<u>\$ 40,192,586</u>
Liabilities:	
Current liabilities:	
Accounts payable	53,180
Accrued medical claims	10,785,542
Accrued workers compensation claims	<u>99,895</u>
Total liabilities	<u>10,938,617</u>
Net position:	
Unrestricted	<u><u>\$ 29,253,969</u></u>

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

JORDAN SCHOOL DISTRICT

Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Fund

Year Ended June 30, 2018

	<u>Governmental Activities - Internal Service Fund Self-Insurance</u>
Operating revenues:	
Insurance premiums	<u>\$ 38,511,041</u>
Operating expenses:	
Medical claims	25,731,130
Prescription claims	5,998,524
Workers compensation claims	1,179,475
Insurance premiums	2,033,545
Administration and other	<u>1,658,986</u>
Total operating expenses	<u>36,601,660</u>
Operating income	1,909,381
Nonoperating revenues:	
Interest	<u>532,267</u>
Change in net position	2,441,648
Net position - beginning	<u>26,812,321</u>
Net position - ending	<u><u>\$ 29,253,969</u></u>

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

JORDAN SCHOOL DISTRICT

Statement of Fund Cash Flows

Proprietary Fund

Year Ended June 30, 2018

	<u>Governmental Activities - Internal Service Fund Self-Insurance</u>
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 38,511,041
Payments to suppliers	(1,655,306)
Payments for medical fees and insurance claims	(32,375,823)
Payments for workers compensation claims	(1,292,877)
Net cash provided by operating activities	<u>3,187,035</u>
Cash flows from investing activities:	
Interest received	<u>532,267</u>
Net increase in cash and cash equivalents	3,719,302
Cash and cash equivalents - beginning	<u>36,473,284</u>
Cash and cash equivalents - ending	<u><u>\$ 40,192,586</u></u>
(Displayed on statements of fund net position as "Cash and investments")	
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 1,909,381
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts payable	3,680
Increase in accrued medical claims	1,387,376
Decrease in accrued workers compensation claims	(113,402)
Total adjustments	<u>1,277,654</u>
Net cash provided by operating activities	<u><u>\$ 3,187,035</u></u>
 Noncash investing, capital, and financing activities:	 none

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

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Reporting Entity – The District was established in 1905 and provides elementary and secondary education in southwest Salt Lake County, Utah. The Board of Education, comprised of seven elected officials, is the primary governing authority for the District. The Board establishes District policies, approves the budget, appoints a superintendent with responsibilities for administering all educational activities of the District, and appoints a business administrator with responsibilities for fiscal matters. The Board is authorized to issue bonds, incur short-term debt, levy property taxes, and is independent of any other unit of local government.

These basic financial statements present the activities of the District and its component units, the *Jordan Education Foundation* (the Foundation) and the *Local Building Authority of Jordan School District* (the Building Authority), for which the District is considered to be financially accountable. The District is not a component unit of any other primary government. Although legally separate entities, blended component units are, in substance, part of the District's operations.

- The *Jordan Education Foundation* is a nonprofit organization established under Internal Revenue Service regulations as a conduit for tax-deductible contributions to the District. The Foundation's board is approved by the Board of Education. The Foundation exclusively serves the District. The District makes all personnel decisions for the Foundation and pays for all operating costs of the Foundation. The Foundation is presented as a special revenue fund of the District.
- The *Local Building Authority of Jordan School District* is a legally separate organization for which the District is considered to be financially accountable. The Building Authority's board is comprised of the District's Board members. The Building Authority provides financing services solely to the District. The District is obligated for the debt of the Building Authority; all of the outstanding debt of the Building Authority is expected to be repaid with resources of the District. The District pays for all operating costs of the Building Authority. The Building Authority is reported within the governmental funds of the District.

Government-wide Financial Statements – The statement of net position and the statement of activities report information on all of the activities of the District, the Foundation, and the Building Authority. As a general rule, the effect of interfund activity is eliminated from the government-wide financial statements (e.g. internal service fund activity and indirect cost charges to programs). Some minor interfund services provided and used are not eliminated in the process of consolidation.

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

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

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presented. The emphasis of fund statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as insurance premiums, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as interest, result from non-exchange transactions or ancillary activities. Operating expenses result from transactions directly associated with the fund's principal services.

The District reports the following major governmental funds:

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

Additionally, the District reports the following fund type:

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

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District's policy is to consider revenue available if it is expected to be collected within sixty days following the close of the fiscal year, or within thirty days of the fiscal year-end in the case of property tax revenue. Property taxes and interest are considered to be susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures are incurred and all other grant requirements are met; grants received in advance are recorded as unearned revenue. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term liabilities, claims and judgments, pension and retirement benefits, early retirement and post-employment health care benefits, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Budgets and Budgetary Accounting – The District operates within budget requirements for school districts as specified by state law and as interpreted by the State Superintendent of Public Instruction. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America using the modified accrual basis of accounting for all governmental funds, excluding the *Jordan Education Foundation* (special revenue fund), and on the accrual basis for the *Self-Insurance Fund* (internal service fund). The budget for the *Self-Insurance Fund* is not legally required for budgetary control; this budget is for management purposes. Budgets are not adopted on a

JORDAN SCHOOL DISTRICT

District level for the *Jordan Education Foundation* (special revenue fund). All annual appropriations lapse at fiscal year-end. These financial reports reflect the following budgetary standards:

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

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

Deposits and Investments – The cash balances of substantially all funds are pooled and invested by the District. Deposits and investments are reported at fair value. Earnings on pooled funds are allocated to the funds based on the average balance of each participating fund.

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

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

District Retirement Plans and OPEB Plan – For purposes of measuring the total District retirement liability, total OPEB obligation, District retirement expense, OPEB expense, and related deferred inflows/outflows of resources, the District recognizes benefit payments when due and payable in accordance with benefit terms. The total District retirement liability and the total OPEB obligation are actuarially determined.

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

Capital Assets – All purchased or constructed capital assets costing more than \$5,000 or which meet other criteria are capitalized and reported at cost or estimated historical cost in the government-wide financial statements. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives

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are not capitalized in the government-wide financial statements. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Interest incurred during the construction of capital assets is not capitalized. The District does not purchase nor construct infrastructure (public domain) assets. Capital assets are recorded as expenditures in the governmental fund financial statements at the time of purchase or construction. Depreciation is provided on capital assets using the straight-line method over their estimated useful lives as follows:

Buildings.....	40 years
Building improvements.....	20 years
Site improvements.....	20 years
Portables	20 years
Furniture and equipment	10 years
Vehicles.....	10 years
Computer-related assets.....	5 years

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.

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.

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

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

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). Fund balance classifications are summarized as follows:

- **Nonspendable** – This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories are classified as nonspendable.
- **Restricted** – This category includes net fund resources that are subject to external constraints placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the following:
 - a) Unspent tax revenues for specific purposes (capital projects, debt service, transportation and reading achievement).
 - b) Remaining fund balances in the *Nutrition Services Fund*.
 - c) Donor-specified donations held in the *Jordan Education Foundation Fund*.
- **Committed** – This category includes amounts that can be used only for specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Education is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (adoption of another resolution) to remove or revise the limitation. The Board of Education has committed fund balance amounts to the following purposes:

JORDAN SCHOOL DISTRICT

- a) As defined in Utah law as an “undistributed reserve,” the Board committed, for economic stabilization, up to five percent of the General Fund budgeted expenditures. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also defined by state law, the commitment is not to be used “in the negotiation or settlement of contract salaries for school district employees” and the use of this reserve requires a written resolution adopted by a majority vote of the Board of Education filed with the Utah State Board of Education and Utah State Auditor.
 - b) The Board committed an amount equal to its compensated absences liability which includes amounts for accrued vacation and sick leave incentive.
 - c) The Board committed an amount equal to the District’s calculation of the amount needed to fully pay-down its retiree benefits to eligible employees.
 - d) The Board committed the fund balances in the Student Activities Fund, the Non K-12 Programs Fund, and the Jordan Education Foundation Fund for school program use and not general District use.
 - e) The Board committed \$3.4 million for the West Jordan Feeder system to be used by June 30, 2021.
 - f) The Board committed \$11.0 million for the teacher grant program.
 - g) Contractual obligations that will be completed after June 30, 2018.
- **Assigned** – This category includes General Fund balance amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has by resolution authorized the business administrator to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment. The General Fund has assigned balances to educational programs and personnel.
 - **Unassigned** – Residual balances in the General Fund are classified as unassigned. In governmental funds other than the General Fund, negative unassigned fund balances may be reported if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

Net Position / Fund Balance Flow Assumption – 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.

- **Net Position Flow Assumption** – It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.
- **Fund Balance Flow Assumption** – 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 (committed, assigned, and unassigned fund balances). Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. DEPOSITS AND INVESTMENTS

Deposits and investments are carried at fair value. A reconciliation of cash and investments at June 30, 2018 as shown on the financial statements is as follows:

JORDAN SCHOOL DISTRICT

Carrying amount of deposits	\$ 21,891,427
Carrying amount of investments:	
Mutual funds	386,743
Public Treasurers' Investment Fund	371,871,460
Total cash and investments	<u>\$ 394,149,630</u>
Governmental funds cash and investments	\$ 349,623,371
Internal service fund cash and investments	<u>40,192,586</u>
Total cash and investments, unrestricted	389,815,957
Investments restricted for debt service	<u>4,333,673</u>
Total cash and investments	<u>\$ 394,149,630</u>

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

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

Rules of the Council allow Jordan 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.

Deposits – At June 30, 2018, the District and the Foundation have the following deposits with financial institutions:

	<u>Carrying Amount</u>	<u>Bank Balance</u>	<u>Amount Insured</u>
Jordan School District	\$ 21,886,269	\$ 24,500,574	\$ 840,325
Jordan Education Foundation	5,158	34,011	34,011
Total deposits	<u>\$ 21,891,427</u>	<u>\$ 24,534,585</u>	<u>\$ 874,336</u>

- **Custodial Credit Risk** – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk. At June 30, 2018, \$23,660,249 of the District's bank deposits was uninsured and uncollateralized. No deposits are collateralized nor are they required to be by state statute.

Investments – The District invests with the PTIF, the Foundation invests with the PTIF and private funds through brokers. The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which primarily consists of money market securities held by the Utah State Treasurer, including investment-grade corporate notes, top-tier commercial paper, money market mutual funds, repurchase agreements, and certificates of deposit. The portfolio has a weighted average maturity of 52 days. The PTIF is not rated. The reported value of the pool is the same as the fair value of the pool shares. At June 30, 2018, the District has the following investments summarized by investment type:

JORDAN SCHOOL DISTRICT

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1-5
Jordan School District: Utah Public Treasurers' Investment Fund (PTIF)	\$ 370,772,148	\$ 370,772,148	\$ -
Jordan Education Foundation: Utah Public Treasurers' Investment Fund (PTIF)	1,099,312	1,099,312	-
Mutual funds	386,743	386,743	-
Total investments	<u>\$ 372,258,203</u>	<u>\$ 372,258,203</u>	<u>\$ -</u>

- **Interest Rate Risk** – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal investment policy for interest rate risk but manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and banker's acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years. The Foundation can invest private funds in fixed-income securities with a dollar-weighted average maturity not to exceed ten years.
- **Credit Risk** – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal investment policy for credit risk but manages its exposure to credit risk by complying with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by Standard and Poor's Corporation. The District's investment in the PTIF and the Foundation's investment in mutual funds 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 risk but manages this risk by complying with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to five percent of the District's total portfolio with a single issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than five percent of all funds are invested in any one issuer and no more than twenty-five percent of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than seventy-five percent may be invested in equity securities and no more than five percent in collateralized mortgage obligations.
- **Custodial Credit Risk** – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District does not have a formal investment policy for custodial credit risk but manages this risk by complying with the Act and related rules. The Foundation's investments are held in a brokerage account which is covered by Securities Investor Protection Corporation up to \$500,000.

3. 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, 2018:

JORDAN SCHOOL DISTRICT

- Mutual funds investing in marketable securities of \$386,743 are valued using quoted market prices (Level 1 inputs).
- Public Treasurers' Investment Fund of \$371,871,460 is valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Sites	\$ 116,974,661	\$ 16,792,984	\$ (1,869,775)	\$ 131,897,870
Construction in progress	38,835,966	74,098,680	(28,770,497)	84,164,149
Total capital assets, not being depreciated	155,810,627	90,891,664	(30,640,272)	216,062,019
Capital assets, being depreciated:				
Site improvements	44,554,436	866,523	-	45,420,959
Buildings	848,444,380	47,179,951	(268,455)	895,355,876
Equipment	62,566,302	4,734,559	(16,477,547)	50,823,314
Vehicles	29,983,353	2,412,018	(808,044)	31,587,327
Total capital assets, being depreciated	985,548,471	55,193,051	(17,554,046)	1,023,187,476
Accumulated depreciation for:				
Site improvements	19,681,907	2,042,823	-	21,724,730
Buildings	288,226,968	24,580,365	(268,455)	312,538,878
Equipment	36,728,922	7,944,423	(16,477,547)	28,195,798
Vehicles	18,512,805	2,037,542	(789,375)	19,760,972
Total accumulated depreciation	363,150,602	36,605,153	(17,535,377)	382,220,378
Total capital assets, being depreciated, net	622,397,869	18,587,898	(18,669)	640,967,098
Governmental activities capital assets, net	<u>\$ 778,208,496</u>	<u>\$ 109,479,562</u>	<u>\$ (30,658,941)</u>	<u>\$ 857,029,117</u>

Depreciation expense for the year ended June 30, 2018 was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 27,253,370
Supporting services:	
Instructional staff	132,137
General district administration	725,963
School administration	1,140,963
Business	3,228
Operation and maintenance of facilities	3,371,131
Student transportation	2,206,787
Personnel, planning, and data processing	23,767
Nutrition services	1,747,807
Total depreciation expense, governmental activities	<u>\$ 36,605,153</u>

5. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2018 was as follows:

JORDAN SCHOOL DISTRICT

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 64,515,000	\$ 72,970,000	\$ (12,565,000)	\$ 124,920,000	\$ 13,195,000
Qualified school construction bonds	9,000,000	-	-	9,000,000	-
Bond premiums	6,557,836	4,954,341	(1,291,231)	10,220,946	-
Total bonds payable, net	80,072,836	77,924,341	(13,856,231)	144,140,946	13,195,000
Net URS pension liability	166,987,228	976,048	(39,553,815)	128,409,461	-
Total OPEB obligation	4,190,936	154,593	(652,238)	3,693,291	-
Total District retirement liability	19,260,765	1,145,313	(3,596,708)	16,809,370	-
Accrued medical claims	9,398,166	31,729,654	(30,342,278)	10,785,542	10,785,542
Compensated absences obligation	3,621,259	3,887,954	(3,621,259)	3,887,954	3,304,761
Accrued workers compensation claims	213,297	1,179,475	(1,292,877)	99,895	99,895
Total governmental activity					
long-term liabilities	<u>\$ 283,744,487</u>	<u>\$ 116,997,378</u>	<u>\$ (92,915,406)</u>	<u>\$ 307,826,459</u>	<u>\$ 27,385,198</u>

General Obligation Bonds Payable – General obligation bonds payable at June 30, 2018 are comprised of the following general obligation issues and are serviced by property tax revenues received by the Debt Service Fund:

Series	Purpose	Original Amount	Interest Rate Range	True Interest Cost	Final Maturity Date	Current Outstanding Balance
2014	Bond Refunding	\$ 104,665,000	5.00%	1.00%	June 15, 2020*	\$ 56,360,000
2017	School Building	35,905,000	3.00% to 5.00%	2.97%	June 15, 2037	35,905,000
2018	School Building	72,970,000	2.60% to 5.00%	2.81%	June 15, 2037	72,970,000
Total general obligation bonds payable as of June 30, 2018						165,235,000
Amount to be paid by Canyons School District						(40,315,000)
Amount to be paid by Jordan School District						<u>\$ 124,920,000</u>

* Bonds will be fully repaid on June 15, 2020 for Jordan School District and June 15, 2022 for Canyons School District.

All bonds are rated 'AAA' based on the guaranty provided by the Utah School Bond Default Avoidance Program. The District has an underlying rating of 'AAA' by Fitch Investors Service, Inc., and 'Aaa' by Moody's, as of the date of this Comprehensive Annual Financial Report. Debt service requirements to maturity, including interest for the general obligation bonds payable, are summarized below:

Year Ending June 30,	Principal	Interest	Total
2019	\$ 13,195,000	\$ 5,929,108	\$ 19,124,108
2020	5,595,000	4,292,838	9,887,838
2021	4,375,000	4,013,088	8,388,088
2022	4,575,000	3,794,338	8,369,338
2023	4,775,000	3,596,588	8,371,588
2024-2028	27,605,000	14,357,937	41,962,937
2029-2033	33,825,000	8,154,668	41,979,668
2034-2037	30,975,000	2,564,499	33,539,499
Total	<u>\$ 124,920,000</u>	<u>\$ 46,703,064</u>	<u>\$ 171,623,064</u>

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Qualified School Construction Bonds – In September 2010, the Building Authority issued \$9,000,000 of lease revenue bonds (qualified school construction bonds) to supplement the construction costs of Fox Hollow Elementary School. The bonds accrue interest at a rate of 6.00 percent with a 4.94 percent subsidy received from the federal government to arrive at a net interest rate of 1.06 percent. However, due to Federal Sequestration the District anticipates receiving a 4.51 percent subsidy resulting in a net interest rate of 1.49 percent. Interest is payable semi-annually and the principal amount of \$9,000,000 is to be paid at maturity on June 15, 2027. The District transfers \$562,500 annually into a sinking fund. At June 30, 2018, the sinking fund had a balance of \$4,333,673. The District services the lease revenue bonds obligation from the Capital Projects Fund. The annual requirements to amortize all lease revenue bonds outstanding as of June 30, 2018, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Net Interest	Total
2019	\$ -	\$ 134,080	\$ 134,080
2020	-	134,080	134,080
2021	-	134,080	134,080
2022	-	134,080	134,080
2023	-	134,080	134,080
2024-2027	9,000,000	536,320	9,536,320
Total	<u>\$ 9,000,000</u>	<u>\$ 1,206,720</u>	<u>\$ 10,206,720</u>

Compensated Absences – The District accrues vacation for twelve-month or full-year contract employees. Employees accrue between ten and twenty days each year depending upon length of service with the District, generally limited to a maximum number of days earned for one year. The District is liable to the employee for days earned but not taken. If an employee terminates, then payment is made; otherwise, scheduled vacation time off is allowed. Additionally, retiring employees, employed before June 30, 2006, are eligible to receive an unused sick leave bonus from the District. This bonus ranges from 25 to 30 percent of the value of sick leave accumulation, and is paid only upon retirement. Based on a present value calculation using the historical PTIF rate as the discount rate, the District estimates these obligations for qualifying employees at June 30, 2018 to be \$3,887,954. These obligations will be paid by the General Fund.

Accrued Medical Claims and Workers Compensation Claims – For a description of the District's self-insured medical and workers compensation liabilities, please see Note 10.

6. TRANSFERS

During the year ended June 30, 2018, the District made one transfer between funds. The District transferred \$221,594 from the General Fund to the Jordan Education Foundation Special Revenue Fund to cover administration expenditures of the Jordan Education Foundation.

7. COMMITMENTS

Construction – The District has two elementary schools, three middle schools, and one high school under construction. At June 30, 2018, the District has \$165,201,382 in open purchase orders for capital projects. The District anticipates spending \$125,174,098 during the fiscal year ending June 30, 2019 on building projects and an additional \$35,599,938 for other capital asset purchases. The restricted fund balance of the Capital Projects Fund will be used, along with future tax proceeds, to fund these projects.

Operating Leases – The District leases land and buildings under non-cancelable operating leases. Total costs for such leases were \$74,800 for the year ended June 30, 2018. The future minimum lease payments for these leases are as follows:

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Year Ending June 30,	Amount
2019	\$ 78,534
2020	80,604
2021	36,523
Total	<u>\$ 195,661</u>

8. PROPERTY TAXES

District property taxes – The District has recorded a property tax receivable for the delinquent property taxes due and for the taxes assessed January 1. The District has recorded a corresponding deferred inflow of resources for taxes assessed January 1 but not due and collectible within thirty days of the end of the fiscal year. The property tax revenue of the District is collected and distributed by the Salt Lake County Treasurer as an agent for the District.

Utah statutes establish the process by which taxes are levied and collected. The County Assessor is required to assess real property as of January 1 and complete the tax rolls by May 22. By July 22, the County Auditor is to mail assessed value and tax notices to property owners. A taxpayer may petition the County Board of Equalization within 45 days of receipt of the tax notice for a revision of the assessed value. The County Auditor makes approved changes in assessed values by November 1. On this same date the Auditor is to deliver the completed assessment rolls to the County Treasurer. Tax notices are mailed with a due date of November 30. Delinquent taxes are subject to a 2.5 percent penalty of the property tax due, with a \$10 minimum penalty. If delinquent taxes and penalties are not paid by January 31 of the following year, these delinquent taxes, including penalties, are subject to an interest charge at a rate determined by the County; the interest period is from January 31 until the taxes are paid. If in May of the fifth year the taxes remain delinquent, the County advertises and sells the property at a tax sale.

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

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 Community Development and Renewal Agencies Act (*Utah Code 17C-1*) and charter schools (based on students who live within the District's boundaries and are enrolled in charter schools). These taxes are forwarded directly by the County to the redevelopment agencies and the state charter school levy account as these taxes are collected by the County.

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

During the year ended June 30, 2018, incremental taxes levied by the District for redevelopment agencies and charter schools totaled \$12,977,392 and \$3,446,966 respectively. These were recorded as revenue with an equivalent amount of expenditure in the other governmental funds (in the pass-through taxes special revenue fund.)

9. STATE RETIREMENT PLANS

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

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

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

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

Defined Contribution Plans (individual account plans):

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

District employees qualify for membership in the retirement systems if a) 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, b) the employee is a classified school employee whose employment normally requires an average of 20 hours or more per week regardless of benefits, c) 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 d) 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 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 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 1.25% 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 are vested during the first four years of employment. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

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

For the year ended June 30, 2018, District required contribution rates for the plans were as follows:

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	Defined Benefit Plans Rates				District Rates for 401(k) Plan	Totals
	District Contributions	Amortization of UAAL*	Employee Paid	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%	1.00%	5.00%	-	23.70%
Tier 2 Contributory System**	8.50%	9.94%	-	-	1.58%	20.02%
Tier 2 Defined Contribution Plan**	0.08%	9.94%	-	-	10.00%	20.02%

* The District is required to contribute additional amounts based on covered-employee payroll to finance the unfunded actuarial accrued liability (UAAL) of the Tier 1 plans.

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

Employees can make additional contributions to defined contribution plans, up to applicable plan and Internal Revenue Code limits.

For the year ended June 30, 2018, District and employee contributions to the plans were as follows:

	District Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 29,696,188	\$ -
Tier 1 Contributory System	77,948	4,404
Tier 2 Contributory System	8,721,389	-
Tier 2 Defined Contribution Plan	1,087,404	-
401(k) Plan	3,782,348	2,735,476
457 Plan and other individual plans	-	448,572

* 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.

*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.

Pension assets and liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – At June 30, 2018, the District reported an asset of zero and a liability of \$128,409,461 for its proportionate share of the net pension liability (asset) for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 127,882,653
Tier 1 Contributory System	-	143,210
Tier 2 Contributory System	-	383,598
Total	\$ -	\$ 128,409,461

The net pension liability (asset) were measured as of December 31, 2017, and the total pension liability was determined by an actuarial valuation as of January 1, 2017, 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. The following presents the District's proportionate percentage of the collective net pension liability (asset) at December 31, 2017 and the change in its proportion since the prior measurement date for each plan:

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	Proportionate Share	
	2017	Change
Tier 1 Noncontributory System	5.2295997%	0.1270046%
Tier 1 Contributory System	2.1763100%	0.0844623%
Tier 2 Contributory System	4.3508001%	0.1363692%

For the year ended June 30, 2018, the District recognized pension expense of \$35,420,632 for the defined benefit pension plans and pension expense of \$3,782,348 for the defined contribution plans. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 14,361	\$ 7,766,916
Changes of assumptions	32,805,716	1,010,802
Net difference between projected and actual earnings on pension plan investments	21,505,076	54,474,443
Changes in proportion and differences between contributions and proportionate share of contributions	2,249,159	792,588
District contributions subsequent to the measurement date	19,814,671	-
Total	<u>\$ 76,388,983</u>	<u>\$ 64,044,749</u>

The \$19,814,671 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of December 31, 2017 will be recognized as a reduction of the net pension liability (asset) in the year ending June 30, 2019. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2019	\$ 4,010,536
2020	7,116,060
2021	(7,098,641)
2022	(11,835,313)
2023	(82,500)
Thereafter	419,422

Actuarial assumptions – The total pension liability in the January 1, 2017 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

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Mortality rates were based on the RP-2000 mortality tables or were developed from actual experience, based on gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2017 valuation are based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Changes of assumptions that affected measurement of the total pension liability since the prior measurement date include a decrease in the earnings assumptions from 7.20% to 6.95%, a decrease in the inflation assumption from 2.60% to 2.50%, and increases in life expectancy for most groups based on a new post retirement mortality table using actual experience. Additional changes of assumptions include a decrease to the wage inflation assumption from 3.35% to 3.25% and a decrease to the payroll growth assumption from 3.1% to 3.0%.

The long-term expected rate of return on defined benefit pension plan investments is 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 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	Expected Return Arithmetic Basis	
		Real Return Arithmetic Basis	Long-Term Expected Real Rate of Return
Equity securities	40%	6.15%	2.46%
Debt securities	20%	0.40%	0.08%
Real assets	15%	5.75%	0.86%
Private equity	9%	9.95%	0.90%
Absolute return	16%	2.85%	0.46%
Cash and cash equivalents	0%	0.00%	0.00%
Total	100%		4.75%
Inflation			2.50%
Expected arithmetic nominal return			7.25%

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.45% that is net of investment expense.

Discount rate – The discount rate used to measure the total pension liability 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 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 plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability (asset) 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:

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	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
District's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	\$ 279,221,934	\$ 127,882,653	\$ 1,393,470
Tier 1 Contributory System	1,887,341	143,210	(1,341,666)
Tier 2 Contributory System	4,516,683	383,598	(2,803,603)
Total	<u>\$ 285,625,958</u>	<u>\$ 128,409,461</u>	<u>\$ (2,751,799)</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.

Payables to the pension plans – At June 30, 2018, the District reported payables of \$8,264,034 for contributions to defined benefit pension plans and \$511,645 for contributions to defined contribution plans.

10. DISTRICT RETIREMENT PLANS

Plan description – The District retirement plan provides retirement income to employees who qualify for state retirement and were hired before July 1, 2006. The retirement plan is a single-employer defined benefit pension plan offered and administered by the District. No assets are accumulated in a trust that meets the criteria of generally accepted accounting standards.

Benefits provided – The District retirement plan is funded by the General Fund. Plan benefits are based on the tenure and salary of the employee as of June 30, 2006 and include 1) an amount not to exceed \$7,560 for supplemental health insurance, 2) an early retirement incentive, 3) an unused leave bonus, and 4) a service award. These benefits are paid in cash when the eligible employee retires.

Employees covered by benefit terms – At June 30, 2017, the most recent actuarial study, the following employees were covered by the benefit terms:

Active employees	1,275
Inactive employees or beneficiaries currently receiving benefit payments	630
Total	<u>1,905</u>

Total retirement liability – At June 30, 2018, the District recorded a total retirement liability of \$16,809,370. The District has set aside resources for the liability by committing a portion of fund balance in the General Fund.

Actuarial assumptions and other inputs – The total retirement liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	2.50%, average, including inflation
Discount rate	4.0%

The discount rate was based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on RP-2000 Healthy Mortality Tables for Males or Females, as appropriate, with adjustments for future improvement in mortality based on Scale AA.

Demographic and other assumptions include 1) retirement rates based on the rates used for employees with required age and service to retire under the Utah Retirement System and 2) employee termination rates based on

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termination rates used in the actuarial valuation of the Utah Retirement System. Individual severance benefits nor any termination liability for COBRA are not included in this valuation.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the year then ended.

Changes in the total retirement liability- The following presents the retirement liability activity for the year ended June 30, 2018:

Balance of total District retirement liability at June 30, 2017	\$ 19,260,765
Changes for the year:	
Service cost	446,817
Interest	698,496
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	<u>(3,596,708)</u>
Net changes	<u>(2,451,395)</u>
Balance of total District retirement liability at June 30, 2018	<u>\$ 16,809,370</u>

No changes of benefit terms occurred in 2018.

No changes in assumptions and other inputs occurred in 2018.

Sensitivity of the total District retirement liability to changes in the discount rate – The following presents the District's total retirement liability calculated using the discount rate of 4.0%, as well as what the District's total retirement liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current discount rate:

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Total retirement liability - District retirement plan	<u>\$ 17,300,204</u>	<u>\$ 16,809,370</u>	<u>\$ 16,323,579</u>

Retirement expense and deferred outflows and inflows of resources related to the District's retirement plan – For the year ended June 30, 2018, the District recognized retirement expense of \$1,145,313. At June 30, 2018, the District reported no deferred outflows of resources and no deferred inflows of resources related to the District's retirement plan.

11. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN

Plan description – The District provides OPEB for employees hired before July 1, 2006 and who have worked at least ten full-time equivalent years in the District, have retired from the District, and qualify for state retirement. The District's OPEB 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 OPEB plan provides medical insurance similar to that offered to active employees. Employees retiring after June 30, 2006 may purchase health insurance at percentages of the total District premium as follows: first eighteen months at 102.0%, next six months at 110.0%, and to age 65 at full cost (currently at 245.0% of the District rate).

Employees covered by benefit terms – At June 30, 2017, the most recent actuarial study, the following employees were covered by the benefit terms:

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Active employees	2,581
Inactive employees or beneficiaries currently receiving benefit payments	<u>89</u>
Total	<u><u>2,670</u></u>

The OPEB plan is closed to new entrants.

Total OPEB obligation – At June 30, 2018, the District recorded an OPEB obligation of \$3,693,291. The District has set aside resources for the obligation by committing a portion of fund balance in the General Fund.

Actuarial assumptions and other inputs – The total OPEB obligation in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.3%
Discount rate	4.0%
Healthcare cost trend rates	7.3% for 2017, decreasing per year to an ultimate rate of 4.3% for 2085 and later years

The discount rate was based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on RP-2000 Healthy Mortality Tables for Males or Females, as appropriate, with adjustments for future improvement in mortality based on Scale AA.

Demographic and other assumptions include 1) retirement rates based on the rates used for employees with required age and service to retire under the Utah Retirement System and 2) employee termination rates based on termination rates used in the actuarial valuation of the Utah Retirement System. Individual severance benefits nor any termination liability for COBRA are not included in this valuation.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the year then ended.

Changes in the total OPEB obligation – The following presents the OPEB obligation activity for the year ended June 30, 2018:

	<u>Total OPEB Obligation</u>
Balance of total OPEB obligation at June 30, 2017	\$ 4,190,936
Changes for the year:	
Service cost	-
Interest	154,593
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	<u>(652,238)</u>
Net changes	<u>(497,645)</u>
Balance of total OPEB obligation at June 30, 2018	<u><u>\$ 3,693,291</u></u>

No changes of benefit terms occurred in 2018.

No changes in assumptions and other inputs occurred in 2018.

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Sensitivity of the total OPEB obligation to changes in the discount rate – The following presents the District's total OPEB obligation calculated using the discount rate of 4.0%, as well as what the District's total OPEB obligation would be if it were calculated using a discount rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current discount rate:

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Total OPEB obligation	<u>\$ 4,029,749</u>	<u>\$ 3,693,291</u>	<u>\$ 3,404,845</u>

Sensitivity of the total OPEB obligation 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 7.3% decreasing to 4.3%, 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 (6.3% decreasing to 3.3%) or 1-percentage-point higher (8.3% decreasing to 5.3%) than the current healthcare cost trend rates:

	1% Decrease (6.3% decreasing to 3.3%)	Healthcare Cost Trend Rates (7.3% decreasing to 4.3%)	1% Increase (8.3% decreasing to 5.3%)
Total OPEB obligation	<u>\$ 3,515,274</u>	<u>\$ 3,693,291</u>	<u>\$ 3,892,359</u>

OPEB expense and deferred outflows and inflows of resources related to OPEB – For the year ended June 30, 2018, the District recognized OPEB expense of \$154,593. At June 30, 2018, the District reported no deferred outflows of resources and no deferred inflows of resources related to OPEB.

12. RISK MANAGEMENT

The Self-Insurance Fund, an internal service fund, was established to pay self-insurance claims for health and accident coverage. Health insurance is provided to qualified District employees whereas all District employees are covered for worker's compensation. The District carries commercial insurance, which covers catastrophic claims over \$225,000 for health coverage and over \$400,000 for workers compensation coverage. The fund collects premiums, as established by the District and the plan administrator, from other District funds. As of June 30, 2018, the District has recorded estimates of claims incurred but not reported of \$10,785,542 and \$99,895 for medical claims and workers compensation claims, respectively. These liabilities are based on experience and information provided by the plan administrator and does not include costs to process the claims or reinsurance premiums.

The following table shows a history of accrued medical claims for the years ended June 30, 2018 and 2017:

	2018	2017	Change
Accrued medical claims (beginning of year)	\$ 9,398,166	\$ 8,926,027	\$ 472,139
Claims (including incurred but not reported)	31,729,654	29,089,180	2,640,474
Payments of claims	<u>(30,342,278)</u>	<u>(28,617,041)</u>	<u>(1,725,237)</u>
Accrued medical claims (end of year)	<u>\$ 10,785,542</u>	<u>\$ 9,398,166</u>	<u>\$ 1,387,376</u>

The following table shows a history of accrued workers compensation claims for the years ended June 30, 2018 and 2017:

JORDAN SCHOOL DISTRICT

	<u>2018</u>	<u>2017</u>	<u>Change</u>
Accrued workers compensation claims (beginning of year)	\$ 213,297	\$ 444,915	\$ (231,618)
Claims (including incurred but not reported)	1,179,475	565,938	613,537
Payments of claims	<u>(1,292,877)</u>	<u>(797,556)</u>	<u>(495,321)</u>
Accrued workers compensation claims (end of year)	<u>\$ 99,895</u>	<u>\$ 213,297</u>	<u>\$ (113,402)</u>

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

13. LITIGATION

The District is involved in several minor lawsuits, which the District believes will have an insignificant effect on the District's financial position regardless of the outcome.

14. GRANTS

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

JORDAN SCHOOL DISTRICT

Required Supplementary Information

Schedules of Changes in the District's Total OPEB Obligation and Related Ratios

Last Plan Year

	2018	2017
Total OPEB obligation:		
Service cost	\$ -	\$ -
Interest	154,593	182,066
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions and other inputs	-	-
Benefit payments	(652,238)	(1,074,996)
Net change in total OPEB obligation	(497,645)	(892,930)
Total OPEB obligation - beginning	4,190,936	5,083,866
Total OPEB obligation - ending	<u>\$ 3,693,291</u>	<u>\$ 4,190,936</u>
Covered payroll	\$ 50,107,679	\$ 50,107,679
Total OPEB obligation as a percentage of covered-employee payroll	7.4%	8.4%

This schedule is intended to show information for ten years; prior-year information is not available. Additional information will be displayed as it becomes available.

JORDAN SCHOOL DISTRICT

Required Supplementary Information

Schedules of Changes in the District's Total Retirement Liability and Related Ratios

Last Plan Year

	2018	2017
Total retirement liability - District retirement plan:		
Service cost	\$ 446,817	\$ 446,817
Interest	698,496	819,990
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions and other inputs	-	-
Benefit payments	<u>(3,596,708)</u>	<u>(4,077,948)</u>
Net change in total retirement liability - District retirement plan	(2,451,395)	(2,811,141)
Total retirement liability - beginning	<u>19,260,765</u>	<u>22,071,906</u>
Total retirement liability - ending	<u><u>\$ 16,809,370</u></u>	<u><u>\$ 19,260,765</u></u>
Covered payroll	\$ 50,107,679	\$ 50,107,679
Total retirement liability as a percentage of covered-employee payroll	33.5%	38.4%

This schedule is intended to show information for ten years; prior-year information is not available. Additional information will be displayed as it becomes available.

JORDAN SCHOOL DISTRICT**Required Supplementary Information****Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) -
Utah Retirement Systems**

Last Four Plan (Calendar) Years

	2017	2016	2015	2014
Tier 1 Noncontributory System:				
District's proportion of the net pension liability (asset)	5.2295997%	5.1025951%	5.1519245%	5.1373968%
District's proportionate share of the net pension liability (asset)	\$ 127,882,653	\$ 165,370,867	\$ 161,836,702	\$ 129,078,568
District's covered payroll	\$ 136,071,071	\$ 135,572,113	\$ 137,717,333	\$ 141,673,010
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	93.98%	121.98%	117.51%	91.11%
Plan fiduciary net position as a percentage of the total pension liability (asset)	89.2%	84.9%	84.5%	87.2%
Tier 1 Contributory System:				
District's proportion of the net pension liability (asset)	2.1763100%	2.0918477%	2.0792025%	2.2192353%
District's proportionate share of the net pension liability (asset)	\$ 143,210	\$ 1,146,244	\$ 1,302,937	\$ 243,336
District's covered payroll	\$ 495,172	\$ 560,756	\$ 658,644	\$ 816,179
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	28.92%	204.41%	197.82%	29.8%
Plan fiduciary net position as a percentage of the total pension liability (asset)	99.2%	93.4%	92.4%	98.7%
Tier 2 Contributory System				
District's proportion of the net pension liability (asset)	4.3508001%	4.2144309%	4.2076149%	4.5352734%
District's proportionate share of the net pension liability (asset)	\$ 383,598	\$ 470,117	\$ (9,185)	\$ (137,439)
District's covered payroll	\$ 42,740,494	\$ 34,561,678	\$ 27,168,733	\$ 22,176,805
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.90%	1.36%	-0.03%	-0.62%
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.4%	95.1%	100.2%	103.5%

This schedule is intended to show information for ten years; prior-year information is not available.
Additional information will be displayed as it becomes available.

JORDAN SCHOOL DISTRICT**Required Supplementary Information****Schedules of District Contributions - Utah Retirement Systems**

Last Four Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Tier 1 Noncontributory System:				
Contractually required contribution	\$ 29,696,188	\$ 29,059,245	\$ 29,535,553	\$ 29,515,696
Contributions in relation to the contractually required contribution	<u>(29,696,188)</u>	<u>(29,059,245)</u>	<u>(29,535,553)</u>	<u>(29,515,696)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 137,783,169	\$ 134,863,756	\$ 136,890,577	\$ 139,443,813
Contributions as a percentage of covered payroll	21.6%	21.5%	21.6%	21.2%
Tier 1 Contributory System:				
Contractually required contribution	\$ 77,948	\$ 92,105	\$ 108,260	\$ 125,970
Contributions in relation to the contractually required contribution	<u>(77,948)</u>	<u>(92,105)</u>	<u>(108,260)</u>	<u>(125,970)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 440,387	\$ 520,367	\$ 611,635	\$ 727,168
Contributions as a percentage of covered payroll	17.7%	17.7%	17.7%	17.3%
Tier 2 Contributory System:*				
Contractually required contribution	\$ 8,721,389	\$ 7,059,217	\$ 5,584,710	\$ 4,430,218
Contributions in relation to the contractually required contribution	<u>(8,721,389)</u>	<u>(7,059,217)</u>	<u>(5,584,710)</u>	<u>(4,430,218)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 47,372,474	\$ 38,701,839	\$ 30,610,544	\$ 24,560,938
Contributions as a percentage of covered payroll	18.4%	18.2%	18.2%	18.0%
Tier 2 Defined Contribution Plan:				
Contractually required contribution	\$ 1,087,404	\$ 879,331	\$ 730,240	\$ 574,991
Contributions in relation to the contractually required contribution	<u>(1,087,404)</u>	<u>(879,331)</u>	<u>(730,240)</u>	<u>(574,991)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 10,852,326	\$ 8,772,982	\$ 7,284,438	\$ 24,560,938
Contributions as a percentage of covered payroll	10.0%	10.0%	10.0%	2.3%

This schedule is intended to show information for ten years; prior-year information is not available.
Additional information will be displayed as it becomes available.

JORDAN SCHOOL DISTRICT

Notes to Required Supplementary Information

Note A. Changes in Assumptions and Benefit Terms-OPEB

Changes of benefit terms: None.

Changes of assumptions: None.

Note B. Changes in Assumptions and Benefit Terms-District Retirement Plan

Changes of benefit terms: None.

Changes of assumptions: None.

Note C. Changes in Assumptions-Utah Retirement Systems

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

- The investment return assumption was decreased from 7.20% to 6.95%.
- The inflation assumption 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 assumption changes adopted from the January 1, 2016 valuation:

- The investment return assumption was decreased from 7.50% to 7.20%.
- The inflation assumption decreased from 2.75% to 2.60%.
- With the decrease in the assumed rate of inflation, both the payroll growth and wage inflation assumptions were decreased by 0.15% from the prior year's assumption.

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

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The rate of salary increases assumption for most groups was modified.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- The post retirement mortality assumption for female educators showed an improvement.
- Minor adjustments to the preretirement mortality assumption were made.
- Certain demographic assumptions were changed that generally resulted in a) an increase in members anticipated to terminate employment prior to retirement, b) a slight decrease in

members expected to become disabled, and c) a slight increase in the expected age of retirement.

Note D. Schedules of District Contributions-Utah Retirement Systems

Contributions as a percentage of covered-employee payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. 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.

Combining and Individual Fund Financial Statements and Schedules

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Major Governmental Funds

General Fund

The General Fund is used to account for resources which are not required legally or by sound financial management to be accounted for in another fund. Utah law defines the General Fund as the Maintenance and Operation Fund.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and payment of, principal, interest, and related costs on general obligation bonds.

Capital Projects Fund

The Capital Projects Fund accounts for the acquisition of capital assets, construction of major capital projects not being financed by proprietary funds. This Fund includes the Building Authority's activity, and debt service on the qualified school construction bonds.

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

General Fund

A Major Governmental Fund

June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and investments	\$ 217,560,436	\$ 207,423,400
Accounts receivable:		
Property taxes	83,227,998	76,378,685
Local	168,966	238,133
State of Utah	777,078	635,780
Federal government	5,229,260	7,144,365
Inventories	904,430	1,048,049
Total assets	<u>\$ 307,868,168</u>	<u>\$ 292,868,412</u>
Liabilities:		
Accounts payable	\$ 2,806,296	\$ 2,564,078
Accrued payroll and related benefits	37,029,561	33,090,431
Unearned revenue:		
Local	218,940	133,343
State of Utah	19,196,180	21,042,063
Federal government	2,259,038	1,707,719
Total liabilities	<u>61,510,015</u>	<u>58,537,634</u>
Deferred inflows of resources:		
Unavailable property tax revenue	775,797	873,151
Property taxes levied for future year	82,457,951	75,320,634
Total deferred inflows of resources	<u>83,233,748</u>	<u>76,193,785</u>
Fund balances:		
Nonspendable:		
Inventories	904,430	1,048,049
Restricted for:		
Transportation and reading achievement	6,256,538	5,733,128
Committed to:		
Contractual obligations	1,257,302	2,296,770
Economic stabilization	18,200,000	17,400,000
Compensated absences	3,887,954	3,621,259
Retiree benefits	43,223,884	48,945,833
West Jordan feeder system	3,403,027	4,358,914
Educator grants	11,000,000	-
Assigned to:		
Educational programs	6,284,355	6,483,836
Personnel	36,068,014	31,178,576
Unassigned	32,638,901	37,070,628
Total fund balances	<u>163,124,405</u>	<u>158,136,993</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 307,868,168</u>	<u>\$ 292,868,412</u>

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual****General Fund****A Major Governmental Fund**

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 76,146,269	\$ 71,228,405	\$ (4,917,864)	\$ 73,914,151
Interest	2,700,000	4,094,086	1,394,086	2,317,208
Other local	8,445,927	7,650,463	(795,464)	8,280,040
State sources	248,468,918	243,418,338	(5,050,580)	227,932,411
Federal sources	16,873,756	15,940,313	(933,443)	16,608,010
Total revenues	<u>352,634,870</u>	<u>342,331,605</u>	<u>(10,303,265)</u>	<u>329,051,820</u>
Expenditures:				
Current:				
Instruction	241,297,748	222,472,021	18,825,727	210,067,176
Supporting services:				
Students	14,272,148	16,788,155	(2,516,007)	11,997,632
Instructional staff	22,200,981	15,229,615	6,971,366	14,231,029
General district administration	2,802,268	2,654,550	147,718	2,511,140
School administration	23,988,830	23,252,337	736,493	21,906,876
Business	3,299,918	3,082,345	217,573	2,953,600
Operation and maintenance of facilities	35,648,622	34,514,029	1,134,593	32,791,320
Student transportation	12,360,912	11,998,090	362,822	11,607,846
Personnel, planning, and data processing	8,757,850	7,131,457	1,626,393	7,293,357
Total expenditures	<u>364,629,277</u>	<u>337,122,599</u>	<u>27,506,678</u>	<u>315,359,976</u>
Excess (deficiency) of revenues over (under) expenditures	(11,994,407)	5,209,006	17,203,413	13,691,844
Other financing sources (uses):				
Transfer out	<u>(225,449)</u>	<u>(221,594)</u>	<u>3,855</u>	<u>(175,023)</u>
Net change in fund balances	(12,219,856)	4,987,412	17,207,268	13,516,821
Fund balance - beginning	<u>158,136,993</u>	<u>158,136,993</u>	<u>-</u>	<u>144,620,172</u>
Fund balance - ending	<u>\$ 145,917,137</u>	<u>\$ 163,124,405</u>	<u>\$ 17,207,268</u>	<u>\$ 158,136,993</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Debt Service Fund

A Major Governmental Fund

June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and investments	\$ 954,226	\$ 4,010,174
Accounts receivable:		
Property taxes	19,721,636	12,761,595
Other local	25,447	7,208
Total assets	<u>\$ 20,701,309</u>	<u>\$ 16,778,977</u>
Deferred revenue, property taxes		
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 129,405	\$ 173,632
Property taxes levied for future year	19,690,224	12,563,703
Total deferred inflows of resources	<u>19,819,629</u>	<u>12,737,335</u>
Fund balances:		
Restricted for:		
Debt service	881,680	4,041,642
Total deferred inflows of resources and fund balances	<u>\$ 20,701,309</u>	<u>\$ 16,778,977</u>

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service Fund****A Major Governmental Fund**

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 12,607,200	\$ 12,489,406	\$ (117,794)	\$ 14,864,075
Interest	140,000	195,285	55,285	104,880
Total revenues	12,747,200	12,684,691	(62,509)	14,968,955
Expenditures:				
Debt service:				
Bond principal	12,565,000	12,565,000	-	12,009,000
Bond interest	3,278,935	3,278,935	-	1,987,795
Paying agent fees and other	7,500	718	6,782	459
Total expenditures	15,851,435	15,844,653	6,782	13,997,254
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances agent	(3,104,235) -	(3,159,962) -	(55,727) -	971,701 -
Fund balance - beginning	4,041,642	4,041,642	-	3,069,941
Fund balance - ending	<u>\$ 937,407</u>	<u>\$ 881,680</u>	<u>\$ (55,727)</u>	<u>\$ 4,041,642</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Capital Projects Fund

A Major Governmental Fund

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets:		
Cash and investments	\$ 110,663,377	\$ 92,925,113
Accounts receivable:		
Property taxes	45,096,225	43,425,250
Other local	2,745	-
Investments restricted for debt service	<u>4,333,673</u>	<u>3,550,958</u>
Total assets	<u>\$ 160,096,020</u>	<u>\$ 139,901,321</u>
Liabilities:		
Accounts and contracts payable	<u>\$ 16,764,275</u>	<u>\$ 6,968,190</u>
Deferred inflows of resources:		
Unavailable property tax revenue	445,095	368,144
Property taxes levied for future year	<u>44,769,113</u>	<u>43,213,392</u>
Total deferred inflows of resources	<u>45,214,208</u>	<u>43,581,536</u>
Fund balances:		
Restricted for:		
Debt service	4,333,673	3,550,958
Capital projects	<u>93,783,864</u>	<u>85,800,637</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 160,096,020</u>	<u>\$ 139,901,321</u>

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects Fund****A Major Governmental Fund**

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 43,363,000	\$ 42,706,043	\$ (656,957)	\$ 40,736,723
Capital equalization payments	-	-	-	426,882
Interest	1,720,000	1,656,110	(63,890)	1,042,828
Total local sources	45,083,000	44,362,153	(720,847)	42,206,433
State sources:				
Capital equalization	-	-	-	93,741
Federal sources:				
QSCB interest subsidy	415,256	415,256	-	413,923
Total federal sources	415,256	415,256	-	413,923
Total revenues	45,498,256	44,777,409	(720,847)	42,714,097
Expenditures:				
Sites and improvements	13,985,407	13,991,280	(5,873)	30,488,350
Buildings	114,386,100	93,211,122	21,174,978	45,568,047
Equipment and vehicles	10,739,289	5,758,198	4,981,091	5,297,135
Issuance costs	449,341	449,341	-	212,821
Interest and fees	605,000	540,000	65,000	540,020
Other capital outlay	1,902,824	2,049,547	(146,723)	2,446,400
Total expenditures	142,067,961	115,999,488	26,068,473	84,552,773
Excess (deficiency) of revenues over (under) expenditures	(96,569,705)	(71,222,079)	25,347,626	(41,838,676)
Other financing sources (uses):				
General obligation bonds issued	72,970,000	72,970,000	-	35,905,000
Bond premium	4,954,341	4,954,341	-	3,157,821
Proceeds from sale of capital assets	1,965,334	2,063,680	98,346	6,540,181
Total other financing sources (uses)	79,889,675	79,988,021	98,346	45,603,002
Net change in fund balances	(16,680,030)	8,765,942	25,445,972	3,764,326
Fund balance - beginning	89,351,595	89,351,595	-	85,587,269
Fund balance - ending	<u>\$ 72,671,565</u>	<u>\$ 98,117,537</u>	<u>\$ 25,445,972</u>	<u>\$ 89,351,595</u>

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds generally account for the revenues and expenditures that are restricted to specific programs or projects. The District's special revenue funds are as follows:

- Nutrition Services Fund – to account for the operation of the school lunch and breakfast programs.
- Student Activities Fund – to account for the receipts and disbursement of monies for student activities and organizations at the individual schools.
- Non K-12 Programs Fund – to account for the operation of preschool, adult education, and community recreation programs.
- Pass-Through Taxes Fund – to account for taxes which flow through to other governments.
- Jordan Education Foundation Fund – to account for funds secured from the private sector which are used to enhance public education programs within the District.

JORDAN SCHOOL DISTRICT**Combining Balance Sheet
Nonmajor Governmental Funds**

June 30, 2018

	Special Revenue					Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Non K-12 Programs	Pass-Through Taxes	Jordan Education Foundation	
Assets:						
Cash and investments	\$ 6,804,070	\$ 7,844,825	\$ 4,305,224	\$ -	\$ 1,491,213	\$ 20,445,332
Accounts receivable:						
Property taxes	-	-	757,757	17,543,083	-	18,300,840
State of Utah	994,883	-	207,584	-	-	1,202,467
Federal government	98,256	-	448,341	-	-	546,597
Inventories	1,685,558	-	-	-	-	1,685,558
Total assets	<u>\$ 9,582,767</u>	<u>\$ 7,844,825</u>	<u>\$ 5,718,906</u>	<u>\$ 17,543,083</u>	<u>\$ 1,491,213</u>	<u>\$ 42,180,794</u>
Liabilities:						
Accounts payable	\$ 62,809	\$ 14,442	\$ 28,670	\$ -	\$ 4,840	\$ 110,761
Due to student organizations	-	1,339,767	-	-	-	1,339,767
Unearned revenue:						
Local	498,496	-	103,730	-	-	602,226
State of Utah	-	-	2,037,421	-	-	2,037,421
Federal government	-	-	294,399	-	-	294,399
Total liabilities	<u>561,305</u>	<u>1,354,209</u>	<u>2,464,220</u>	<u>-</u>	<u>4,840</u>	<u>4,384,574</u>
Deferred inflows of resources:						
Unavailable property tax revenue	-	-	8,035	145,583	-	153,618
Property taxes levied for future year	-	-	750,320	17,397,500	-	18,147,820
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>758,355</u>	<u>17,543,083</u>	<u>-</u>	<u>18,301,438</u>
Fund balances:						
Nonspendable:						
Inventories	1,685,558	-	-	-	-	1,685,558
Restricted for:						
Nutrition services	7,335,904	-	-	-	-	7,335,904
Donated purposes	-	-	-	-	1,072,014	1,072,014
Committed to:						
Students	-	6,490,616	2,496,331	-	414,359	9,401,306
Total fund balances	<u>9,021,462</u>	<u>6,490,616</u>	<u>2,496,331</u>	<u>-</u>	<u>1,486,373</u>	<u>19,494,782</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,582,767</u>	<u>\$ 7,844,825</u>	<u>\$ 5,718,906</u>	<u>\$ 17,543,083</u>	<u>\$ 1,491,213</u>	<u>\$ 42,180,794</u>

JORDAN SCHOOL DISTRICT**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances****Nonmajor Governmental Funds**

Year Ended June 30, 2018

	Special Revenue					Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Non K-12 Programs	Pass-Through Taxes	Jordan Education Foundation	
Revenues:						
Property taxes	\$ -	\$ -	\$ 782,811	\$ 16,424,358	\$ -	\$ 17,207,169
Sales, fees, admissions	-	4,037,201	549,352	-	-	4,586,553
Lunch sales	7,701,528	-	-	-	-	7,701,528
Interest	231,593	64,557	93,351	-	37,436	426,937
Other local	-	3,404,602	-	-	940,592	4,345,194
State sources	3,915,670	-	5,542,299	-	-	9,457,969
Federal sources	8,626,254	-	1,850,248	-	-	10,476,502
Total revenues	20,475,045	7,506,360	8,818,061	16,424,358	978,028	54,201,852
Expenditures:						
Current:						
Nutrition services	19,632,756	-	-	-	-	19,632,756
Instruction	-	8,029,028	8,974,027	-	-	17,003,055
Community services	-	-	-	16,424,358	798,201	17,222,559
Total expenditures	19,632,756	8,029,028	8,974,027	16,424,358	798,201	53,858,370
Excess (deficiency) of revenues over (under) expenditures	842,289	(522,668)	(155,966)	-	179,827	343,482
Other financing sources (uses):						
Transfer in	-	-	-	-	221,594	221,594
Net change in fund balances	842,289	(522,668)	(155,966)	-	401,421	565,076
Fund balances - beginning	8,179,173	7,013,284	2,652,297	-	1,084,952	18,929,706
Fund balances - ending	<u>\$ 9,021,462</u>	<u>\$ 6,490,616</u>	<u>\$ 2,496,331</u>	<u>\$ -</u>	<u>\$ 1,486,373</u>	<u>\$ 19,494,782</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Nutrition Services Fund

A Nonmajor Special Revenue Fund

June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and investments	\$ 6,804,070	\$ 5,361,865
Accounts receivable:		
State of Utah	994,883	1,627,181
Federal government	98,256	167,416
Inventories	1,685,558	1,495,999
Total assets	<u>\$ 9,582,767</u>	<u>\$ 8,652,461</u>
Liabilities:		
Accounts payable	\$ 62,809	\$ 28,493
Unearned revenue, local	498,496	444,795
Total liabilities	<u>561,305</u>	<u>473,288</u>
Fund balances:		
Nonspendable:		
Inventories	1,685,558	1,495,999
Restricted for:		
Nutrition services	7,335,904	6,683,174
Total fund balances	<u>9,021,462</u>	<u>8,179,173</u>
Total liabilities and fund balances	<u>\$ 9,582,767</u>	<u>\$ 8,652,461</u>

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**
Nutrition Services Fund**A Nonmajor Special Revenue Fund**

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Lunch sales - students	\$ 7,450,000	\$ 7,454,232	\$ 4,232	\$ 7,356,389
Lunch sales - adult	300,000	247,296	(52,704)	289,892
Interest	150,000	231,593	81,593	134,179
Total local sources	7,900,000	7,933,121	33,121	7,780,460
State sources:				
State lunch program	3,800,000	3,915,670	115,670	3,839,630
Federal sources:				
Lunch program	1,870,000	1,880,942	10,942	1,813,061
Free and reduced reimbursement	4,500,000	4,346,373	(153,627)	4,402,908
Breakfast program	670,000	671,607	1,607	671,844
Other food programs	100,964	106,970	6,006	130,112
Commodity program	1,715,552	1,620,362	(95,190)	1,665,112
Total federal sources	8,856,516	8,626,254	(230,262)	8,683,037
Total revenues	20,556,516	20,475,045	(81,471)	20,303,127
Expenditures:				
Current:				
Salaries	7,126,541	6,656,675	469,866	6,410,641
Employee benefits	2,514,632	2,301,673	212,959	2,215,774
Purchased services	417,280	276,560	140,720	295,291
Supplies and materials	685,500	753,041	(67,541)	278,067
Food	9,276,163	8,140,099	1,136,064	8,338,368
Property	1,475,000	388,093	1,086,907	787,680
Other	1,800,882	1,116,615	684,267	1,549,438
Total expenditures	23,295,998	19,632,756	3,663,242	19,875,259
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(2,739,482)	842,289	3,581,771	427,868
Fund balances - beginning	8,179,173	8,179,173	-	7,751,305
Fund balances - ending	<u>\$ 5,439,691</u>	<u>\$ 9,021,462</u>	<u>\$ 3,581,771</u>	<u>\$ 8,179,173</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Student Activities Fund

A Nonmajor Special Revenue Fund

June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and investments	<u>\$ 7,844,825</u>	<u>\$ 8,213,415</u>
Liabilities:		
Accounts payable	\$ 14,442	\$ 19,759
Due to student organizations	<u>1,339,767</u>	<u>1,180,372</u>
Total liabilities	<u>1,354,209</u>	<u>1,180,372</u>
Fund balances:		
Committed to:		
Students	<u>6,490,616</u>	<u>7,013,284</u>
Total liabilities and fund balances	<u>\$ 7,844,825</u>	<u>\$ 8,193,656</u>

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual*****Student Activities Fund*****A Nonmajor Special Revenue Fund**

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Student fees	\$ 3,750,000	\$ 4,037,201	\$ 287,201	\$ 3,918,428
Vending commissions	200,000	138,352	(61,648)	126,756
Other	3,990,000	3,266,250	(723,750)	2,587,888
Interest	60,000	64,557	4,557	61,975
Total revenues	<u>8,000,000</u>	<u>7,506,360</u>	<u>(493,640)</u>	<u>6,695,047</u>
Expenditures:				
Current:				
Purchased services	2,300,000	2,304,357	(4,357)	2,267,212
Supplies and materials	5,700,000	5,249,325	450,675	3,806,299
Property and equipment	300,000	152,866	147,134	194,013
Other	700,000	322,480	377,520	232,965
Total expenditures	<u>9,000,000</u>	<u>8,029,028</u>	<u>970,972</u>	<u>6,500,489</u>
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(1,000,000)	(522,668)	477,332	194,558
Fund balances - beginning	<u>7,013,284</u>	<u>7,013,284</u>	<u>-</u>	<u>6,818,726</u>
Fund balances - ending	<u><u>\$ 6,013,284</u></u>	<u><u>\$ 6,490,616</u></u>	<u><u>\$ 477,332</u></u>	<u><u>\$ 7,013,284</u></u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Non K-12 Programs Fund

A Nonmajor Special Revenue Fund

June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and investments	\$ 4,305,224	\$ 3,783,985
Accounts receivable:		
Property taxes	757,757	801,678
State of Utah	207,584	363,338
Federal government	448,341	516,939
Total assets	<u>\$ 5,718,906</u>	<u>\$ 5,465,940</u>
Liabilities:		
Accounts payable	\$ 28,670	\$ 14,616
Unearned revenue:		
Local	103,730	97,161
State of Utah	2,037,421	1,856,931
Federal government	294,399	48,494
Total liabilities	<u>2,464,220</u>	<u>2,017,202</u>
Deferred Inflows of Resources:		
Unavailable property tax revenue	8,035	16,342
Property taxes levied for future year	750,320	780,099
Total deferred inflows of resources	<u>758,355</u>	<u>796,441</u>
Fund balances:		
Committed for:		
Students	2,496,331	2,652,297
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,718,906</u>	<u>\$ 5,465,940</u>

JORDAN SCHOOL DISTRICT**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual****Non K-12 Programs Fund****A Nonmajor Special Revenue Fund**

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 782,800	\$ 782,811	\$ 11	\$ 1,378,444
Tuitions, sales, and other	885,935	549,352	(336,583)	485,400
Interest	60,000	93,351	33,351	54,963
Total local sources	1,728,735	1,425,514	(303,221)	1,918,807
State sources:				
Special education - preschool	3,818,865	3,079,516	(739,349)	2,774,427
Adult high school completion	522,460	555,022	32,562	354,545
Other	55,000	1,907,761	1,852,761	1,871,453
Total state sources	4,396,325	5,542,299	1,145,974	5,000,425
Federal sources:				
Special education - preschool	197,414	197,622	208	193,651
Adult education	13,005	2,082	(10,923)	130,594
Special education - infants with disabilities	3,361,268	1,261,583	(2,099,685)	1,218,247
Other	369,887	388,961	19,074	662,991
Total federal sources	3,941,574	1,850,248	(2,091,326)	2,205,483
Total revenues	10,066,634	8,818,061	(1,248,573)	9,124,715
Expenditures:				
Current:				
Salaries	6,969,007	6,105,601	863,406	5,701,541
Employee benefits	2,508,979	2,119,490	389,489	1,959,889
Purchased services	259,609	145,535	114,074	268,230
Supplies and materials	720,706	425,515	295,191	443,987
Property	68,786	379	68,407	17,370
Other	216,899	177,507	39,392	301,600
Total expenditures	10,743,986	8,974,027	1,769,959	8,692,617
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(677,352)	(155,966)	521,386	432,098
Fund balances - beginning	2,652,297	2,652,297	-	2,220,199
Fund balances - ending	<u>\$ 1,974,945</u>	<u>\$ 2,496,331</u>	<u>\$ 521,386</u>	<u>\$ 2,652,297</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Pass-Through Taxes Fund

A Nonmajor Special Revenue Fund

June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Assets:		
Accounts receivable:		
Property taxes	<u>\$ 17,543,083</u>	<u>\$ 13,650,328</u>
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 145,583	\$ 150,328
Property taxes levied for future year	<u>17,397,500</u>	<u>13,500,000</u>
Total deferred inflows of resources	<u>17,543,083</u>	<u>13,650,328</u>
Fund balances	<u>-</u>	<u>-</u>
Total deferred inflows of resources and fund balances	<u>\$ 17,543,083</u>	<u>\$ 13,650,328</u>

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

Year Ended June 30, 2018

With Comparative Totals for 2017

	2018			2017
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Incremental property tax revenue	\$ 14,000,000	\$ 12,977,392	\$ (1,022,608)	\$ 12,458,418
Charter local levy	3,522,600	3,446,966	(75,634)	-
Total revenue	17,522,600	16,424,358	(1,098,242)	12,458,418
Expenditures:				
Current:				
Contribution to redevelopment agencies	14,000,000	12,977,392	1,022,608	12,458,418
Contribution to state charter school levy	3,522,600	3,446,966	75,634	-
Total expenditures	17,522,600	16,424,358	1,098,242	12,458,418
Excess of revenues over expenditures/ net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets ***Jordan Education Foundation Fund*** **A Nonmajor Special Revenue Fund** June 30, 2018 and 2017

	2018	2017
Assets:		
Cash and investments	<u>\$ 1,491,213</u>	<u>\$ 1,093,121</u>
Liabilities:		
Accounts payable	<u>\$ 4,840</u>	<u>\$ 8,169</u>
Fund balances:		
Restricted for:		
Donated purposes	1,072,014	982,894
Committed to:		
Students	<u>414,359</u>	<u>102,058</u>
Total fund balances	<u>1,486,373</u>	<u>1,084,952</u>
Total liabilities and fund balances	<u>\$ 1,491,213</u>	<u>\$ 1,093,121</u>

JORDAN SCHOOL DISTRICT

Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances Jordan Education Foundation Fund A Nonmajor Special Revenue Fund Years Ended June 30, 2018 and 2017

	2018	2017
Revenues:		
Local sources:		
Contributions	\$ 940,592	\$ 617,568
Interest	37,436	33,186
Total local sources	<u>978,028</u>	<u>650,754</u>
Expenditures:		
Current:		
Administration	213,766	184,296
Supplies and materials donated to schools	<u>584,435</u>	<u>569,847</u>
Total expenditures	<u>798,201</u>	<u>754,143</u>
Excess (deficiency) of revenues over (under) expenditures	179,827	(103,389)
Other financing sources:		
Transfer in	<u>221,594</u>	<u>175,023</u>
Net change in fund balances	401,421	71,634
Fund balances - beginning	<u>1,084,952</u>	<u>1,013,318</u>
Fund balances - ending	<u><u>\$ 1,486,373</u></u>	<u><u>\$ 1,084,952</u></u>

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Proprietary Fund (Internal Service Fund)

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

JORDAN SCHOOL DISTRICT

Comparative Statements of Fund Net Position

Self-Insurance Fund

A Proprietary - Internal Service Fund

June 30, 2018 and 2017

	2018	2017
Assets:		
Current assets:		
Cash and investments	<u>\$ 40,192,586</u>	<u>\$ 36,473,284</u>
Liabilities:		
Current liabilities:		
Accounts payable	\$ 53,180	\$ 49,500
Accrued medical claims	10,785,542	9,398,166
Accrued workers compensation claims	<u>99,895</u>	<u>213,297</u>
Total liabilities	<u>10,938,617</u>	<u>9,660,963</u>
Net position:		
Unrestricted	<u>\$ 29,253,969</u>	<u>\$ 26,812,321</u>

JORDAN SCHOOL DISTRICT**Comparative Statements of Revenues, Expenses, and Changes in Fund Net Position
Self-Insurance Fund****A Proprietary - Internal Service Fund**Years Ended June 30, 2018 and 2017

	2018	2017
Operating revenues:		
Insurance premiums	<u>\$ 38,511,041</u>	<u>\$ 36,993,316</u>
Operating expenses:		
Medical claims	25,731,130	23,370,869
Prescription claims	5,998,524	5,718,311
Workers compensation claims	1,179,475	565,938
Insurance premiums	2,033,545	1,853,492
Administration and other	<u>1,658,986</u>	<u>1,646,621</u>
Total operating expenses	<u>36,601,660</u>	<u>33,155,231</u>
Operating income	1,909,381	3,838,085
Nonoperating revenues:		
Interest	<u>532,267</u>	<u>286,813</u>
Change in net position	2,441,648	4,124,898
Net position - beginning	<u>26,812,321</u>	<u>22,687,423</u>
Net position - ending	<u><u>\$ 29,253,969</u></u>	<u><u>\$ 26,812,321</u></u>

JORDAN SCHOOL DISTRICT

Comparative Statements of Fund Cash Flows

Self-Insurance Fund

A Proprietary - Internal Service Fund

Years Ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 38,511,041	\$ 36,993,316
Payments to suppliers	(1,655,306)	(1,673,927)
Payments for medical fees and insurance claims	(32,375,823)	(30,470,533)
Payments for workers compensation claims	(1,292,877)	(797,556)
Net cash provided by operating activities	<u>3,187,035</u>	<u>4,051,300</u>
Cash flows from investing activities:		
Interest received	<u>532,267</u>	<u>286,813</u>
Net increase in cash and cash equivalents	3,719,302	4,338,113
Cash and cash equivalents - beginning	<u>36,473,284</u>	<u>32,135,171</u>
Cash and cash equivalents - ending	<u><u>\$ 40,192,586</u></u>	<u><u>\$ 36,473,284</u></u>

(Displayed on statements of fund net position as "Cash and investments")

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

Operating income	\$ 1,909,381	\$ 3,838,085
Adjustments to reconcile operating income to net cash provided by operating activities:		
Increase (decrease) in accounts payable	3,680	(27,306)
Increase (decrease) in accrued medical claims	1,387,376	472,139
Increase (decrease) in workers compensation claims	(113,402)	(231,618)
Total adjustments	<u>1,277,654</u>	<u>213,215</u>
Net cash provided by operating activities	<u><u>\$ 3,187,035</u></u>	<u><u>\$ 4,051,300</u></u>

Noncash investing, capital, and financing activities:

none none

JORDAN SCHOOL DISTRICT

STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	88 - 93
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	94 - 99
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.	100 - 104
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.	105 - 106
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.	107 - 119
Continuing Disclosure Information These schedules are required as part of the District's ongoing general obligation bonded debt disclosures and give additional information to investors about the financial trends and tax base of the District.	120 - 127

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

JORDAN SCHOOL DISTRICT

**Net Position by Component
Last Ten Fiscal Years
June 30, 2009 through 2018
(accrual basis of accounting)**

As of June 30,	Net Investment in Capital Assets	Restricted	Unrestricted	Total Net Position
2009	\$ 646,323,294	\$ 151,002,929	\$ 197,473,333	\$ 994,799,556
2010	548,548,661	95,885,199	164,330,243	808,764,103
2011	577,241,401	93,054,603	161,335,504	831,631,508
2012	611,327,293	91,299,325	166,233,136	868,859,754
2013	632,301,170	91,982,338	171,063,974	895,347,482
2014	664,132,697	79,990,646	48,655,263	792,778,606
2015	674,379,692	85,971,240	63,879,410	824,230,342
2016	677,463,407	103,948,887	22,990,866	804,403,160
2017	699,854,929	108,752,022	42,708,471	851,315,422
2018	741,237,859	88,544,802	55,963,095	885,745,756

Effective July 1, 2009, the District was divided into two Districts.

The District implemented GASB Statement No. 68 and GASB Statement No. 71 during the year ended June 30, 2015. As a result of this implementation, the beginning net position balance (June 30, 2014) was decreased by \$132,535,156. Prior years have not been restated to reflect this change.

The District implemented GASB Statement No. 73 and No. 75 during the year ended June 30, 2017. As a result of this implementation, the beginning net position balance (June 30, 2016) was decreased by \$58,484,321. Prior years have not been restated to reflect this change.

Source: District records.

JORDAN SCHOOL DISTRICT

Fund Balances, Governmental Funds

Last Ten Fiscal Years

June 30, 2009 through 2018

(modified accrual basis of accounting)

As of June 30,	General Fund					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
2009	\$ 1,705,607	\$ 2,709,731	\$ 104,756,939	\$ 15,616,667	\$ 38,617,852	\$ 163,406,796
2010	961,670	2,330,244	93,903,330	28,127,825	2,413,926	127,736,995
2011	1,186,028	811,491	91,869,289	15,764,579	11,232,381	120,863,768
2012	1,629,309	2,303,098	87,036,981	15,802,094	13,469,583	120,241,065
2013	1,182,484	3,701,583	87,842,013	14,110,307	17,706,299	124,542,686
2014	1,040,095	5,179,127	83,006,210	33,913,476	10,702,332	133,841,240
2015	1,154,094	3,712,550	77,064,294	29,676,111	22,471,743	134,078,792
2016	1,062,366	6,010,166	74,296,285	26,747,215	36,504,140	144,620,172
2017	1,048,049	5,733,128	76,622,776	37,662,412	37,070,628	158,136,993
2018	904,430	6,256,538	80,972,167	42,352,369	32,638,901	163,124,405

As of June 30,	All Other Governmental Funds					Total
	Nonspendable	Restricted	Committed	Assigned		
2009	\$ 1,248,233	\$ 194,060,563	\$ 7,159,174	\$ -	\$ 202,467,970	
2010	441,212	91,626,183	3,927,304	-	95,994,699	
2011	604,530	89,748,090	4,325,382	-	94,678,002	
2012	473,396	87,079,292	4,829,185	-	92,381,873	
2013	672,380	86,885,691	6,230,110	-	93,788,181	
2014	714,481	73,225,681	6,713,311	-	80,653,473	
2015	687,719	80,711,149	8,048,883	-	89,447,751	
2016	1,230,139	96,084,362	9,146,257	-	106,460,758	
2017	1,495,999	101,059,305	9,767,639	-	112,322,943	
2018	1,685,558	107,407,135	9,401,306	-	118,493,999	

Restricted fund balances are restricted by external requirements and laws.

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

JORDAN SCHOOL DISTRICT

**Changes in Net Position
Last Ten Fiscal Years
June 30, 2009 through 2018
(accrual basis of accounting)**

	Year Ended June 30,			
	2018	2017	2016	2015
Expenses:				
Instruction	\$ 262,700,882	\$ 249,848,637	\$ 237,250,386	\$ 223,482,113
Support services:				
Students	16,422,335	11,971,373	10,897,619	9,905,879
Instructional staff	15,087,548	14,345,373	13,115,186	13,787,866
General district administration	3,326,657	3,212,165	2,772,694	2,571,116
School administration	23,949,436	22,909,774	21,821,609	20,676,005
Business	3,029,156	2,944,884	3,187,542	3,616,563
Operation and maintenance of facilities	37,497,111	35,894,002	35,207,469	33,748,406
Student transportation	13,936,421	13,465,456	13,200,129	12,664,262
Personnel, planning, and data processing	6,848,393	7,260,640	7,141,141	6,608,398
Community services	17,222,559	13,212,561	11,752,288	10,231,395
Nutrition services	19,747,808	19,242,222	19,397,611	18,507,363
Interest on long-term liabilities	3,188,561	1,910,742	2,367,310	3,260,584
Total expenses	<u>422,956,867</u>	<u>396,217,829</u>	<u>378,110,984</u>	<u>359,059,950</u>
Program revenues:				
Charges for services:				
Instruction	10,674,530	9,876,473	10,620,352	8,892,457
Supporting services	1,831,905	1,782,721	1,642,641	1,582,522
Nutrition services	7,701,528	7,646,281	7,659,012	7,543,203
Operating grants and contributions	116,250,802	108,051,714	101,236,370	95,317,508
Capital grants and contributions	4,125,000	2,553,741	423,696	329,713
Total program revenues	<u>140,583,765</u>	<u>129,910,930</u>	<u>121,582,071</u>	<u>113,665,403</u>
Net (expense)/revenue	(282,373,102)	(266,306,899)	(256,528,913)	(245,394,547)
General revenues:				
Taxes	143,553,341	143,508,295	135,742,418	125,613,972
Federal and state revenue not restricted to specific purposes	163,457,576	156,631,205	151,682,696	147,359,905
Interest	6,904,685	4,036,032	2,403,498	1,567,780
Miscellaneous	2,887,834	2,695,931	5,357,440	2,304,626
Total general revenues	<u>316,803,436</u>	<u>306,871,463</u>	<u>295,186,052</u>	<u>276,846,283</u>
Special item - gain on sale of land	-	6,347,698	-	-
Change in net position	<u>34,430,334</u>	<u>46,912,262</u>	<u>38,657,139</u>	<u>31,451,736</u>
Net position - beginning	851,315,422	804,403,160	824,230,342	792,778,606
Allocated to other government/local education agency	-	-	-	-
Effect of prior period adjustment	-	-	(58,484,321)	-
Net position - ending	<u>\$ 885,745,756</u>	<u>\$ 851,315,422</u>	<u>\$ 804,403,160</u>	<u>\$ 824,230,342</u>

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenses significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

The District implemented GASB Statement No. 68 and GASB Statement No. 71 during the year ended June 30, 2015. As a result of this implementation, the beginning net position balance was decreased by \$132,535,156. Prior years have not been restated to reflect this change.

The District implemented GASB Statement No. 73 and No. 75 during the year ended June 30, 2017. As a result of this implementation, the beginning net position balance (June 30, 2016) was decreased by \$58,484,321. Prior years have not been restated to reflect this change.

Source: District records.

2014	2013	2012	2011	2010	2009
\$ 221,375,212	\$ 216,678,950	\$ 208,059,353	\$ 206,381,848	\$ 205,022,608	\$ 344,684,165
9,797,636	9,181,590	8,604,231	8,162,223	8,058,956	14,109,746
14,898,522	14,079,749	11,432,367	8,415,237	10,558,768	29,361,639
2,873,120	2,431,750	2,181,980	2,127,735	2,188,867	9,594,516
21,251,838	19,456,278	18,284,640	17,814,452	17,086,368	31,763,047
3,269,050	3,290,353	3,311,578	3,341,320	2,834,312	4,076,310
34,732,993	32,395,830	30,720,915	30,165,798	29,428,025	49,729,539
12,326,338	12,114,894	11,342,784	10,847,297	10,287,412	17,587,388
6,333,665	5,876,522	5,792,733	5,546,526	6,075,772	7,541,427
-	-	-	-	-	-
18,382,982	18,820,821	18,208,474	16,722,126	15,948,916	28,160,378
3,649,802	4,070,330	4,621,153	4,954,416	5,095,788	13,327,562
348,891,158	338,397,067	322,560,208	314,478,978	312,585,792	549,935,717
9,612,236	8,270,429	8,967,922	7,838,790	9,963,905	11,279,083
1,330,799	1,291,701	1,208,611	1,187,566	1,791,670	2,009,470
7,781,207	7,573,508	7,887,326	7,992,817	8,096,315	12,850,146
94,736,105	91,183,988	88,830,808	100,235,395	94,925,213	182,665,306
538,573	1,446,531	2,568,288	7,973,106	1,637,902	1,842,837
113,998,920	109,766,157	109,462,955	125,227,674	116,415,005	210,646,842
(234,892,238)	(228,630,910)	(213,097,253)	(189,251,304)	(196,170,787)	(339,288,875)
112,392,732	114,968,170	117,886,707	107,835,403	116,863,519	213,794,420
147,618,952	135,503,748	125,731,773	120,092,675	126,139,854	197,624,547
1,497,162	1,956,591	2,070,310	1,608,453	2,215,269	11,158,292
3,349,672	2,690,129	5,461,827	1,293,134	2,863,240	5,098,406
264,858,518	255,118,638	251,150,617	230,829,665	248,081,882	427,675,665
-	-	-	-	-	-
29,966,280	26,487,728	38,053,364	41,578,361	51,911,095	88,386,790
895,347,482	868,859,754	831,631,508	808,764,103	994,799,556	906,412,766
-	-	(825,118)	(18,710,956)	(237,946,548)	-
(132,535,156)	-	-	-	-	-
\$ 792,778,606	\$ 895,347,482	\$ 868,859,754	\$ 831,631,508	\$ 808,764,103	\$ 994,799,556

JORDAN SCHOOL DISTRICT

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
June 30, 2009 through 2018
(modified accrual basis of accounting)**

	Year Ended June 30,			
	2018	2017	2016	2015
Revenues:				
Taxes	\$ 143,631,023	\$ 143,351,811	\$ 132,151,019	\$ 115,186,619
Other local	30,656,156	27,838,462	29,820,255	33,608,039
State of Utah	252,876,307	236,866,207	225,420,612	215,061,984
Federal government	26,832,071	27,910,453	27,922,150	27,945,142
Total revenues	<u>453,995,557</u>	<u>435,966,933</u>	<u>415,314,036</u>	<u>391,801,784</u>
Expenditures:				
Instruction	239,475,076	225,260,282	214,738,501	204,739,446
Supporting services:				
Students	16,788,155	11,997,632	11,296,375	10,584,305
Instructional staff	15,229,615	14,231,029	13,246,639	14,387,077
General district administration	2,654,550	2,511,140	2,121,286	1,969,069
School administration	23,252,337	21,906,876	21,317,489	20,508,229
Business	3,082,345	2,953,600	3,246,676	3,715,867
Operation and maintenance of facilities	34,514,029	32,791,320	32,543,189	31,394,721
Student transportation	11,998,090	11,607,846	11,307,750	10,955,155
Personnel, planning, and data processing	7,131,457	7,293,357	7,265,266	6,888,450
Nutrition services	19,632,756	19,875,259	19,679,844	18,693,045
Community services	17,222,559	13,212,561	12,470,739	10,888,966
Capital outlay	115,010,147	83,799,932	32,924,853	33,510,646
Debt Service:				
Principal	12,565,000	12,009,000	11,497,000	15,737,700
Interest and fees	3,819,653	2,528,274	3,044,645	3,940,019
Issuance cost	449,341	212,821	-	-
Total expenditures	<u>522,825,110</u>	<u>462,190,929</u>	<u>396,700,252</u>	<u>387,912,695</u>
Excess (deficiency) of revenues over (under) expenditures	(68,829,553)	(26,223,996)	18,613,784	3,889,089
Other financing sources (uses):				
Capital lease / note payable	-	-	-	5,000,000
Refunding bonds issued	-	-	-	-
School building bonds issued	72,970,000	35,905,000	-	-
Bond premium	4,954,341	3,157,821	-	-
Payment to refunded bonds escrow agent	-	-	-	-
Proceeds from the sale of capital assets	2,063,680	6,540,181	8,940,603	142,741
Total other financing sources (uses)	<u>79,988,021</u>	<u>45,603,002</u>	<u>8,940,603</u>	<u>5,142,741</u>
Net change in fund balance	11,158,468	19,379,006	27,554,387	9,031,830
Fund balances - beginning	270,459,936	251,080,930	223,526,543	214,494,713
Allocated to other local government/educational agency	-	-	-	-
Fund balances - ending	<u>\$ 281,618,404</u>	<u>\$ 270,459,936</u>	<u>\$ 251,080,930</u>	<u>\$ 223,526,543</u>
Debt service as a percentage of noncapital expenditures	4.04%	3.86%	4.00%	5.58%

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenses significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

Source: District records.

2014	2013	2012	2011	2010	2009
\$ 112,043,677	\$ 116,427,466	\$ 119,232,629	\$ 110,747,080	\$ 115,168,602	\$ 209,948,120
23,678,016	22,091,745	23,436,601	20,813,321	25,286,648	44,708,343
216,683,039	202,569,189	189,860,581	186,104,125	187,441,829	315,049,005
26,210,591	25,565,078	27,270,288	42,197,051	35,261,140	67,083,685
378,615,323	366,653,478	359,800,099	359,861,577	363,158,219	636,789,153
190,962,206	187,103,820	184,383,681	185,940,644	191,178,476	320,954,751
9,650,162	9,134,482	8,802,077	8,211,422	8,282,075	14,201,747
14,962,336	13,867,708	12,144,431	8,628,780	11,221,387	29,683,407
1,941,013	1,752,719	1,666,396	1,744,436	1,909,051	8,888,750
19,978,546	18,375,400	17,697,566	17,089,948	16,779,740	30,734,534
3,215,500	3,258,511	3,356,112	3,352,327	2,876,640	4,084,095
31,389,725	29,335,972	28,374,180	27,680,069	27,910,722	46,508,859
10,265,761	10,208,390	9,930,729	9,374,220	9,159,509	15,242,767
6,242,453	5,820,063	5,906,535	5,584,001	6,256,669	7,726,949
18,130,572	18,372,308	18,118,182	16,864,319	16,369,156	29,512,014
6,798,654	6,571,644	6,585,085	7,057,051	6,574,027	14,041,371
56,428,977	41,731,482	50,456,219	48,971,732	84,759,423	139,011,487
9,027,900	11,532,771	13,589,373	13,077,889	13,872,817	29,680,000
3,671,205	4,110,659	4,681,592	5,015,981	5,172,246	13,434,955
213,373	-	-	-	-	-
382,878,383	361,175,929	365,692,158	358,592,819	402,321,938	703,705,686
(4,263,060)	5,477,549	(5,892,059)	1,268,758	(39,163,719)	(66,916,533)
-	-	-	-	-	3,569,150
44,695,000	-	-	-	-	-
-	-	-	9,000,000	-	-
6,800,029	-	-	-	-	-
(51,281,656)	-	-	-	-	-
213,533	230,380	3,410,564	252,274	706,532	208,492
426,906	230,380	3,410,564	9,252,274	706,532	3,777,642
(3,836,154)	5,707,929	(2,481,495)	10,521,032	(38,457,187)	(63,138,891)
218,330,867	212,622,938	215,541,770	223,731,694	365,874,766	429,013,657
-	-	(437,337)	(18,710,956)	(103,685,885)	-
<u>\$ 214,494,713</u>	<u>\$ 218,330,867</u>	<u>\$ 212,622,938</u>	<u>\$ 215,541,770</u>	<u>\$ 223,731,694</u>	<u>\$ 365,874,766</u>
3.95%	4.92%	5.83%	5.89%	6.01%	7.69%

JORDAN SCHOOL DISTRICT

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Years
December 31, 2008 through 2017**

Tax Year	Residential	Industrial & Commercial	Agriculture	Personal	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2008	\$ 23,173,305,045	\$ 10,683,794,180	\$ 74,181,458	\$ 2,138,011,598	\$ 36,069,292,281	0.006150	\$ 53,062,957,737	67.97%
2009	9,056,703,097	4,211,464,189	51,612,780	993,268,425	14,313,048,491	0.007380	20,976,453,673	68.23%
2010	8,950,062,869	6,813,860,686	49,837,470	993,898,732	16,807,659,757	0.006485	23,522,478,560	71.45%
2011	8,535,104,674	6,502,441,975	43,175,100	481,918,563	15,562,640,312	0.007319	22,081,703,060	70.48%
2012	8,229,965,941	6,167,058,593	43,383,520	461,247,527	14,901,655,581	0.007360	21,240,514,417	70.16%
2013	8,890,995,528	5,378,327,195	48,012,990	458,702,392	14,776,038,105	0.007132	21,659,225,705	68.22%
2014	9,952,443,684	6,166,091,834	52,969,140	464,691,646	16,636,196,304	0.006700	24,386,912,088	68.22%
2015	10,942,023,894	6,720,255,906	41,918,410	512,115,455	18,216,313,665	0.006872	26,721,526,904	68.17%
2016	12,102,440,214	7,148,743,581	46,953,140	561,213,389	19,859,350,324	0.006906	29,256,163,563	67.88%
2017	13,475,848,233	7,480,452,713	42,182,590	581,360,069	21,579,843,605	0.006424	32,094,899,068	67.24%

Effective July 1, 2009, the District was divided into two Districts.

Source: Property Tax Division, Utah State Tax Commission

JORDAN SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Tax Years

December 31, 2008 through 2017

(rate per \$1 of assessed value)

	Tax Rates for the Tax Year Ended December 31,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Jordan District direct rates:										
Basic School Program (1)	0.001568	0.001675	0.001736	0.001419	0.001535	0.001651	0.001591	0.001495	0.001433	0.001250
Voted Local Levy (2)	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001200
Board Local Levy (3)	0.000539	0.000644	0.000758	0.000872	0.001035	0.000954	0.000400	0.000400	0.000400	0.000400
Reading Achievement (4)	(b)	(b)	(b)	(b)	(b)	(b)	0.000121	0.000000	0.000121	0.000121
Special Transportation (5)	(b)	(b)	(b)	(b)	(b)	(b)	0.000088	0.000081	0.000001	0.000001
Tort Liability (6)	(b)	(b)	(b)	(b)	(b)	(b)	0.000029	0.000027	0.000001	0.000001
Recreation (7)	(b)	(b)	(b)	(b)	(b)	(b)	0.000089	0.000096	0.000070	0.000051
Capital Local Levy (8)	0.002105	0.002222	0.001924	0.001924	0.002115	0.002190	0.002201	0.001641	0.002214	0.001978
10% of Basic - Other (9)	(b)	(b)	(b)	(b)	(b)	(b)	0.000109	0.000050	0.000140	0.000006
Debt Service (10)	0.000612	0.000765	0.000854	0.000885	0.000847	0.000965	0.001091	0.001095	0.001400	0.001142
Total direct rate	0.006424	0.006906	0.006872	0.006700	0.007132	0.007360	0.007319	0.006485	0.007380	0.006150
Overlapping rates:										
Salt Lake County	0.002492	0.002639	0.002819	0.003036	0.004101	0.003622	0.003251	0.003125	0.002756	0.002382
Alta Town	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.000930
Bluffdale City	0.017510	0.001218	0.001309	0.001419	0.001523	0.001630	0.001570	0.001357	0.001247	0.001010
Cottonwood Heights City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.002098
Draper City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.001528
Herriman City	0.000326	0.000342	0.000361	0.000384	0.000418	0.000435	0.000418	0.000376	0.000371	0.000296
Midvale City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.001938
Riverton City	-	-	-	-	-	-	0.000880	0.000839	0.000816	0.000691
Sandy City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.001175
South Jordan City	0.001900	0.001951	0.002082	0.002210	0.002440	0.002376	0.002332	0.002072	0.002028	0.001699
West Jordan City	0.001975	0.002139	0.002251	0.002368	0.002562	0.002674	0.002069	0.002128	0.002080	0.001810
Central Utah Water Project	0.000400	0.000400	0.000405	0.000422	0.000446	0.000455	0.000436	0.000421	0.000400	0.000286
Other special district - low	0.000017	0.000018	0.000019	0.000020	0.000021	0.000021	0.000052	0.000000	0.000000	0.000000
Other special district - high	0.002033	0.001925	0.002042	0.002145	0.002230	0.002079	0.002028	0.001972	0.001972	0.002073

Limitations per Utah State Statute:

- (1) Rate established annually by Utah State Legislature with proceeds going to State for reallocation to charter schools and school districts statewide.
- (2) Maximum rate is 0.001600
- (3) Maximum rate was 0.000400 until 2012 when maximum rate was increased to 0.001800; includes the charter school levy, starting in 2017
- (4) Maximum rate was 0.000121 until 2012 when levy was collapsed into the Board Local Levy
- (5) Maximum rate was 0.000300 until 2012 when levy was collapsed into the Board Local Levy
- (6) Maximum rate was 0.000100 until 2012 when levy was collapsed into the Board Local Levy
- (7) No maximum rate; levy was collapsed into the Board Local Levy in 2012
- (8) Maximum rate was 0.002400 until 2012 when maximum rate was increased to 0.003000
- (9) Maximum rate was based on formula and changed annually until 2012 when levy was collapsed into the Board Local Levy
- (10) No maximum rate, but must have voter approval for bonds issued

(a) Effective July 1, 2009, the District was divided into two Districts. These entities are no longer in the District's boundaries.

(b) These levies were collapsed in 2012 into the Board Local Levy.

Source: Utah State Tax Commission, Property Tax Division website.

JORDAN SCHOOL DISTRICT

Ten of the Principal Property Taxpayers Current Year and Nine Years Ago December 31, 2017 and 2008

Taxpayer	December 31, 2017		December 31, 2008	
	Taxable Value	Percent of District's Total Taxable Value (1)	Taxable Value	Percent of District's Total Taxable Value (1)
Kennecott Utah Copper	\$ 1,813,312,685	9.13%	\$ 1,590,263,658	3.72%
PacifiCorp.	377,508,791	1.90%	247,676,443	0.75%
Ebay	294,424,480	1.48%	-	-
Verizon Wireless	134,843,338	0.68%	-	-
Oracle America Inc	134,212,462	0.68%	-	-
Dannon Company	132,169,068	0.67%	117,104,131	-
Jordan Landing LLC	129,483,800	0.65%	127,014,300	0.42%
Boeing Company	125,801,607	0.63%	-	0.27%
The District LC	119,651,800	0.60%	122,795,600	0.41%
Wal-Mart Real Estate Business	116,926,733	0.59%	86,685,304	-
South Town Investors	-	-	146,350,700	0.48%
Masco Retail Cabinet Shop	-	-	121,460,648	0.34%
Qwest Communications	-	-	101,038,249	0.28%
Questar Gas	-	-	84,271,802	0.24%
Totals	<u>\$ 3,378,334,764</u>	<u>17.01%</u>	<u>\$ 2,744,660,835</u>	<u>6.91%</u>

(1) Excludes motor vehicles (fee-in-lieu and age based)

Effective July 1, 2009, the District was divided into two Districts.

Source: Salt Lake County Assessor's Office and State Tax Commission

JORDAN SCHOOL DISTRICT

Property Tax Levies and Collections (Summary)

Last Ten Tax Years

December 31, 2008 through 2017

Tax Year Ended December 31,	Taxes Levied For The Calendar Year	Collected within the Calendar Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 216,367,011	\$ 205,389,096	94.93%	\$ 6,158,271	\$ 211,547,367	97.77%
2009	112,989,303	108,427,344	95.96%	3,312,736	111,740,080	98.89%
2010	108,286,930	105,524,141	97.45%	2,927,483	108,451,624	100.15%
2011	117,023,152	114,658,355	97.98%	2,253,881	116,912,236	99.91%
2012	113,723,982	111,946,515	98.44%	1,729,643	113,676,158	99.96%
2013	110,813,687	108,973,936	98.34%	1,799,194	110,773,130	99.96%
2014	116,151,496	114,411,721	98.50%	1,805,036	116,216,757	100.06%
2015	122,162,802	120,582,191	98.71%	1,350,800	121,932,991	99.81%
2016	129,325,760	127,521,404	98.60%	1,385,709	128,907,113	99.68%
2017	128,029,463	126,254,197	98.61%	-	126,254,197	98.61%

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

Effective July 1, 2009, the District was divided into two Districts. As a result, a portion of redemptions collected in 2009, 2010, 2011, 2012 and 2013 for prior years' assessments were remitted to Canyons School District.

Taxes assessed, levied, and collected in 2009, 2010, 2011, 2012, 2013, 2014 and 2015 are higher due to a state law requiring a redistribution of certain taxes among school districts within Salt Lake County based on enrollment and enrollment growth.

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

JORDAN SCHOOL DISTRICT

Property Tax Levies and Collections (Detail) Last Ten Tax Years December 31, 2008 through 2017

Row #	Description	Formula	Property Tax Year Ended December 31,			
			2017	2016	2015	2014
1	Estimated Fair Market Value		\$ 32,094,899,068	\$ 29,256,163,563	\$ 26,721,526,904	\$ 24,386,912,087
2	Assessed Value *		21,579,843,605	19,859,350,324	18,216,313,665	16,636,196,304
3	Assessed Value as % of Fair Market Value	2/1	67.24%	67.88%	68.17%	68.22%
4	Tax Rate		0.006424	0.006906	0.006872	0.006700
5	Taxes Levied **		141,756,003	141,683,570	133,798,639	125,986,373
6	Taxes Paid to RDA **		13,726,540	12,357,811	11,635,837	9,834,877
7	Waived as % of Assessed Value	6/5	9.68%	8.72%	8.70%	7.81%
8	Taxes Levied less RDA	5-6	128,029,463	129,325,759	122,162,802	116,151,496
9	Collected In Calendar Year of the Levy **		126,254,197	127,521,404	120,582,191	114,411,721
10	Collected In Calendar Year of Levy as % of Taxes Levied That Year	9/8	98.61%	98.60%	98.71%	98.50%
11	Uncollected In Year of the Levy **	8-9	1,775,266	1,804,355	1,580,611	1,739,775
12	Prior Years Uncollected Collected in this Year **		1,891,645	1,728,512	2,375,547	1,656,369
13	Total Collections in this Year **	9+12	128,145,842	129,249,916	122,957,738	116,068,090
14	Total Collections as % of Taxes Levied	13/8	100.09%	99.94%	100.65%	99.93%
15	Total Collections as % of Taxes Assessed	13/5	90.40%	91.22%	91.90%	92.13%
16	Taxes Levied this Year and Collected in Subsequent Years		-	1,385,709	1,350,800	1,805,036
17	Total Collections on This Year's Levy	16+9	126,254,197	128,907,113	121,932,991	116,216,757
18	Total Collections on This Year's Levy as % Of Taxes Levied	17/8	98.61%	99.68%	99.81%	100.06%

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

Effective July 1, 2009, the District was divided into two Districts. As a result, a portion of redemptions collected in 2009, 2010, 2011, 2012 and 2013 for prior years' assessments were remitted to Canyons School District.

Taxes assessed, levied, and collected in 2009, 2010, 2011, 2012, 2013, 2014 and 2015 are higher than normal due to a state law requiring a redistribution of certain taxes among school districts within Salt Lake County based on enrollment and enrollment growth.

2013	2012	2011	2010	2009	2008
\$ 21,659,225,705	\$ 21,240,514,417	\$ 22,081,703,060	\$ 23,522,478,560	\$ 20,976,453,673	\$ 53,062,957,737
14,776,038,105	14,901,655,581	15,562,640,312	16,807,659,757	14,313,048,491	36,069,292,281
68.22%	70.16%	70.48%	71.45%	68.23%	67.97%
0.007132	0.007360	0.007319	0.006485	0.007380	0.006150
120,027,619	122,704,708	125,424,708	115,183,991	118,695,053	227,968,415
9,213,932	8,980,726	8,401,556	6,897,061	5,705,750	11,601,404
7.68%	7.32%	6.70%	5.99%	4.81%	5.09%
110,813,687	113,723,982	117,023,152	108,286,930	112,989,303	216,367,011
108,973,936	111,946,515	114,658,355	105,524,141	108,427,344	205,389,096
98.34%	98.44%	97.98%	97.45%	95.96%	94.93%
1,839,751	1,777,467	2,364,797	2,762,789	4,561,959	10,977,915
2,499,369	2,972,384	3,518,194	3,844,288	4,502,077	5,809,182
111,473,305	114,918,899	118,176,549	109,368,429	112,929,421	211,198,278
100.60%	101.05%	100.99%	101.00%	99.95%	97.61%
92.87%	93.65%	94.22%	94.95%	95.14%	92.64%
1,799,194	1,729,643	2,253,881	2,927,483	3,312,736	6,158,271
110,773,130	113,676,158	116,912,236	108,451,624	111,740,080	211,547,367
99.96%	99.96%	99.91%	100.15%	98.89%	97.77%

* Source: Property Tax Division, Utah State Tax Commission (includes Fee in Lieu property).

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

JORDAN SCHOOL DISTRICT

Ratios of Outstanding Debt Last Ten Fiscal Years June 30, 2009 through 2018

	Year Ended June 30,			
	2018	2017	2016	2015
Ratios of General Bonded Debt Outstanding:				
General Obligation Bonds	\$ 124,920,000	\$ 64,515,000	\$ 40,619,000	\$ 52,116,000
Plus Bond Issuance Premiums	10,220,946	6,557,837	4,626,018	5,855,252
Net General Bonded Debt	<u>\$ 135,140,946</u>	<u>\$ 71,072,837</u>	<u>\$ 45,245,018</u>	<u>\$ 57,971,252</u>
Net General Bonded Debt as Percentage of Taxable Value	0.63%	0.36%	0.25%	0.35%
Net General Bonded Debt Per Capita	<u>\$ 474</u>	<u>\$ 254</u>	<u>\$ 171</u>	<u>\$ 227</u>
Net General Bonded Debt Per Student	<u>\$ 2,534</u>	<u>\$ 1,364</u>	<u>\$ 863</u>	<u>\$ 1,118</u>

Ratios of Outstanding Debt by Type:

General Obligation Bonds	\$ 124,920,000	\$ 64,515,000	\$ 40,619,000	\$ 52,116,000
Bond Premiums	10,220,946	6,557,837	4,626,018	5,855,252
Note Payable	-	-	-	-
Qualified School Construction Bonds	<u>9,000,000</u>	<u>9,000,000</u>	<u>9,000,000</u>	<u>9,000,000</u>
Total Outstanding Debt	<u>\$ 144,140,946</u>	<u>\$ 80,072,837</u>	<u>\$ 54,245,018</u>	<u>\$ 66,971,252</u>
Total Debt as Percentage of Taxable Value	0.67%	0.40%	0.30%	0.40%
Total Debt Per Capita	<u>\$ 506</u>	<u>\$ 286</u>	<u>\$ 205</u>	<u>\$ 263</u>
Total Debt Per Student	<u>\$ 2,702</u>	<u>\$ 1,536</u>	<u>\$ 1,035</u>	<u>\$ 1,291</u>

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

2014	2013	2012	2011	2010	2009
\$ 62,853,700	\$ 74,562,600	\$ 85,182,300	\$ 97,872,600	\$ 110,065,200	\$ 293,015,000
7,088,376	1,039,063	1,187,124	1,484,563	1,782,001	4,980,672
<u>\$ 69,942,076</u>	<u>\$ 75,601,663</u>	<u>\$ 86,369,424</u>	<u>\$ 99,357,163</u>	<u>\$ 111,847,201</u>	<u>\$ 297,995,672</u>
0.47%	0.51%	0.55%	0.59%	0.78%	0.83%
<u>\$ 280</u>	<u>\$ 309</u>	<u>\$ 353</u>	<u>\$ 414</u>	<u>\$ 466</u>	<u>\$ 693</u>
<u>\$ 1,320</u>	<u>\$ 1,453</u>	<u>\$ 1,700</u>	<u>\$ 1,987</u>	<u>\$ 2,310</u>	<u>\$ 3,686</u>
\$ 62,853,700	\$ 74,562,600	\$ 85,182,300	\$ 97,872,600	\$ 110,065,200	\$ 293,015,000
7,088,376	1,039,063	1,187,124	1,484,563	1,782,001	4,980,672
-	-	913,071	1,812,144	2,697,433	3,569,150
9,000,000	9,000,000	9,000,000	9,000,000	-	-
<u>\$ 78,942,076</u>	<u>\$ 84,601,663</u>	<u>\$ 96,282,495</u>	<u>\$ 110,169,307</u>	<u>\$ 114,544,634</u>	<u>\$ 301,564,822</u>
0.53%	0.57%	0.62%	0.66%	0.80%	0.84%
<u>\$ 316</u>	<u>\$ 345</u>	<u>\$ 393</u>	<u>\$ 459</u>	<u>\$ 477</u>	<u>\$ 701</u>
<u>\$ 1,490</u>	<u>\$ 1,626</u>	<u>\$ 1,896</u>	<u>\$ 2,203</u>	<u>\$ 2,366</u>	<u>\$ 3,730</u>

JORDAN SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt As of June 30, 2018

Governmental Unit Taxing Entity (1)	2017 Taxable Value (2)	Jordan School District's Portion of Taxable Value	District's Per- centage	Debt Outstanding	District's Portion of Overlapping Debt
Overlapping (4):					
CUWCD (3)	\$ 152,417,079,569	\$ 21,002,358,206	13.8%	\$ 207,050,000	\$ 28,572,900
Salt Lake County	98,782,768,971	21,002,358,206	21.3%	202,110,000	43,049,430
City of West Jordan	6,936,325,106	6,936,325,106	100.0%	4,785,000	4,785,000
Total overlapping debt					<u>76,407,330</u>
Direct:					
General obligation debt					124,920,000
Unamortized bond premiums					10,220,946
Qualified School Construction Bonds					9,000,000
Total direct debt					<u>144,140,946</u>
Total direct and overlapping debt					<u><u>\$ 220,548,276</u></u>

Sources: Taxable value and outstanding debt provided by each governmental unit.

- (1) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.
- (2) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.
- (3) Central Utah Water Conservancy District's ("CUWCD") outstanding general obligation bonds are limited ad valorem tax bonds. By law, CUWCD may levy a tax rate of up to 0.000400 to pay for operation and maintenance expenses and any outstanding general obligation indebtedness.
- (4) 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 taxpayers of the District. The method used to determine the percentage of overlap is the District's taxable value divided by the other entity's taxable value. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account.

JORDAN SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds (Fiscal Year) As of June 30, 2018

		Series 2014* \$104,665,000	Series 2017 \$38,850,000	Series 2018 \$72,970,000	Total	Canyons SD Portion	Jordan SD Portion	Total
2019	Principal	\$ 23,970,000	\$ -	\$ -	\$ 23,970,000	\$ 10,775,000	\$ 13,195,000	\$ 23,970,000
	Interest	2,818,000	1,403,875	3,722,983	7,944,858	2,015,750	5,929,108	7,944,858
2020	Principal	13,385,000	-	2,745,000	16,130,000	10,535,000	5,595,000	16,130,000
	Interest	1,619,500	1,403,875	2,746,463	5,769,838	1,477,000	4,292,838	5,769,838
2021	Principal	9,650,000	1,475,000	2,900,000	14,025,000	9,650,000	4,375,000	14,025,000
	Interest	950,250	1,403,875	2,609,213	4,963,338	950,250	4,013,088	4,963,338
2022	Principal	9,355,000	1,550,000	3,025,000	13,930,000	9,355,000	4,575,000	13,930,000
	Interest	467,750	1,330,125	2,464,213	4,262,088	467,750	3,794,338	4,262,088
2023	Principal	-	1,600,000	3,175,000	4,775,000	-	4,775,000	4,775,000
	Interest	-	1,283,625	2,312,963	3,596,588	-	3,596,588	3,596,588
2024	Principal	-	1,650,000	3,350,000	5,000,000	-	5,000,000	5,000,000
	Interest	-	1,235,625	2,154,213	3,389,838	-	3,389,838	3,389,838
2025	Principal	-	1,750,000	3,500,000	5,250,000	-	5,250,000	5,250,000
	Interest	-	1,153,125	1,986,713	3,139,838	-	3,139,838	3,139,838
2026	Principal	-	1,825,000	3,700,000	5,525,000	-	5,525,000	5,525,000
	Interest	-	1,065,625	1,811,713	2,877,338	-	2,877,338	2,877,338
2027	Principal	-	1,925,000	3,875,000	5,800,000	-	5,800,000	5,800,000
	Interest	-	974,375	1,626,713	2,601,088	-	2,601,088	2,601,088
2028	Principal	-	2,005,000	4,025,000	6,030,000	-	6,030,000	6,030,000
	Interest	-	878,125	1,471,713	2,349,838	-	2,349,838	2,349,838
2029	Principal	-	2,125,000	4,200,000	6,325,000	-	6,325,000	6,325,000
	Interest	-	777,875	1,310,713	2,088,588	-	2,088,588	2,088,588
2030	Principal	-	2,225,000	4,350,000	6,575,000	-	6,575,000	6,575,000
	Interest	-	671,625	1,142,713	1,814,338	-	1,814,338	1,814,338
2031	Principal	-	2,300,000	4,475,000	6,775,000	-	6,775,000	6,775,000
	Interest	-	582,625	1,029,613	1,612,238	-	1,612,238	1,612,238
2032	Principal	-	2,375,000	4,600,000	6,975,000	-	6,975,000	6,975,000
	Interest	-	513,625	908,788	1,422,413	-	1,422,413	1,422,413
2033	Principal	-	2,450,000	4,725,000	7,175,000	-	7,175,000	7,175,000
	Interest	-	439,406	777,688	1,217,094	-	1,217,094	1,217,094
2034	Principal	-	2,525,000	4,850,000	7,375,000	-	7,375,000	7,375,000
	Interest	-	359,781	635,938	995,719	-	995,719	995,719
2035	Principal	-	2,625,000	5,000,000	7,625,000	-	7,625,000	7,625,000
	Interest	-	277,719	490,438	768,156	-	768,156	768,156
2036	Principal	-	2,700,000	5,150,000	7,850,000	-	7,850,000	7,850,000
	Interest	-	189,125	340,438	529,563	-	529,563	529,563
2037	Principal	-	2,800,000	5,325,000	8,125,000	-	8,125,000	8,125,000
	Interest	-	98,000	173,063	271,063	-	271,063	271,063
Total		<u>\$ 62,215,500</u>	<u>\$ 51,947,031</u>	<u>\$ 102,686,283</u>	<u>\$ 216,848,814</u>	<u>\$ 45,225,750</u>	<u>\$ 171,623,064</u>	<u>\$ 216,848,814</u>
	Total Principal	\$ 56,360,000	\$ 35,905,000	\$ 72,970,000	\$ 165,235,000	\$ 40,315,000	\$ 124,920,000	\$ 165,235,000
	Total Interest	5,855,500	16,042,031	29,716,283	51,613,814	4,910,750	46,703,064	51,613,814
Total		<u>\$ 62,215,500</u>	<u>\$ 51,947,031</u>	<u>\$ 102,686,283</u>	<u>\$ 216,848,814</u>	<u>\$ 45,225,750</u>	<u>\$ 171,623,064</u>	<u>\$ 216,848,814</u>

* The Series 2014 bonds refunded most of the previous bonds of the District prior to dividing. While refunding, Canyons School District opted to retain the same payoff date of June 15, 2022 and just reduce its annual payments. Jordan School District opted to pay off its portion earlier in order to reduce its interest payments even further.

Source: District Records

JORDAN SCHOOL DISTRICT

Legal Debt Margin Information Last Ten Fiscal Years June 30, 2008 through 2017

Year Ended June 30,	Estimated Fair Market Value	Debt Limit 4% of Fair Market Value	Less General Obligation Debt	Less Bond Issuance Premiums	Legal Debt Margin	Percentage of Debt To Debt Limit
2009	\$ 53,062,957,737	\$ 2,122,518,309	\$ 293,015,000	\$ 4,980,672	\$ 1,824,522,637	14.04%
2010	20,976,453,673	839,058,147	110,065,200	1,782,001	727,210,946	13.33%
2011	23,522,478,560	940,899,142	97,872,600	1,484,563	841,541,979	10.56%
2012	22,081,703,060	883,268,122	85,182,300	1,187,124	796,898,698	9.78%
2013	21,240,514,417	849,620,577	74,562,600	1,039,063	774,018,914	8.90%
2014	21,659,225,705	866,369,028	62,853,700	7,088,376	796,426,952	8.07%
2015	24,386,912,087	975,476,483	52,116,000	5,855,252	917,505,231	5.94%
2016	26,721,526,904	1,068,861,076	40,619,000	4,626,018	1,023,616,058	4.23%
2017	29,256,163,563	1,170,246,543	64,515,000	6,557,837	1,099,173,706	6.07%
2018	32,094,899,068	1,283,795,963	124,920,000	10,220,946	1,148,655,017	10.53%

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

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

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

JORDAN SCHOOL DISTRICT

Demographic and Economic Statistics Last Ten Fiscal Years June 30, 2009 through 2018

Year Ended June 30,	Jordan* District Estimated Population	Salt Lake** County Estimated Population	Salt Lake** County Total Personal Income	Salt Lake** County Per Capita Income	Salt Lake** County Unemployment Rate	Estimated*** Construction Within Jordan District	Percentage* of Students of Minority Ancestry
2009	430,000	1,029,655	\$ 38,381,419,780	\$ 37,276	6.80%	\$ 654,029,425	14.91%
2010	240,000	1,033,196	39,082,705,092	37,827	7.80%	418,893,042	15.20%
2011	240,000	1,047,746	40,946,961,426	39,081	6.50%	382,330,446	19.03%
2012	245,000	1,063,842	43,657,947,996	41,038	5.50%	388,296,912	18.31%
2013	245,000	1,079,721	45,552,349,269	42,189	4.20%	550,313,672	16.93%
2014	250,000	1,091,742	46,437,245,970	42,535	3.70%	724,846,293	17.04%
2015	255,000	1,107,314	49,488,077,288	44,692	3.30%	668,263,112	17.47%
2016	265,000	1,121,354	52,436,755,748	46,762	2.90%	949,597,413	17.62%
2017	280,000	1,135,649	na	na	2.90%	895,554,060	19.05%
2018	285,000	na	na	na	na	1,196,238,388	19.55%

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

** The District covers much of Salt Lake County. The District serves several municipalities and unincorporated areas making statistics specific to the District impracticable to obtain. Therefore, statistics for Salt Lake County are given since those are representative of the District. These statistics were obtained from the County's year-end financial reports. The actual per capita income as provided by the Bureau of Economic Analysis lags one year behind. Therefore, it is not available for the latest year. Prior year figures are revised as needed.

*** Based on building permits issued by city planning and zoning departments. Values are estimated construction costs.
Source - *Construction Monitor Wasatch Front Report*.

na - This information was not available when this report was published.

Effective July 1, 2009, the District was divided into two Districts.

JORDAN SCHOOL DISTRICT

Ten of the Principal Employers Current Year and Nine Years Ago June 30, 2018 and 2009

Employer	June 30, 2018		June 30, 2009	
	Number of Employees	Percent of District's Total Estimated Population	Number of Employees	Percent of District's Total Estimated Population
Jordan School District	5,000-7,000	2.14%	7,000-10,000	2.04%
Merit Medical	1,500-3,000	0.80%	-	-
Wal-Mart	1,500-3,000	0.80%	4,000-5,000	1.08%
Ultradent Products	1,500-3,000	0.80%	-	-
Intermountain Healthcare	1,500-3,000	0.80%	15,000-20,000	4.20%
Extend Health, Inc.	1,500-3,000	0.80%	-	-
Kennecott Utah Copper / Rio Tinto	1,500-3,000	0.80%	1,000-2,000	0.36%
Jordan Valley Medical Center	500-1,500	0.36%	-	-
LDS Church	500-1,500	0.36%	-	-
Mountain America Credit Union	500-1,500	0.36%	-	-
Zions Bank Management Services	-	-	3,000-4,000	0.84%
Smiths/Smiths Marketplace/Kroger	-	-	2,000-3,000	0.60%
Wells Fargo Bank	-	-	2,000-3,000	0.60%
Albertsons	-	-	1,000-2,000	0.36%
PacifiCorp	-	-	1,000-2,000	0.36%
ACS Business Process Solutions	-	-	1,000-2,000	0.36%
Totals	<u>15,500-29,500</u>	<u>8.05%</u>	<u>37,000-53,000</u>	<u>10.80%</u>

The number of employees within the District's boundaries for these employers is unavailable. Therefore, the number of employees listed represents an approximate range of number of employees, per Salt Lake County, the Utah Department of Workforce Services, and municipalities' Comprehensive Annual Financial Reports.

Effective July 1, 2009, the District was divided into two Districts.

JORDAN SCHOOL DISTRICT

Full-time Equivalent Employees Last Ten Fiscal Years June 30, 2009 through 2018

	As of June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Instruction	2,806.17	2,673.08	2,625.36	2,703.02	2,795.03	2,748.64	2,695.20	2,683.43	2,771.12	4,700.70
Supporting services:										
Students	131.92	147.13	150.60	129.39	126.01	123.28	116.99	109.16	112.62	192.67
Instructional staff	177.66	128.17	128.42	157.39	156.53	148.77	142.44	104.46	106.65	174.96
General district administration	13.00	10.00	10.00	10.00	10.00	9.00	9.00	7.96	10.00	14.00
School administration	282.55	261.59	325.55	294.05	290.89	246.54	240.25	236.06	240.41	424.15
Business	25.31	27.36	23.36	28.79	28.79	27.86	30.43	30.18	28.81	33.43
Operation and maintenance of facilities	291.51	291.90	279.20	286.49	279.18	269.56	262.90	261.28	285.04	439.66
Student transportation	135.92	130.57	133.12	135.83	142.07	136.11	143.59	124.54	139.03	214.08
Personnel, planning, and data processing	79.84	73.51	72.51	54.07	71.50	69.88	70.01	69.99	77.85	64.30
Nutrition services	271.00	258.03	265.55	262.26	268.24	266.43	268.96	266.44	258.67	443.59
Foundation	2.43	2.43	2.06	1.85	1.85	1.85	1.85	1.85	1.85	3.00
Non K-12 programs	112.39	100.37	101.38	84.42	84.00	77.33	81.22	81.28	88.73	136.48
Capital projects	6.00	6.00	6.00	6.00	6.00	4.00	6.00	6.00	6.00	6.00
Total	<u>4,335.70</u>	<u>4,110.14</u>	<u>4,123.10</u>	<u>4,153.56</u>	<u>4,260.09</u>	<u>4,129.25</u>	<u>4,068.84</u>	<u>3,982.63</u>	<u>4,126.78</u>	<u>6,847.02</u>
Licensed (teachers)	2,495.76	2,437.05	2,397.84	2,513.04	2,657.80	2,568.70	2,504.87	2,476.72	2,486.94	4,190.61
Classified (support)	<u>1,839.94</u>	<u>1,673.09</u>	<u>1,725.26</u>	<u>1,640.52</u>	<u>1,602.29</u>	<u>1,560.55</u>	<u>1,563.97</u>	<u>1,505.91</u>	<u>1,639.84</u>	<u>2,656.41</u>
Total	<u>4,335.70</u>	<u>4,110.14</u>	<u>4,123.10</u>	<u>4,153.56</u>	<u>4,260.09</u>	<u>4,129.25</u>	<u>4,068.84</u>	<u>3,982.63</u>	<u>4,126.78</u>	<u>6,847.02</u>

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

JORDAN SCHOOL DISTRICT

Expenses by Function - Statement of Activities Last Ten Fiscal Years June 30, 2009 through 2018

Function	Year Ended June 30,				
	2018	2017	2016	2015	2014
Instruction	\$ 262,700,882 62.11%	\$ 249,848,637 63.06%	\$ 237,250,386 62.75%	\$ 223,482,113 62.24%	\$ 221,375,212 63.45%
Support Services:					
Students	16,422,335 3.88%	11,971,373 3.02%	10,897,619 2.88%	9,905,879 2.76%	9,797,636 2.81%
Instructional staff	15,087,548 3.57%	14,345,373 3.62%	13,115,186 3.47%	13,787,866 3.84%	14,898,522 4.27%
General district administration	3,326,657 0.79%	3,212,165 0.81%	2,772,694 0.73%	2,571,116 0.72%	2,873,120 0.82%
School administration	23,949,436 5.66%	22,909,774 5.78%	21,821,609 5.77%	20,676,005 5.76%	21,251,838 6.09%
Business	3,029,156 0.72%	2,944,884 0.74%	3,187,542 0.84%	3,616,563 1.01%	3,269,050 0.94%
Operation and maintenance of facilities	37,497,111 8.87%	35,894,002 9.06%	35,207,469 9.31%	33,748,406 9.40%	34,732,993 9.96%
Student transportation	13,936,421 3.29%	13,465,456 3.40%	13,200,129 3.49%	12,664,262 3.53%	12,326,338 3.53%
Personnel, planning, and data processing	6,848,393 1.62%	7,260,640 1.83%	7,141,141 1.89%	6,608,398 1.84%	6,333,665 1.82%
Community services	17,222,559 4.07%	13,212,561 3.33%	11,752,288 3.11%	10,231,395 2.85%	- 0.00%
Nutrition services	19,747,808 4.67%	19,242,222 4.86%	19,397,611 5.13%	18,507,363 5.15%	18,382,982 5.27%
Interest on long- term liabilities	3,188,561 0.75%	1,910,742 0.48%	2,367,310 0.63%	3,260,584 0.91%	3,649,802 1.05%
Total	<u>\$ 422,956,867</u>	<u>\$ 396,217,829</u>	<u>\$ 378,110,984</u>	<u>\$ 359,059,950</u>	<u>\$ 348,891,158</u>
Average Daily Membership	53,341	52,120	52,420	51,867	52,969
Average Expenses Per Pupil	\$ 7,929	\$ 7,602	\$ 7,213	\$ 6,923	\$ 6,587

The totals on percentages may not equal 100.00% due to rounding.

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenses significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

Source: District records.

2013	2012	2011	2010	2009
\$ 216,678,950 64.03%	\$ 208,059,353 64.50%	\$ 206,381,848 65.63%	\$ 205,022,608 65.59%	\$ 344,684,165 62.68%
9,181,590 2.71%	8,604,231 2.67%	8,162,223 2.60%	8,058,956 2.58%	14,109,746 2.57%
14,079,749 4.16%	11,432,367 3.54%	8,415,237 2.68%	10,558,768 3.38%	29,361,639 5.34%
2,431,750 0.72%	2,181,980 0.68%	2,127,735 0.68%	2,188,867 0.70%	9,594,516 1.74%
19,456,278 5.75%	18,284,640 5.67%	17,814,452 5.66%	17,086,368 5.47%	31,763,047 5.78%
3,290,353 0.97%	3,311,578 1.03%	3,341,320 1.06%	2,834,312 0.91%	4,076,310 0.74%
32,395,830 9.57%	30,720,915 9.52%	30,165,798 9.59%	29,428,025 9.41%	49,729,539 9.04%
12,114,894 3.58%	11,342,784 3.52%	10,847,297 3.45%	10,287,412 3.29%	17,587,388 3.20%
5,876,522 1.74%	5,792,733 1.80%	5,546,526 1.76%	6,075,772 1.94%	7,541,427 1.37%
- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
18,820,821 5.56%	18,208,474 5.64%	16,722,126 5.32%	15,948,916 5.10%	28,160,378 5.12%
4,070,330 1.20%	4,621,153 1.43%	4,954,416 1.58%	5,095,788 1.63%	13,327,562 2.42%
<u>\$ 338,397,067</u>	<u>\$ 322,560,208</u>	<u>\$ 314,478,978</u>	<u>\$ 312,585,792</u>	<u>\$ 549,935,717</u>
52,027	50,794	50,008	48,412	80,838
\$ 6,504	\$ 6,350	\$ 6,289	\$ 6,457	\$ 6,803

JORDAN SCHOOL DISTRICT

Expenditures by Function - General Fund Last Ten Fiscal Years June 30, 2009 through 2018

Function	Year Ended June 30,					
	2018	2017	2016	2015	2014	2013
Instruction	\$ 222,472,021 65.99%	\$ 210,067,176 66.61%	\$ 200,689,103 66.23%	\$ 192,123,387 65.68%	\$ 184,974,229 65.45%	\$ 182,210,131 66.51%
Support Services:						
Students	16,788,155 4.98%	11,997,632 3.80%	11,296,375 3.73%	10,584,305 3.62%	9,650,162 3.41%	9,134,482 3.33%
Instructional staff	15,229,615 4.52%	14,231,029 4.51%	13,246,639 4.37%	14,387,077 4.92%	14,962,336 5.29%	13,867,708 5.06%
General district administration	2,654,550 0.79%	2,511,140 0.80%	2,121,286 0.70%	1,969,069 0.67%	1,941,013 0.69%	1,752,719 0.64%
School administration	23,252,337 6.90%	21,906,876 6.95%	21,317,489 7.03%	20,508,229 7.01%	19,978,546 7.07%	18,375,400 6.71%
Business	3,082,345 0.91%	2,953,600 0.94%	3,246,676 1.07%	3,715,867 1.27%	3,215,500 1.14%	3,258,511 1.19%
Operation and maintenance of facilities	34,514,029 10.24%	32,791,320 10.40%	32,543,189 10.74%	31,394,721 10.73%	31,389,725 11.11%	29,335,972 10.71%
Student transportation	11,998,090 3.56%	11,607,846 3.68%	11,307,750 3.73%	10,955,155 3.75%	10,265,761 3.63%	10,208,390 3.73%
Personnel, planning, and data processing	7,131,457 2.12%	7,293,357 2.31%	7,265,266 2.40%	6,888,450 2.35%	6,242,453 2.21%	5,820,063 2.12%
Total	<u>\$ 337,122,599</u>	<u>\$ 315,359,976</u>	<u>\$ 303,033,773</u>	<u>\$ 292,526,260</u>	<u>\$ 282,619,725</u>	<u>\$ 273,963,376</u>
Average Daily Membership	53,341	52,120	52,420	51,867	52,969	52,027
Average Expenditures Per Pupil	\$ 6,320	\$ 6,051	\$ 5,781	\$ 5,640	\$ 5,336	\$ 5,266

The totals on percentages may not equal 100.00% due to rounding.

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenditures significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

Source: District records.

2012	2011	2010	2009
\$ 178,810,504 67.05%	\$ 181,424,425 68.96%	\$ 185,877,494 68.77%	\$ 311,921,008 66.51%
8,802,077 3.30%	8,211,422 3.12%	8,282,075 3.06%	14,201,747 3.03%
12,144,431 4.55%	8,628,780 3.28%	11,221,387 4.15%	29,683,407 6.33%
1,666,396 0.62%	1,744,436 0.66%	1,909,051 0.71%	8,888,750 1.90%
17,697,566 6.64%	17,089,948 6.50%	16,779,740 6.21%	30,734,534 6.55%
3,356,112 1.26%	3,352,327 1.27%	2,876,640 1.06%	4,084,095 0.87%
28,374,180 10.64%	27,680,069 10.52%	27,910,722 10.33%	46,508,859 9.92%
9,930,729 3.72%	9,374,220 3.56%	9,159,509 3.39%	15,242,767 3.25%
5,906,535 2.21%	5,584,001 2.12%	6,256,669 2.31%	7,726,949 1.65%
<u>\$ 266,688,530</u>	<u>\$ 263,089,628</u>	<u>\$ 270,273,287</u>	<u>\$ 468,992,116</u>
50,794	50,008	48,412	80,838
\$ 5,250	\$ 5,261	\$ 5,583	\$ 5,802

JORDAN SCHOOL DISTRICT

Expenses by Function Per Pupil - Statement of Activities Last Ten Fiscal Years June 30, 2009 through 2018

Function	Year Ended June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Instruction	\$ 4,925 62.11%	\$ 4,794 63.06%	\$ 4,526 62.75%	\$ 4,309 62.24%	\$ 4,179 63.45%	\$ 4,165 64.03%	\$ 4,096 64.50%	\$ 4,127 65.63%	\$ 4,235 65.59%	\$ 4,264 62.68%
Support Services:										
Students	308 3.88%	230 3.02%	208 2.88%	191 2.76%	185 2.81%	176 2.71%	170 2.67%	163 2.60%	166 2.58%	174 2.57%
Instructional staff	283 3.57%	275 3.62%	250 3.47%	266 3.84%	281 4.27%	271 4.16%	225 3.54%	168 2.68%	218 3.38%	363 5.34%
General district administration	62 0.79%	62 0.81%	53 0.73%	50 0.72%	54 0.82%	47 0.72%	43 0.68%	43 0.68%	45 0.70%	119 1.74%
School administration	449 5.66%	440 5.78%	416 5.77%	399 5.76%	401 6.09%	374 5.75%	360 5.67%	356 5.66%	353 5.47%	393 5.78%
Business	57 0.72%	57 0.74%	61 0.84%	70 1.01%	62 0.94%	63 0.97%	65 1.03%	67 1.06%	59 0.91%	50 0.74%
Operation and maintenance of facilities	703 8.87%	689 9.06%	672 9.31%	651 9.40%	656 9.96%	622 9.57%	605 9.52%	603 9.59%	608 9.41%	615 9.04%
Student transportation	261 3.29%	258 3.40%	252 3.49%	244 3.53%	233 3.53%	233 3.58%	223 3.52%	217 3.45%	212 3.29%	218 3.20%
Personnel, planning, and data processing	128 1.62%	139 1.83%	136 1.89%	127 1.84%	120 1.82%	113 1.74%	114 1.80%	111 1.76%	126 1.94%	93 1.37%
Community services	323 4.07%	254 3.33%	224 3.11%	197 2.85%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Nutrition services	370 4.67%	369 4.86%	370 5.13%	357 5.15%	347 5.27%	362 5.56%	358 5.64%	335 5.32%	330 5.10%	349 5.12%
Interest on long- term liabilities	60 0.75%	37 0.48%	45 0.63%	63 0.91%	69 1.05%	78 1.20%	91 1.43%	99 1.58%	105 1.63%	165 2.42%
Total	<u>\$ 7,929</u>	<u>\$ 7,602</u>	<u>\$ 7,213</u>	<u>\$ 6,923</u>	<u>\$ 6,587</u>	<u>\$ 6,504</u>	<u>\$ 6,350</u>	<u>\$ 6,289</u>	<u>\$ 6,457</u>	<u>\$ 6,803</u>
Average Daily Membership	53,341	52,120	52,420	51,867	52,969	52,027	50,794	50,008	48,412	80,838

The totals on percentages may not equal 100.00% due to rounding.

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenses significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

Source: District records.

JORDAN SCHOOL DISTRICT

Expenditures by Function Per Pupil - General Fund Last Ten Fiscal Years June 30, 2009 through 2018

Function	Year Ended June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Instruction	\$ 4,171 65.99%	\$ 4,030 66.61%	\$ 3,828 66.23%	\$ 3,704 65.68%	\$ 3,492 65.45%	\$ 3,502 66.51%	\$ 3,520 67.05%	\$ 3,628 68.96%	\$ 3,839 68.77%	\$ 3,859 66.51%
Support Services:										
Students	315 4.98%	230 3.80%	215 3.73%	204 3.62%	182 3.41%	175 3.33%	173 3.30%	164 3.12%	171 3.06%	176 3.03%
Instructional staff	286 4.52%	273 4.51%	253 4.37%	277 4.92%	282 5.29%	267 5.06%	239 4.55%	173 3.28%	232 4.15%	367 6.33%
General district administration	50 0.79%	48 0.80%	40 0.70%	38 0.67%	37 0.69%	34 0.64%	33 0.62%	35 0.66%	40 0.71%	110 1.90%
School administration	436 6.90%	420 6.95%	407 7.03%	395 7.01%	377 7.07%	353 6.71%	349 6.64%	342 6.50%	347 6.21%	380 6.55%
Business	58 0.91%	57 0.94%	62 1.07%	72 1.27%	61 1.14%	63 1.19%	66 1.26%	67 1.27%	59 1.06%	50 0.87%
Operation and maintenance of facilities	647 10.24%	629 10.40%	621 10.74%	605 10.73%	593 11.11%	564 10.71%	559 10.64%	553 10.52%	577 10.33%	575 9.92%
Student transportation	225 3.56%	223 3.68%	216 3.73%	211 3.75%	194 3.63%	196 3.73%	195 3.72%	187 3.56%	189 3.39%	189 3.25%
Personnel, planning, and data processing	134 2.12%	140 2.31%	139 2.40%	133 2.35%	118 2.21%	112 2.12%	116 2.21%	112 2.12%	129 2.31%	96 1.65%
Total	<u>\$ 6,320</u>	<u>\$ 6,051</u>	<u>\$ 5,781</u>	<u>\$ 5,640</u>	<u>\$ 5,336</u>	<u>\$ 5,266</u>	<u>\$ 5,250</u>	<u>\$ 5,261</u>	<u>\$ 5,583</u>	<u>\$ 5,802</u>
Average Daily Membership	53,341	52,120	52,420	51,867	52,969	52,027	50,794	50,008	48,412	80,838

The totals on percentages may not equal 100.00% due to rounding.

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenditures significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

Source: District records.

JORDAN SCHOOL DISTRICT

Nutrition Services - Facts and Figures

Last Ten Fiscal Years

June 30, 2009 through 2018

	Year Ended June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Number of schools participating in:										
Lunch - regular schedule	51	42	39	32	32	33	33	32	24	60
Lunch - year round	5	12	15	22	21	19	19	20	27	32
Breakfast program	38	38	38	38	38	35	34	29	27	47
Student lunches served:										
Free	1,125,570	1,169,070	1,162,916	1,237,752	1,225,128	1,288,364	1,369,851	1,275,991	1,132,690	1,709,507
Reduced	382,937	389,900	435,978	399,242	427,945	394,388	429,681	431,984	413,522	594,092
Fully paid	3,542,687	3,442,356	3,448,060	3,361,722	3,375,814	3,356,024	3,435,700	3,529,678	3,541,016	6,219,193
Total	5,051,194	5,001,326	5,046,954	4,998,716	5,028,887	5,038,776	5,235,232	5,237,653	5,087,228	8,522,792
Adult lunches served	67,356	65,426	68,211	71,672	72,272	78,740	86,638	86,508	94,067	192,234
Student breakfasts served:										
Free	254,927	278,096	270,215	291,975	291,362	303,542	300,964	266,682	227,164	407,325
Reduced	54,144	63,371	62,311	51,176	52,308	46,886	48,386	44,968	40,819	69,966
Fully paid	190,367	168,192	168,983	156,752	165,547	160,311	153,520	133,325	116,268	253,707
Total	499,438	509,659	501,509	499,903	509,217	510,739	502,870	444,975	384,251	730,998
Number of serving days:										
Regular schedule	177	177	177	177	177	177	177	177	177	177
Year-round schedule	226	226	226	226	226	226	226	226	226	226
Weighted average	181.38	187.89	190.61	196.96	196.42	194.90	194.90	195.85	202.94	194.04
Average daily participation:										
Student lunch	27,849	26,619	26,478	25,379	25,603	25,853	26,861	26,744	25,068	43,922
Adult lunch	371	348	358	364	368	404	445	442	464	991
Student breakfast	2,754	2,713	2,631	2,538	2,593	2,620	2,580	2,272	1,893	3,767
Average daily membership (kindergarten not included)	49,668	48,493	48,583	48,073	48,796	47,804	46,667	46,048	44,520	74,413
Percentage of students eating school lunch	56.07%	54.89%	54.50%	52.79%	52.47%	54.08%	57.56%	58.08%	56.31%	59.02%
Number of students on										
Free lunch	9,354	10,064	9,877	9,720	9,663	10,278	11,056	11,484	9,093	13,507
Reduced lunch	3,000	2,956	3,536	3,141	3,452	3,070	3,377	4,423	3,497	4,633
Percentage of students on:										
Free lunch	18.83%	20.75%	20.33%	20.22%	19.80%	21.50%	23.69%	24.94%	20.42%	18.15%
Reduced lunch	6.04%	6.10%	7.28%	6.53%	7.07%	6.42%	7.24%	9.61%	7.85%	6.23%
Total	24.87%	26.85%	27.61%	26.75%	26.87%	27.92%	30.93%	34.55%	28.27%	24.38%

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

JORDAN SCHOOL DISTRICT

Student Enrollment Statistics Last Ten Fiscal Years June 30, 2009 through 2018

Year Ended June 30,	Average Daily Membership	Average Daily Attendance	Attendance Percentage	Official State October 1 Enrollment Count
2009	80,838	77,235	95.54%	81,017
2010	48,412	46,009	95.04%	48,411
2011	50,008	47,742	95.47%	49,729
2012	50,794	48,541	95.56%	50,581
2013	52,027	49,429	95.01%	52,043
2014	52,969	50,458	95.26%	52,855
2015	51,867	49,369	95.18%	51,806
2016	52,420	49,968	95.32%	52,324
2017	52,120	49,820	95.59%	52,507
2018	53,341	50,765	95.17%	53,519

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

JORDAN SCHOOL DISTRICT

History of High School Graduates Last Ten School Years School Years 2008-09 through 2017-18

	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
Alta	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	753
Bingham	735	744	754	676	750	738	681	673	744	711
Brighton	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	645
Copper Hills	839	814	793	748	665	680	721	565	625	546
Herriman	850	769	730	671	710	506	476	311	-	-
Hillcrest	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	386
Itineris	(b)	(b)	(b)	(b)	(b)	(b)	(b)	106	86	106
Jordan	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	527
Riverton	643	639	644	622	679	601	582	625	855	764
West Jordan	481	449	428	434	457	431	432	500	470	472
Valley	<u>305</u>	<u>301</u>	<u>296</u>	<u>292</u>	<u>286</u>	<u>289</u>	<u>378</u>	<u>377</u>	<u>433</u>	<u>355</u>
Total	<u><u>3,853</u></u>	<u><u>3,716</u></u>	<u><u>3,645</u></u>	<u><u>3,443</u></u>	<u><u>3,547</u></u>	<u><u>3,245</u></u>	<u><u>3,270</u></u>	<u><u>3,157</u></u>	<u><u>3,213</u></u>	<u><u>5,265</u></u>

(a) Effective July 1, 2009, the District was divided into two Districts. These schools are no longer part of the District.

(b) Effective July 1, 2011, Itineris Early College High School charter school was no longer part of the District.

Source: District records.

JORDAN SCHOOL DISTRICT

**Number of Students Per Teacher
Last Ten School Years
School Years 2008-09 through 2017-18**

<u>Grade</u>	<u>2017-18</u>	<u>2016-17</u>	<u>2015-16</u>	<u>2014-15</u>	<u>2013-14</u>	<u>2012-13</u>	<u>2011-12</u>	<u>2010-11</u>	<u>2009-10</u>	<u>2008-09</u>
Kindergarten	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
1	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
2	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
3	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
4	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
5	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
6	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
7	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
8	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00
9	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
10	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
11	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
12	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00

The above represents the number of students that are required to hire one teacher. Actual class sizes may vary widely depending on the move-in patterns of students, etc.

Effective July 1, 2009, the District was divided into two Districts.

Source: District records.

JORDAN SCHOOL DISTRICT

Teacher Compensation Data Last Ten Fiscal Years June 30, 2009 through 2018

Year Ended June 30,	Bachelor Degree Beginning Teacher Wage	Doctorate Degree Veteran Teacher Wage	District Median* Teacher Wage	State Median* Teacher Wage
2009	\$ 34,168	\$ 65,457	\$ 44,921	\$ 46,713
2010	32,889	63,088	44,437	46,340
2011	32,889	63,088	44,709	46,448
2012	32,889	63,088	43,834	46,623
2013	32,889	63,088	45,429	46,421
2014	32,889	63,088	44,678	46,421
2015	33,248	63,809	45,678	46,689
2016	33,829	64,977	46,772	47,341
2017	34,339	66,180	47,263	48,576
2018	40,000	78,500	na	na

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

na - This information was not available when this report was published.

Effective July 1, 2009, the District was divided into two Districts.

JORDAN SCHOOL DISTRICT

Capital Asset Information Last Ten Fiscal Years June 30, 2009 through 2018

	Year Ended June 30,									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Buildings:										
Elementary Schools										
Number	36	34	34	34	33	33	33	32	32	62
Square feet	2,410,960	2,250,698	2,250,698	2,250,698	2,164,348	2,164,348	2,164,348	2,080,012	2,080,012	3,882,123
Capacity	27,725	26,125	26,125	26,150	25,200	23,268	23,268	22,362	22,362	40,494
Enrollment	28,072	27,479	27,918	28,065	29,291	29,003	28,374	27,922	27,340	45,073
Percent of Capacity	101.25%	105.18%	106.86%	107.32%	116.23%	124.65%	121.94%	124.86%	122.26%	111.31%
Average Age	22.31	22.56	21.56	20.56	20.15	19.15	18.15	17.69	16.69	27.66
Middle Schools										
Number	10	10	10	10	10	9	9	9	9	17
Square feet	1,586,375	1,586,375	1,586,375	1,586,375	1,586,375	1,386,311	1,386,311	1,386,311	1,386,311	2,654,114
Capacity	13,350	13,350	13,350	13,350	13,350	11,708	11,708	11,708	11,708	22,161
Enrollment	12,332	12,084	11,868	11,689	11,798	11,483	11,017	11,059	10,670	17,935
Percent of Capacity	92.37%	90.52%	88.90%	87.56%	88.37%	98.08%	94.10%	94.46%	91.13%	80.93%
Average Age	25.80	24.80	23.80	22.80	21.80	23.11	22.11	21.11	20.11	28.12
High Schools ****										
Number	8	8	8	7	7	7	7	8	7	13
Square feet	2,064,749	2,064,749	2,064,749	2,008,984	2,008,984	2,008,984	2,008,984	2,008,984	1,623,820	3,073,517
Capacity **	15,400	15,400	15,400	13,900	13,900	13,761	13,761	13,761	11,261	21,152
Enrollment	12,752	12,586	12,200	11,705	11,437	11,204	10,863	10,410	10,045	17,413
Percent of Capacity	82.81%	81.73%	79.22%	84.21%	82.28%	81.42%	78.94%	75.65%	89.20%	82.32%
Average Age	19.88	18.88	17.88	19.29	18.29	17.29	16.29	14.13	15.00	25.85
Special Schools										
Number	3	3	3	3	3	3	3	3	3	3
Square feet	182,974	182,974	182,974	182,974	182,974	182,974	182,974	168,447	168,447	135,875
Capacity **	800	800	800	800	800	800	800	800	800	600
Enrollment	363	358	338	347	329	353	327	338	356	596
Percent of Capacity	45.38%	44.75%	42.25%	43.38%	41.13%	44.13%	40.88%	42.25%	44.50%	99.33%
Average Age	10.33	9.33	8.33	7.33	6.33	5.33	4.33	31.33	30.33	40.67
Other Buildings										
Number	4	4	4	4	4	4	4	4	4	6
Square feet	230,315	230,315	230,315	230,315	230,315	230,315	230,315	230,315	230,315	256,896
Average Age	19.75	18.75	17.75	16.75	15.75	14.75	13.75	12.75	11.75	34.00
Total Buildings										
Number *	61	59	59	58	57	56	56	56	55	101
Square feet	6,475,373	6,315,111	6,315,111	6,259,346	6,172,996	5,972,932	5,972,932	5,874,069	5,488,905	10,002,525
Capacity	57,275	55,675	55,675	54,200	53,250	49,537	49,537	48,631	46,131	84,407
Enrollment	53,519	52,507	52,324	51,806	52,855	52,043	50,581	49,729	48,411	81,017
Percent of Capacity	93.44%	94.31%	93.98%	95.58%	99.26%	105.06%	102.11%	102.26%	104.94%	95.98%
Average Age	21.80	21.51	20.51	19.84	19.18	18.50	17.50	18.11	17.42	28.27
Number of Portables ***	250	250	250	250	249	237	234	230	235	284
Acres of Land	1,504.84	1,424.10	1,305.27	1,388.46	1,378.96	1,300.05	1,300.33	1,305.31	1,305.13	1,944.86
Number of Vehicles	485	467	429	483	475	452	451	451	413	650

* The number of schools may not match the number of operating schools due to schools just constructed not yet opened, schools closed but still being maintained, or timing of demolition and construction of replacement schools. Each school may have a couple of buildings associated with it; however, for purposes of this schedule, each school campus is considered one building.

** The capacity at the technical centers and the special schools is an estimate. Capacity at these schools varies based on the needs of the students and the curriculum offered.

*** Portables are not included in a school's capacity or square footage calculations.

**** Includes technical centers and alternative high schools.

Effective July 1, 2009, the District was divided into two Districts.

Effective July 1, 2011, Itineris Early College High School charter school was no longer part of the District.

Source: District records.

JORDAN SCHOOL DISTRICT

**Statements of Net Position
Governmental Activities
Last Ten Fiscal Years
June 30, 2009 through 2018
(accrual basis of accounting)**

	As of June 30,					
	2018	2017	2016	2015	2014	2013
Assets:						
Cash and investments	\$ 389,815,957	\$ 359,284,357	\$ 328,832,339	\$ 299,720,313	\$ 289,382,198	\$ 293,175,210
Accounts receivable:						
Property taxes	166,346,699	147,017,536	144,413,033	128,941,803	104,006,042	106,826,465
Local	197,158	245,341	317,213	150,715	194,873	215,575
State of Utah	1,979,545	2,626,299	1,805,217	2,083,904	2,009,047	1,640,993
Federal government	5,775,857	7,828,720	9,767,647	6,520,696	6,301,926	5,372,501
Inventories	2,589,988	2,544,048	2,292,505	1,841,813	1,754,576	1,854,864
Net pension asset	-	-	9,185	137,439	8,421	-
Net retirement asset	-	-	31,328,549	30,104,573	28,724,816	26,689,789
Investments restricted for debt service	4,333,673	3,550,958	3,027,671	2,459,954	1,900,693	1,328,483
Capital assets:						
Sites and construction in progress	216,062,019	155,810,627	92,415,399	90,612,797	105,364,439	108,985,648
Other capital assets, net of accumulated depreciation	640,967,098	622,397,869	637,000,668	647,872,700	634,271,798	607,646,113
Total assets	<u>1,428,067,994</u>	<u>1,301,305,755</u>	<u>1,251,209,426</u>	<u>1,210,446,707</u>	<u>1,173,918,829</u>	<u>1,153,735,641</u>
Deferred outflows of resources:						
Deferred charge on refunding	1,146,180	1,719,269	2,292,358	2,865,447	3,438,536	271,072
Related to pensions	76,388,983	68,460,667	60,976,688	19,643,471	15,895,884	-
Total deferred outflows of resources	<u>77,535,163</u>	<u>70,179,936</u>	<u>63,269,046</u>	<u>22,508,918</u>	<u>19,334,420</u>	<u>271,072</u>
Liabilities:						
Accounts and contracts payable	19,734,512	10,813,418	6,688,839	8,733,647	9,998,568	11,065,411
Accrued payroll and related benefits	37,029,561	33,090,431	31,461,241	29,350,387	27,824,193	23,402,064
Accrued interest	209,041	121,991	86,609	107,799	127,199	136,078
Unearned revenue:						
Local	2,160,933	695,058	820,046	884,766	655,810	582,414
State of Utah	21,233,601	22,898,994	22,566,409	20,725,553	18,158,320	17,825,962
Federal government	2,553,437	1,756,213	1,545,859	1,152,726	400,909	29,116
Noncurrent liabilities:						
Due within one year	27,385,198	25,254,533	24,121,320	23,890,207	24,896,674	20,836,399
Due after one year	280,441,261	258,489,954	205,859,430	185,254,294	217,080,890	80,273,982
Total liabilities	<u>390,747,544</u>	<u>353,120,592</u>	<u>293,149,753</u>	<u>270,099,379</u>	<u>299,142,563</u>	<u>154,151,426</u>
Deferred inflows of resources:						
Related to pensions	64,044,749	21,671,849	16,059,297	12,232,142	-	-
Property taxes levied for future year	165,065,108	145,377,828	142,381,941	126,393,762	101,332,080	104,507,805
Total deferred inflows of resources	<u>229,109,857</u>	<u>167,049,677</u>	<u>158,441,238</u>	<u>138,625,904</u>	<u>101,332,080</u>	<u>104,507,805</u>
Net position:						
Net investment in capital assets	741,237,859	699,854,929	677,463,407	674,379,692	664,132,697	632,301,170
Restricted for:						
Debt service	5,135,717	4,093,283	3,191,698	2,214,683	2,193,800	2,163,821
Capital projects	67,025,451	89,719,739	86,056,703	71,545,939	64,687,349	79,377,683
Nutrition services	9,021,462	8,179,173	7,751,305	7,475,581	7,021,064	5,945,889
Other purposes	7,362,172	6,759,827	6,949,181	4,735,037	6,088,433	4,494,945
Unrestricted	55,963,095	42,708,471	22,990,866	63,879,410	48,655,263	171,063,974
Total net position	<u>\$ 885,745,756</u>	<u>\$ 851,315,422</u>	<u>\$ 804,403,160</u>	<u>\$ 824,230,342</u>	<u>\$ 792,778,606</u>	<u>\$ 895,347,482</u>

Effective July 1, 2009, the District was divided into two Districts.

The District implemented GASB Statement No. 68 and GASB Statement No. 71 during the year ended June 30, 2015. As a result of this implementation, the beginning net position balance was decreased by \$132,535,156. Prior years have not been restated to reflect this change.

The District implemented GASB Statement No. 73 and No. 75 during the year ended June 30, 2017. As a result of this implementation, the beginning net position balance (June 30, 2016) was decreased by \$58,484,321. Prior years have not been restated to reflect this change.

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

2012	2011	2010	2009
\$ 285,075,405	\$ 280,518,781	\$ 298,594,959	\$ 487,696,115
111,536,801	116,253,138	116,210,810	111,306,095
494,114	627,770	176,938	292,985
4,480,806	1,334,968	766,927	2,146,336
6,186,652	8,872,646	8,480,481	9,793,433
2,102,705	1,790,558	1,402,882	2,953,840
-	-	-	-
24,053,316	22,488,120	20,521,601	14,806,760
562,548	-	-	-
91,222,028	92,072,747	146,074,427	151,596,136
615,068,081	592,852,633	513,871,976	742,274,277
1,140,782,456	1,116,811,361	1,106,101,001	1,522,865,977
406,608	673,184	939,760	2,872,229
-	-	-	-
406,608	673,184	939,760	2,872,229
8,503,323	8,080,034	9,604,396	20,102,302
25,944,250	22,571,296	24,444,820	45,203,063
163,882	193,458	224,161	547,561
513,059	860,136	1,445,607	1,175,206
17,610,587	17,266,417	23,812,796	33,001,859
297,459	362,646	173,306	1,318,477
21,810,367	24,858,404	24,555,316	53,407,314
89,622,899	101,322,713	106,896,136	275,892,829
164,465,826	175,515,104	191,156,538	430,648,611
-	-	-	-
107,863,484	110,337,933	107,120,120	100,290,039
107,863,484	110,337,933	107,120,120	100,290,039
611,327,293	577,241,401	548,548,661	646,323,294
2,448,285	2,879,305	2,518,981	3,813,239
79,137,884	82,776,949	88,465,583	140,489,012
5,673,159	5,253,724	4,188,684	5,834,581
4,039,997	2,144,625	711,951	866,097
166,233,136	161,335,504	164,330,243	197,473,333
\$ 868,859,754	\$ 831,631,508	\$ 808,764,103	\$ 994,799,556

JORDAN SCHOOL DISTRICT

**General Fund
Comparative Balance Sheets
Last Ten Fiscal Years
June 30, 2009 through 2018
(modified accrual basis of accounting)**

	As of June 30,				
	2018	2017	2016	2015	2014
Assets:					
Cash and investments	\$ 217,560,436	\$ 207,423,400	\$ 189,986,810	\$ 178,551,089	\$ 174,963,001
Accounts receivable:					
Property taxes	83,227,998	76,378,685	71,842,584	66,448,394	57,248,072
Local	168,966	238,133	308,246	106,877	110,568
State of Utah	777,078	635,780	286,217	406,038	470,794
Federal government	5,229,260	7,144,365	8,882,124	5,950,007	5,304,576
Inventories	904,430	1,048,049	1,062,366	1,154,094	1,040,095
Total assets	<u>\$ 307,868,168</u>	<u>\$ 292,868,412</u>	<u>\$ 272,368,347</u>	<u>\$ 252,616,499</u>	<u>\$ 239,137,106</u>
Liabilities:					
Accounts payable	\$ 2,806,296	\$ 2,564,078	\$ 1,986,813	\$ 2,456,377	\$ 3,300,805
Accrued payroll and related benefits	37,029,561	33,090,431	31,461,241	29,350,387	27,824,193
Unearned revenue:					
Local	218,940	133,343	121,829	66,207	62,558
State of Utah	19,196,180	21,042,063	20,905,145	19,249,155	16,737,749
Federal government	2,259,038	1,707,719	1,545,859	1,152,726	400,909
Total liabilities	<u>61,510,015</u>	<u>58,537,634</u>	<u>56,020,887</u>	<u>52,274,852</u>	<u>48,326,214</u>
Deferred inflows of resources:					
Unavailable property tax revenue	775,797	873,151	984,251	1,113,136	1,238,366
Property taxes levied for future year	82,457,951	75,320,634	70,743,037	65,149,719	55,731,286
Total deferred inflows of resources	<u>83,233,748</u>	<u>76,193,785</u>	<u>71,727,288</u>	<u>66,262,855</u>	<u>56,969,652</u>
Fund balances:					
Nonspendable:					
Inventories	904,430	1,048,049	1,062,366	1,154,094	1,040,095
Restricted for:					
Transportation and reading achievement	6,256,538	5,733,128	6,010,166	3,712,550	5,179,127
Committed to:					
Contractual obligations	1,257,302	2,296,770	1,842,647	894,790	1,236,323
Economic stabilization	18,200,000	17,400,000	16,700,000	16,000,000	15,450,000
Compensated absences	3,887,954	3,621,259	3,225,151	3,054,256	2,913,689
Retiree benefits	43,223,884	48,945,833	52,528,487	57,115,248	63,406,198
West Jordan feeder system	3,403,027	4,358,914	-	-	-
Educator grants	11,000,000	-	-	-	-
Assigned to:					
Educational programs	6,284,355	6,483,836	6,797,029	5,381,488	5,162,665
Personnel	36,068,014	31,178,576	19,950,186	24,294,623	28,750,811
Unassigned	32,638,901	37,070,628	36,504,140	22,471,743	10,702,332
Total fund balances	<u>163,124,405</u>	<u>158,136,993</u>	<u>144,620,172</u>	<u>134,078,792</u>	<u>133,841,240</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 307,868,168</u>	<u>\$ 292,868,412</u>	<u>\$ 272,368,347</u>	<u>\$ 252,616,499</u>	<u>\$ 239,137,106</u>

Effective July 1, 2009, the District was divided into two Districts.

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

2013	2012	2011	2010	2009
\$ 160,963,113	\$ 157,611,185	\$ 153,776,372	\$ 169,236,869	\$ 237,585,628
58,268,415	60,514,131	62,040,018	59,273,967	53,624,064
175,884	156,175	621,058	169,673	278,339
191,074	216,344	370,355	287,698	1,067,171
4,675,069	5,462,877	5,822,312	6,771,789	8,609,837
1,182,484	1,629,309	1,186,028	961,670	1,705,607
<u>\$ 225,456,039</u>	<u>\$ 225,590,021</u>	<u>\$ 223,816,143</u>	<u>\$ 236,701,666</u>	<u>\$ 302,870,646</u>
\$ 2,738,975	\$ 2,089,717	\$ 1,856,373	\$ 2,120,746	\$ 7,647,601
23,402,064	25,944,250	22,571,296	24,444,820	45,203,063
65,525	55,918	487,006	174,028	209,077
16,635,624	16,613,010	16,426,411	23,252,798	32,027,764
29,116	297,459	362,646	173,306	1,289,036
<u>42,871,304</u>	<u>45,000,354</u>	<u>41,703,732</u>	<u>50,165,698</u>	<u>86,376,541</u>
1,010,897	1,700,695	2,553,903	3,617,878	4,763,274
<u>57,031,152</u>	<u>58,647,907</u>	<u>58,694,740</u>	<u>55,181,095</u>	<u>48,324,035</u>
<u>58,042,049</u>	<u>60,348,602</u>	<u>61,248,643</u>	<u>58,798,973</u>	<u>53,087,309</u>
1,182,484	1,629,309	1,186,028	961,670	1,705,607
3,701,583	2,303,098	811,491	2,330,244	2,709,731
1,486,882	2,243,061	1,303,221	682,265	849,359
15,000,000	14,450,000	14,450,000	14,219,000	24,100,000
7,215,051	7,347,469	7,364,958	9,002,065	9,143,980
64,140,080	62,996,451	68,751,110	70,000,000	70,000,000
-	-	-	-	-
-	-	-	-	-
3,565,976	5,050,342	4,653,334	20,127,825	6,280,267
10,544,331	10,751,752	10,420,279	8,000,000	10,000,000
<u>17,706,299</u>	<u>13,469,583</u>	<u>11,232,381</u>	<u>2,413,926</u>	<u>38,617,852</u>
<u>124,542,686</u>	<u>120,241,065</u>	<u>120,172,802</u>	<u>127,736,995</u>	<u>163,406,796</u>
<u>\$ 225,456,039</u>	<u>\$ 225,590,021</u>	<u>\$ 223,125,177</u>	<u>\$ 236,701,666</u>	<u>\$ 302,870,646</u>

JORDAN SCHOOL DISTRICT

General Fund

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

Last Ten Fiscal Years

June 30, 2008 through 2017

(modified accrual basis of accounting)

	Year Ended June 30,				
	2018	2017	2016	2015	2014
Revenues:					
Property taxes	\$ 71,228,405	\$ 73,914,151	\$ 70,443,092	\$ 59,369,132	\$ 58,565,960
Interest	4,094,086	2,317,208	1,527,182	969,874	937,064
Other local sources	7,650,463	8,280,040	7,713,261	7,258,440	6,723,379
State of Utah	243,418,338	227,932,411	217,432,316	207,909,276	210,081,172
Federal government	15,940,313	16,608,010	16,630,763	17,422,527	15,765,974
Total revenues	342,331,605	329,051,820	313,746,614	292,929,249	292,073,549
Expenditures:					
Instruction	222,472,021	210,067,176	200,689,103	192,123,387	184,974,229
Support services:					
Students	16,788,155	11,997,632	11,296,375	10,584,305	9,650,162
Instructional staff	15,229,615	14,231,029	13,246,639	14,387,077	14,962,336
General district administration	2,654,550	2,511,140	2,121,286	1,969,069	1,941,013
School administration	23,252,337	21,906,876	21,317,489	20,508,229	19,978,546
Business	3,082,345	2,953,600	3,246,676	3,715,867	3,215,500
Operation and maintenance of facilities	34,514,029	32,791,320	32,543,189	31,394,721	31,389,725
Student transportation	11,998,090	11,607,846	11,307,750	10,955,155	10,265,761
Personnel, planning, and data processing	7,131,457	7,293,357	7,265,266	6,888,450	6,242,453
Total expenditures	337,122,599	315,359,976	303,033,773	292,526,260	282,619,725
Excess (deficiency) of revenues over (under) expenditures	5,209,006	13,691,844	10,712,841	402,989	9,453,824
Other financing sources (uses):					
Transfers	(221,594)	(175,023)	(171,461)	(165,437)	(155,270)
Net change in fund balance	4,987,412	13,516,821	10,541,380	237,552	9,298,554
Fund balances - beginning	158,136,993	144,620,172	134,078,792	133,841,240	124,542,686
Allocated to other local educational agency	-	-	-	-	-
Fund balances - ending	<u>\$ 163,124,405</u>	<u>\$ 158,136,993</u>	<u>\$ 144,620,172</u>	<u>\$ 134,078,792</u>	<u>\$ 133,841,240</u>

Effective July 1, 2009, the District was divided into two Districts. The General district administration function expenses significantly increased in the FYE June 30, 2009 due to the District division which caused two districts' administration costs to be incurred in this year.

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

2013	2012	2011	2010	2009
\$ 59,779,018	\$ 59,278,100	\$ 58,962,274	\$ 52,073,341	\$ 101,288,392
1,201,179	1,230,990	941,664	1,244,025	5,535,482
6,026,033	5,948,869	4,462,548	8,573,213	11,003,986
195,942,899	183,725,226	180,831,881	181,770,229	301,272,289
15,467,995	16,475,745	25,770,444	25,945,683	55,182,294
278,417,124	266,658,930	270,968,811	269,606,491	474,282,443
182,210,131	178,810,504	181,424,425	185,877,494	311,921,008
9,134,482	8,802,077	8,211,422	8,282,075	14,201,747
13,867,708	12,144,431	8,628,780	11,221,387	29,683,407
1,752,719	1,666,396	1,744,436	1,909,051	8,888,750
18,375,400	17,697,566	17,089,948	16,779,740	30,734,534
3,258,511	3,356,112	3,352,327	2,876,640	4,084,095
29,335,972	28,374,180	27,680,069	27,910,722	46,508,859
10,208,390	9,930,729	9,374,220	9,159,509	15,242,767
5,820,063	5,906,535	5,584,001	6,256,669	7,726,949
273,963,376	266,688,530	263,089,628	270,273,287	468,992,116
4,453,748	(29,600)	7,879,183	(666,796)	5,290,327
(152,127)	(155,766)	(142,375)	(158,907)	113,850
4,301,621	(185,366)	7,736,808	(825,703)	5,404,177
120,241,065	120,863,768	127,736,995	163,406,796	158,002,619
-	(437,337)	(14,610,035)	(34,844,098)	-
\$ 124,542,686	\$ 120,241,065	\$ 120,863,768	\$ 127,736,995	\$ 163,406,796

JORDAN SCHOOL DISTRICT

Historical Summaries of Taxable Values of Property Last Ten Tax Years December 31, 2008 through 2017

	Tax Year Ended December 31,				
	2017	% of A.V.	2016	2015	2014
	Assessed Value		Assessed Value	Assessed Value	Assessed Value
<i>Set by State Tax Commission- Centrally Assessed</i>	\$ 2,263,803,330	10.5	\$ 2,314,465,710	\$ 2,291,176,345	\$ 2,030,409,084
<i>Set by County Assessor- Locally Assessed:</i>					
Real Property:					
Residential real estate-primary use	12,848,679,083	59.5	11,481,830,824	10,391,969,914	9,469,690,654
Residential real estate-not primary use	627,169,150	2.9	620,609,390	550,053,980	482,753,030
Commercial and industrial real estate	3,975,852,920	18.4	3,650,622,450	3,306,146,990	3,040,499,520
Agricultural - FAA	42,035,290	0.2	4,461,250	4,097,730	3,781,540
Unimproved non FAA	147,300	0.0	42,491,890	37,820,680	49,187,600
Total real property	17,493,883,743	81.1	15,800,015,804	14,290,089,294	13,045,912,344
Personal Property:					
Fee in lieu property	577,485,399	2.7	556,882,075	507,744,169	459,762,713
Mobile homes-primary residential use	3,055,372	0.0	3,163,134	3,290,712	3,406,415
Mobile homes-other use	819,298	0.0	1,168,180	1,080,574	1,522,518
Commercial and industrial property	1,240,796,463	5.7	1,183,655,421	1,122,932,571	1,095,183,230
Total personal property	1,822,156,532	8.4	1,744,868,810	1,635,048,026	1,559,874,876
Total locally assessed	19,316,040,275	89.5	17,544,884,614	15,925,137,320	14,605,787,220
Total taxable property	\$ 21,579,843,605	100.0	\$ 19,859,350,324	\$ 18,216,313,665	\$ 16,636,196,304

Effective July 1, 2009, the District was divided into two Districts.

Source: Property Tax Division, Utah State Tax Commission.

2013	2012	2011	2010	2009	2008
Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value
\$ 1,546,327,116	\$ 2,543,340,183	\$ 2,945,054,548	\$ 3,278,465,698	\$ 699,997,754	\$ 2,096,596,600
8,409,254,008	7,743,838,311	7,963,989,054	8,203,104,049	8,139,960,977	20,757,012,865
481,741,520	486,127,630	571,115,620	746,958,820	916,742,120	2,416,292,180
2,888,362,000	2,824,028,240	2,853,891,710	2,877,617,610	2,807,281,700	7,352,045,200
4,136,270	4,093,440	4,156,900	4,495,190	4,689,990	12,000,203
43,876,720	39,290,080	39,018,200	45,342,280	46,922,790	62,181,255
11,827,370,518	11,097,377,701	11,432,171,484	11,877,517,949	11,915,597,577	30,599,531,703
453,495,266	456,577,479	476,391,784	988,241,612	987,314,964	2,123,008,068
3,530,837	3,655,822	3,754,304	3,896,710	4,200,911	13,022,692
1,676,289	1,014,226	1,772,475	1,760,410	1,752,550	1,980,838
943,638,079	799,690,170	703,495,717	657,777,378	704,184,735	1,235,152,380
1,402,340,471	1,260,937,697	1,185,414,280	1,651,676,110	1,697,453,160	3,373,163,978
13,229,710,989	12,358,315,398	12,617,585,764	13,529,194,059	13,613,050,737	33,972,695,681
\$ 14,776,038,105	\$ 14,901,655,581	\$ 15,562,640,312	\$ 16,807,659,757	\$ 14,313,048,491	\$ 36,069,292,281

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

COMPLIANCE REPORTS

Year Ended June 30, 2018

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JORDAN SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2018

Grantor/Pass-through Grantor/Program Title	CFDA Number	Pass-Through Entity Identifying Number	District's Program Number	(Deferral) Receivable June 30, 2017	Received	Expended	(Deferral) Receivable June 30, 2018
U.S. DEPARTMENT OF AGRICULTURE:							
Passed through State of Utah Board of Education:							
<i>Child Nutrition Cluster:</i>							
School Breakfast Program	10.553	SBP	8001	\$ 19,249	\$ 677,035	\$ 671,607	\$ 13,821
National School Lunch Program	10.555	NSLP	8001	43,102	1,903,339	1,880,942	20,705
National School Lunch Program	10.555	NSLF	8001	105,065	4,387,708	4,346,373	63,730
National School Lunch Program (Donated commodities)	10.555	NSLP, NSLF	8001	-	1,620,362	1,620,362	-
Summer Food Service Program for Children	10.559	SFSP	8001	-	3,181	3,181	-
Total child nutrition cluster				167,416	8,591,625	8,522,465	98,256
Passed through Salt Lake County:							
<i>Forest Service Schools and Roads Cluster:</i>							
Schools and Roads - Grants to States	10.665	n/a	9999	-	4,518	9,057	4,539
Passed through State of Utah Board of Education:							
Fresh Fruit and Vegetable Program	10.582	FFVP	8001	-	103,789	103,789	-
Total U.S. Department of Agriculture				167,416	8,699,932	8,635,311	102,795
U.S. DEPARTMENT OF EDUCATION:							
Passed through State of Utah Board of Education:							
<i>Special Education Cluster (IDEA):</i>							
Special Education Grants to States	84.027	STAC, FTFL	7551	4,664,464	9,524,257	8,065,052	3,205,259
Special Education Preschool Grants	84.173	PRE	7550	26,861	224,483	197,622	-
Total special education cluster (IDEA)				4,691,325	9,748,740	8,262,674	3,205,259
Direct:							
Indian Education Grants to Local Educational Agencies	84.060	n/a	7322	27,914	42,342	29,185	14,757
Passed through Brigham Young University:							
English Language Acquisition State Grants	84.365	n/a	7728	-	-	-	-
Passed through State of Utah Board of Education:							
Adult Education - Basic Grants to States	84.002	ADEB, ADEL, SLDR	7580/7582	130,594	132,676	2,082	-
Title I Grants to Local Educational Agencies	84.010	TIFT	7506/7511	1,656,606	4,806,856	4,185,077	1,034,827
Migrant Education - State Grant Program	84.011	MGFT	7548	10,000	10,000	22,962	22,962
Career and Technical Education - Basic Grants to States	84.048	FLEA, LDSP	6900	258,008	360,263	388,409	286,154
Education for Homeless Children and Youth	84.196	MVFT	5218	48,541	48,541	52,824	52,824
English Language Acquisition State Grants	84.365	ELFT, IMM	7628	31,635	217,784	257,032	70,883
Supporting Effective Instruction State Grants	84.367	2FT	7860	447,197	633,171	693,022	507,048
School Improvement Grants	84.377	A2AF, AADM	7801	-	15,650	20,705	5,055
Passed through the State of Utah Department of Health:							
Special Education - Grants for Infants and Families	84.181	n/a	7760	-	569,567	569,567	-
Total U.S. Department of Education				7,301,820	16,585,590	14,483,539	5,199,769
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:							
Passed through State of Utah Board of Education:							
<i>TANF Cluster:</i>							
Temporary Assistance for Needy Families	93.558	PCA	5688	331,099	341,408	358,533	348,224
Passed Through Utah Department of Workforce Services:							
<i>TANF Cluster:</i>							
Temporary Assistance for Needy Families	93.558	n/a	7585	28,385	64,122	35,737	-
Total U.S. Department of Health and Human Services				359,484	405,530	394,270	348,224
Total federal awards				<u>\$ 7,828,720</u>	<u>\$ 25,691,052</u>	<u>\$ 23,513,120</u>	<u>\$ 5,650,788</u>

The accompanying notes are an integral part of this schedule.

JORDAN SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note A. Basis for Presentation – The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Jordan School District (the District) under programs of the federal government for the year ended June 30, 2018. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the District.

Note B. Summary of Significant Accounting Policies – Expenditures reported on the Schedule are reported on the modified accrual basis of accounting as described in Note 1 to the District’s basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Donated food commodities are recorded at acquisition value in the *nutrition services fund* as an inventory asset and federal revenue when received totaling \$1,620,362 for the year ended June 30, 2018. Donated food commodity inventories are recorded as expenditures in the *nutrition services fund* when they are consumed by the schools; for purposes of the Schedule, donated food commodities are also recorded as expenditures when received.

The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note C. Subrecipients of Federal Awards – The District did not provide Federal award funding to any subrecipients during the year ended June 30, 2018.

Note D. Relationship to District’s Financial Statements – A reconciliation of federal revenue reported on the District’s basic financial statements and the Schedule for the year ended June 30, 2018 is as follows:

General fund	\$ 15,940,313
Capital projects fund	415,256
Non K-12 programs fund (special revenue fund)	1,850,248
Nutrition services fund (special revenue fund)	8,626,254
Total governmental funds	26,832,071
Interest rate subsidy	(415,256)
Library of Congress grant	(1,057)
Medical Assistance Program grant monies received through State of Utah Department of Health	(2,902,638)
Total federal revenue reported on the schedule of expenditures of federal awards	\$ 23,513,120



Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards*

Board of Education
Jordan School District

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jordan School District (the District), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 15, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on

compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Squire & Company, PC". The script is cursive and fluid, with the letters "S", "C", and "P" being particularly large and stylized.

Orem, Utah
November 15, 2018



Independent Auditor's Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Board of Education
Jordan School District

Report on Compliance for Each Major Federal Program

We have audited the compliance of Jordan School District (the District) with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2018.

The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jordan School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated November 15, 2018, which contained unmodified opinions on those basic financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Squire & Company, PC

Orem, Utah
November 15, 2018

JORDAN SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended June 30, 2018

No findings were reported in the prior year.

JORDAN SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2018

I. Summary of auditor's results:

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

-Material weaknesses identified? yes X no

-Significant deficiencies identified that are
not considered to be material weaknesses? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

-Material weaknesses identified? yes X no

-Significant deficiencies identified that are
not considered to be material weaknesses? yes X none reported

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported
in accordance with 2 CFR 200.156(a)? yes X no

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
---------------------	---

84.010	Title I Grants to Local Educational Agencies
84.367	Supporting Effective Instruction State Grants

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

II. Financial statement findings:
No matters were reported.

III. Federal award findings and questioned costs:
No matters were reported.



Independent Auditor's Report on Compliance and
Report on Internal Control over Compliance
Required by the *State Compliance Audit Guide*

Board of Education
Jordan School District

Report on Compliance

We have audited the compliance of Jordan School District (the District) with the following applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2018.

Minimum School Program
Budgetary Compliance
Fund Balance
Utah Retirement Systems
School District Tax Levies
Open and Public Meetings Act
Public Treasurer's Bond
Tax Levy Revenue Recognition

Management's Responsibility

Management is responsible for compliance with the state compliance requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the District's compliance based on our audit of the state compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the District's compliance with those requirements.

Opinion on Compliance

In our opinion, Jordan School District complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a state compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

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

Orem, Utah
November 15, 2018

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APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

Upon the delivery of the 2019B Bonds, Chapman and Cutler LLP, Bond Counsel, proposes to issue their final approving opinion in substantially the following form:

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Re: \$56,470,000
Board of Education of Jordan School District, Utah
General Obligation School Building Bonds
(Utah School District Bond Guaranty Program),
Series 2019B

We hereby certify that we have examined a certified copy of the proceedings of the Board of Education of Jordan School District, Utah (the “*Board*”), passed preliminary to the issuance by the Board of its General Obligation School Building Bonds (Utah School District Bond Guaranty Program), Series 2019B (the “*2019B Bonds*”), in the amount of \$56,470,000, dated as of the date hereof, being in fully-registered form, in denominations of \$5,000 and any whole multiple thereof, due on June 15 of each of the years, in the amounts and bearing interest as follows:

JUNE 15 OF THE YEAR	AMOUNT MATURING	INTEREST RATE PER ANNUM
2020	\$6,295,000	5.000%
2021	2,050,000	5.000
2022	2,150,000	5.000
2023	2,250,000	5.000
2024	2,375,000	5.000
2025	2,475,000	5.000
2026	2,600,000	5.000
2027	2,750,000	5.000
2028	2,875,000	4.000
2029	3,000,000	4.000
2030	3,100,000	3.000
2031	3,200,000	2.750
2032	3,300,000	2.875
2033	3,400,000	3.000
2034	3,500,000	3.125
2035	3,600,000	3.250
2036	3,725,000	3.250
2037	3,825,000	3.375

The 2019B Bonds are subject to redemption prior to maturity at the times, in the manner and on the terms and conditions set forth in each of the 2019B Bonds. We are of the opinion that such proceedings show lawful authority for the issuance of the 2019B Bonds under the laws of the State of Utah now in force.

We further certify that we have examined the form of bond prescribed in the proceedings authorizing the issuance of the 2019B Bonds and find the same in due form of law. In our opinion, the 2019B Bonds, to the amount named, are valid and legally binding upon the Board and all taxable property in Jordan School District, Utah, is subject to the levy of taxes to pay the same without limitation as to rate or amount. It is to be understood that the rights of the owners of the 2019B Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that enforcement of the rights of the owners of the 2019B Bonds may also be subject to the exercise of judicial discretion in appropriate cases.

The guaranty of timely payment of the 2019B Bonds provided by the Utah school district bond guaranty is a valid and binding obligation of the State of Utah.

It is our opinion that, subject to the Board's compliance with certain covenants, under present law, interest on the 2019B Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended. Failure to comply with certain of such Board covenants could cause interest on the 2019B Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2019B Bonds. Ownership of the 2019B Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the 2019B Bonds.

It is further our opinion that under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2019B Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. No opinion is expressed with respect to any other taxes imposed by the State of Utah or any political subdivision thereof. Ownership of the 2019B Bonds may result in other state and local tax consequences to certain taxpayers; we express no opinion regarding any such collateral consequences arising with respect to the 2019B Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the 2019B Bonds.

In rendering this opinion, we have relied upon certifications of the Board with respect to certain material facts within the Board's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX C

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER PARAGRAPH (b)(5) OF RULE 15C2-12

[TO BE DATED CLOSING DATE]

THIS CONTINUING DISCLOSURE UNDERTAKING (the “*Agreement*”) is executed and delivered by the Board of Education of Jordan School District, Utah (the “*Issuer*”) in connection with the issuance of \$56,470,000 General Obligation School Building Bonds (Utah School District Bond Guaranty Program), Series 2019B (the “*Bonds*”). The Bonds are being issued pursuant to a Resolution of the Issuer adopted on November 27, 2018 (the “*Resolution*”).

In consideration of the issuance of the Bonds by the Issuer and the purchase of such Bonds by the beneficial owners thereof, the Issuer covenants and agrees as follows:

Section 1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the Issuer as of the date set forth above, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The Issuer represents that it and the State (pursuant to the Utah School Bond Guaranty Act, Chapter 28, Title 53A, Utah Code Annotated, 1953, as amended) will be the only obligated persons with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

Section 2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Annual Financial Information*” means the financial information and operating data described in *Exhibit I*.

“*Annual Financial Information Disclosure*” means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

“*Audited Financial Statements*” means the audited financial statements of the Issuer prepared pursuant to the standards and as described in *Exhibit I*.

“*Commission*” means the Securities and Exchange Commission.

“*Dissemination Agent*” means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent’s successors and assigns.

“*EMMA*” means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Participating Underwriter*” means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

“*Reportable Event*” means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

“*Reportable Events Disclosure*” means dissemination of a notice of a Reportable Event as set forth in Section 5.

“*Rule*” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“*State*” means the State of Utah.

“*Undertaking*” means the obligations of the Issuer pursuant to Sections 4 and 5.

Section 3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Bonds maturing in each of the following years are as follows:

JUNE 15 OF THE YEAR	CUSIP NUMBER	JUNE 15 OF THE YEAR	CUSIP NUMBER
2020	480772 RW4	2029	480772 SF0
2021	480772 RX2	2030	480772 SG8
2022	480772 RY0	2031	480772 SH6
2023	480772 RZ7	2032	480772 SJ2
2024	480772 SA1	2033	480772 SK9
2025	480772 SB9	2034	480772 SL7
2026	480772 SC7	2035	480772 SM5
2027	480772 SD5	2036	480772 SN3
2028	480772 SE3	2037	480772 SP8

The Final Official Statement relating to the Bonds is dated February 7, 2019 (the “*Final Official Statement*”). The Issuer will include the CUSIP Number in all disclosure described in Sections 4 and 5 of this Agreement.

Section 4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Issuer will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

Section 5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Indenture.

Section 6. CONSEQUENCES OF FAILURE OF THE ISSUER TO PROVIDE INFORMATION. The Issuer shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the Issuer to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. The beneficial owners of 25% or more in principal amount of the Bonds outstanding may challenge the adequacy of the information provided under this Agreement and seek specific performance by court order to cause the Issuer to provide the information as required by this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

Section 7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the Issuer by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted; or

(ii) this Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) the amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined either by parties unaffiliated with the Issuer or any other obligated person (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Issuer shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

Section 8. TERMINATION OF UNDERTAKING. The Undertaking of the Issuer shall be terminated hereunder if the Issuer shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Resolution. The Issuer shall give notice to EMMA in a timely manner if this Section is applicable.

Section 9. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 10. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event. If the Issuer is changed, the Issuer shall disseminate such information to EMMA.

Section 11. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

Section 12. RECORDKEEPING. The Issuer shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 13. ASSIGNMENT. The Issuer shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the Issuer under this Agreement or to execute an Undertaking under the Rule.

Section 14. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

(Signature page follows.)

DATED as of the day and year first above written.

BOARD OF EDUCATION OF
JORDAN SCHOOL DISTRICT, UTAH

By _____
President

[SEAL]

Address: 7387 South Campus View Drive
West Jordan, Utah 84084

ATTEST AND COUNTERSIGN:

By _____
Business Administrator

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“*Annual Financial Information*” means financial information and operating data of the type contained in the Official Statement under the following captions:

DEBT STRUCTURE OF JORDAN SCHOOL DISTRICT, UTAH

- Outstanding General Obligation Bonded Indebtedness.....
- Other Financial Considerations; Local Building Authority Of Jordan School District, Utah
- Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year
- Overlapping and Underlying General Obligation Debt.....
- Debt Ratios.....

FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH

- Financial Summaries
- Historical Tax Rates Of The District.....
- Taxable, Fair Market And Market Value Of Property Within The District
- Historical Summaries Of Taxable Values Of Property Within The District
- Tax Collection Record.....
- Some Of The Largest Taxpayers

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The Issuer shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 200 days after the last day of the Issuer’s fiscal year, commencing with the fiscal year ending June 30, 2019. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared pursuant to generally accepted accounting principles applicable to governmental units in general and Utah school districts in particular. Audited Financial Statements will be submitted to EMMA within 30 days after availability to Issuer.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the Issuer will disseminate a notice of such change as required by Section 4.

EXHIBIT II

EVENTS WITH RESPECT TO THE BONDS FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer*
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

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APPENDIX D

BOOK-ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com>.

Purchases of 2019B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2019B Bonds on DTC's records. The ownership interest of each actual purchaser of each 2019B Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2019B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2019B Bonds, except if use of the book-entry system for the 2019B Bonds is discontinued.

To facilitate subsequent transfers, all 2019B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2019B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2019B Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2019B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2019B Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2019B Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2019B Bond documents. For example, Beneficial Owners of 2019B Bonds may wish to ascertain that the nominee holding the 2019B Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial

Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all the 2019B Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2019B Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2019B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2019B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Board or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2019B Bonds at any time by giving reasonable notice to the Board or the Paying Agent. Under such circumstances, if a successor depository is not obtained, 2019B Bond certificates are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2019B Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

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