
OFFICIAL NOTICE OF BOND SALE

And

PRELIMINARY OFFICIAL STATEMENT

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

\$36,050,000*

**General Obligation School Building Bonds
(Utah School Bond Guaranty Program), Series 2017**

Electronic bids will be received up to 9:30:00 A.M., M.S.T., via the *PARITY*[®] electronic bid submission system, on Thursday, February 9, 2017.

* Preliminary; subject to change.

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**OFFICIAL NOTICE OF BOND SALE
(Bond Sale to Be Conducted Electronically)**

\$36,050,000*

**GENERAL OBLIGATION SCHOOL BUILDING BONDS
(UTAH SCHOOL BOND GUARANTY PROGRAM), SERIES 2017
OF THE
BOARD OF EDUCATION OF JORDAN SCHOOL DISTRICT, UTAH**

Bids will be received electronically (as described under “PROCEDURES REGARDING ELECTRONIC BIDDING” below) by the Business Administrator of the Board of Education (the “*Board*”) of Jordan School District, Utah (the “*District*”), via the PARITY® electronic bid submission system (“*PARITY®*”), at 9:30:00 a.m., Mountain Standard Time, on Thursday, February 9, 2017, for the purchase (all or none) of \$36,050,000* aggregate principal amount of the Board’s General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017 (the “*2017 Bonds*”). Pursuant to a resolution of the Board adopted on December 13, 2016 the Board has authorized the Business Administrator (or, in the event of his absence or incapacity, the Superintendent of the Board, or in the event of her absence or incapacity, the President of the Board), as the designated officer of the Board (the “*Designated Officer*”), to review and consider the bids on Thursday, February 9, 2017.

DESCRIPTION OF 2017 BONDS: The 2017 Bonds will be dated as of the date of issuance and delivery¹ thereof, will be issuable only as fully-registered bonds in book-entry form, will be issued in denominations of \$5,000 or any whole multiple thereof, not exceeding the amount of each maturity, and will mature on June 15 of each of the years and in the principal amounts as follows:

YEAR	PRINCIPAL AMOUNT*	YEAR	PRINCIPAL AMOUNT*
2021	\$1,525,000	2030	\$2,225,000
2022	1,575,000	2031	2,300,000
2023	1,625,000	2032	2,375,000
2024	1,675,000	2033	2,450,000
2025	1,750,000	2034	2,525,000
2026	1,850,000	2035	2,600,000
2027	1,925,000	2036	2,700,000
2028	2,025,000	2037	2,800,000
2029	2,125,000		

TERM BONDS AND MANDATORY SINKING FUND REDEMPTION AT BIDDER’S OPTION: The 2017 Bonds scheduled to mature on two or more of the maturity dates may be rescheduled, at bidder’s option, to mature as term bonds on one or more dates within that period, in which event such 2017 Bonds will mature and be subject to mandatory sinking fund redemption in such amounts and on such dates as will correspond to the above-designated maturity dates and principal amounts maturing on those dates.

ADJUSTMENT OF PRINCIPAL AMOUNT OF THE 2017 BONDS: The Board may adjust the aggregate principal amount of the 2017 Bonds maturing in any year as described in this paragraph. The adjustment of

¹ The anticipated date of delivery of the 2017 Bonds is Tuesday, February 21, 2017.
* Preliminary; subject to change. See caption “ADJUSTMENT OF PRINCIPAL AMOUNT OF THE 2017 BONDS” in this Official Notice of Bond Sale.

maturities may be made in such amounts as are necessary to properly size the issue so that proceeds available to the Board will be approximately \$39,000,000. Any such adjustment will be in an amount of \$5,000 or a whole multiple thereof. The dollar amount of the price bid by the successful bidder may be changed as described below, but the interest rates specified by the successful bidder for all maturities will not change. A successful bidder may not withdraw its bid as a result of any changes made within these limits, and the Board will consider the bid as having been made for the adjusted amount of the 2017 Bonds. The dollar amount of the price bid will be changed so that the percentage net compensation to the successful bidder (i.e., the percentage resulting from dividing (a) the aggregate difference between the offering price of the 2017 Bonds to the public and the price to be paid to the Board, by (b) the principal amount of the 2017 Bonds) does not increase or decrease from what it would have been if no adjustment was made to the principal amounts shown above. The Designated Officer expects to advise the successful bidder as soon as possible, but expects no later than 2:00 p.m., Mountain Standard Time, on the date of sale, of the amount, if any, by which the aggregate principal amount of the 2017 Bonds will be adjusted and the corresponding changes to the principal amount of 2017 Bonds maturing on one or more of the above-designated maturity dates for the 2017 Bonds.

To facilitate any adjustment in the principal amounts, the successful bidder is required to indicate by facsimile transmission to Zions Bank Public Finance, the Municipal Advisor (the "*Municipal Advisor*") to the Board, at fax number 801.844.4484 within one-half hour of the time the Municipal Advisor notifies the successful bidder that such bidder's bid appears to be the best bid received (as described under the caption "NOTIFICATION" below), the amount of any original issue discount or premium on each maturity of the 2017 Bonds and the amount received from the sale of the 2017 Bonds to the public that will be retained by the successful bidder as its compensation.

RATINGS: The Board will, at its own expense, pay fees of Fitch Ratings and Moody's Investors Service, Inc. for rating the 2017 Bonds. *Any additional ratings shall be at the option and expense of the bidder.*

PURCHASE PRICE: The purchase price bid for the 2017 Bonds shall not be less than the principal amount of the 2017 Bonds (\$36,050,000).

INTEREST RATES: Bidders must specify the rate of interest with respect to each maturity of 2017 Bonds. Bidders will be permitted to bid different rates of interest for each separate maturity of 2017 Bonds, but:

- (a) the highest interest rate bid for any of the 2017 Bonds shall not exceed five percent (5.00%) per annum;
- (b) each interest rate specified in any bid must be in a multiple of one-eighth or one-twentieth of one percent ($1/8^{\text{th}}$ or $1/20^{\text{th}}$ of 1%) per annum;
- (c) no 2017 Bond shall bear more than one rate of interest;
- (d) interest shall be computed from the dated date of a 2017 Bond to its stated maturity date at the single interest rate specified in the bid for the 2017 Bonds of such maturity;
- (e) the same interest rate shall apply to all 2017 Bonds maturing at one time;
- (f) the purchase price must be paid in immediately available funds and no bid will be accepted that contemplates the cancellation of any interest or the waiver of interest or other concession by the bidder as a substitute for immediately available funds;

- (g) any premium must be paid in the funds specified for the payment of the 2017 Bonds as part of the purchase price;
- (h) there shall be no supplemental interest coupons;
- (i) a zero percent (0%) interest rate may not be used; and
- (j) interest shall be computed on the basis of a 360-day year of twelve 30-day months.

Interest will be payable semiannually on June 15 and December 15 of each year, commencing December 15, 2017.

BOND REGISTRAR AND PAYING AGENT; PLACE OF PAYMENT: Zions Bank, a division of ZB, National Association, Salt Lake City, Utah, will be the paying agent and bond registrar for the 2017 Bonds. The Board may remove any paying agent and any bond registrar, and any successor thereto, and appoint a successor or successors thereto. So long as the 2017 Bonds are outstanding in book-entry form, the principal of and interest on the 2017 Bonds will be paid under the standard procedures of The Depository Trust Company (“DTC”).

OPTIONAL REDEMPTION: The 2017 Bonds maturing on or after June 15, 2027, are subject to redemption prior to maturity in whole or in part at the option of the Board on December 15, 2026, 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 thirty (30) nor more than forty-five (45) days’ prior written notice, at a redemption price of one hundred percent (100%) of the principal amount of the 2017 Bonds to be redeemed, plus accrued interest thereon to the redemption date.

SECURITY; STATE OF UTAH GUARANTY: The 2017 Bonds will be full 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 of the taxable property in the District, fully sufficient to pay the same as to both principal and interest.

Pursuant to the Utah School Bond Guaranty Act, Title 53A, Chapter 28 of the Utah Code Annotated 1953, as amended, the full faith and credit and unlimited taxing power of the State of Utah will, upon original issuance of the 2017 Bonds, be pledged to guarantee full and timely payment of the principal of (at stated maturity) and interest on the 2017 Bonds as such payments become due.

AWARD: Award or rejection of bids will be made by the Board, acting through its Designated Officer, on Thursday, February 9, 2017. The 2017 Bonds will be awarded to the responsible bidder offering to pay not less than the principal amount of the 2017 Bonds and specifying a rate or rates of interest that result in the lowest effective interest rate to the Board. The effective interest rate to the Board shall be the interest rate per annum determined on a per annum true interest cost (“TIC”) basis by discounting the scheduled semiannual debt service payments of the Board on the 2017 Bonds (based on such rate or rates of interest so bid) to the dated date of the 2017 Bonds (based on a 360-day year consisting of 12, 30-day months), compounded semiannually and to the bid price.

PROMPT AWARD: The Designated Officer will take action awarding the 2017 Bonds or rejecting all bids not later than 6:00 p.m., Mountain Standard Time, on Thursday, February 9, 2017, unless such time of award is waived by the successful bidder.

NOTIFICATION: The Municipal Advisor, on behalf of the Board, will notify the apparent successful bidder (electronically via PARITY®) as soon as possible after the Designated Officer’s receipt of bids, that such bidder’s bid appears to be the best bid received which conforms to the requirements of this Official

Notice of Bond Sale, subject to verification by the Designated Officer not later than 6:00 p.m., Mountain Standard Time, on Thursday, February 9, 2017.

PROCEDURES REGARDING ELECTRONIC BIDDING: A prospective bidder must communicate its bid for the 2017 Bonds electronically via PARITY® on or before 9:30:00 a.m., Mountain Standard Time, on Thursday, February 9, 2017. No bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY® conflict with this Official Notice of Bond Sale, the terms of this Official Notice of Bond Sale shall control. For further information about PARITY®, potential bidders may contact the Municipal Advisor at One S Main St, 18th Fl, Salt Lake City, UT 84133, 801.844.7373 or i-Deal LLC at 1359 Broadway, 2nd Fl, New York, NY 10018, 212.849.5021.

For purposes of PARITY®, the time as maintained by PARITY® shall constitute the official time.

Each prospective bidder shall be solely responsible to register to bid via PARITY® as described above. Each qualified prospective bidder shall be solely responsible to make necessary arrangements to access PARITY® for purposes of submitting its bid in a timely manner and in compliance with the requirements of this Official Notice of Bond Sale. Neither the Board nor i-Deal LLC shall have any duty or obligation to undertake such registration to bid for any prospective bidder or to provide or assure such access to any qualified prospective bidder, and neither the Board nor i-Deal LLC shall be responsible for a bidder's failure to register to bid or for proper operation of, or have any liability for any delays or interruptions of, or any damages caused by, PARITY®. The Board is using PARITY® as a communication mechanism, and not as the Board's agent, to conduct the electronic bidding for the 2017 Bonds.

FORM OF BID: Each bidder is required to transmit electronically via PARITY® an unconditional bid specifying the lowest rate or rates of interest and the purchase price, which shall not be less than the principal amount of the 2017 Bonds, at which the bidder will purchase the 2017 Bonds. Each bid must be for all the 2017 Bonds herein offered for sale.

For information purposes only, bidders are requested to state in their bids the effective interest rate for the 2017 Bonds represented on a TIC basis, as described under "AWARD" above, represented by the rate or rates of interest and the bid price specified in their respective bids.

No bids will be accepted in written form, by facsimile transmission or in any other medium or on any system other than by means of PARITY®; *provided, however*, that in the event a prospective bidder cannot access PARITY® through no fault of its own, it may so notify the Municipal Advisor by telephone at 801.844.7373. Thereafter, it may submit its bid by telephone to the Municipal Advisor at 801.844.7373, who shall transcribe such bid into written form, or by facsimile transmission to the Municipal Advisor at 801.844.4484, in either case before 9:30:00 a.m., Mountain Standard Time, on Thursday, February 9, 2017. For purposes of bids submitted telephonically to the Municipal Advisor (as described above) or by facsimile transmission (as described above), the time as maintained by PARITY® shall constitute the official time. Each bid submitted as provided in this paragraph must specify: (a) an offer to purchase not less than all of the 2017 Bonds; and (b) the lowest rate of interest at which the bidder will purchase the 2017 Bonds at a price of not less than the principal amount of the 2017 Bonds, as described under "AWARD" above. The Municipal Advisor will seal transcribed telephonic bids and facsimile transmission bids for submission to an official of the Board. Neither the Board nor the Municipal Advisor assume any responsibility or liability from the failure of any such transcribed telephonic bid or facsimile transmission (whether such failure arises from equipment failure, unavailability of telephone lines or otherwise). No bid will be received after the time for receiving such bids specified above.

If requested by the Business Administrator, the apparent successful bidder will provide written confirmation of its bid (by facsimile transmission) to the Business Administrator prior to 2:00 p.m., Mountain Standard Time, on Thursday, February 9, 2017.

RIGHT OF CANCELLATION: The successful bidder shall have the right, at its option, to cancel its obligation to purchase the 2017 Bonds if the Board shall fail to execute the 2017 Bonds and tender the same for delivery within 60 days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$350,000 (the “*Deposit*”), is required only from the successful bidder. The Deposit shall be payable to the order of the Board in the form of a wire transfer in federal funds as instructed by the Municipal Advisor no later than 12:00 p.m., Mountain Standard Time, on the date of sale. As an alternative to wiring funds, a bidder may deliver a cashier’s or certified check, payable to the order of the Board, with its bid. If a check is used, it must precede each bid. Such check shall be promptly returned to its respective bidder whose bid is not accepted.

The Board shall, as security for the faithful performance by the successful bidder of its obligation to take up and pay for the 2017 Bonds when tendered, cash the Deposit check, if applicable, of the successful bidder and hold the proceeds of the Deposit of the successful bidder or invest the same (at the Board’s risk) in obligations that mature at or before the delivery of the 2017 Bonds as described under the caption “MANNER AND TIME OF DELIVERY” below, until disposed of as follows: (a) at such delivery of the 2017 Bonds and upon compliance with the successful bidder’s obligation to take up and pay for the 2017 Bonds, the full amount of the Deposit held by the Board, without adjustment for interest, shall be applied toward the purchase price of the 2017 Bonds at that time, and the full amount of any interest earnings thereon shall be retained by the Board; and (b) if the successful bidder fails to take up and pay for the 2017 Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the Board as liquidated damages.

SALE RESERVATIONS: The Board, acting through its Designated Officer, reserves the right: (a) to waive any irregularity or informality in any bid or in the electronic bidding process; (b) to reject any and all bids for the 2017 Bonds; and (c) to resell the 2017 Bonds as provided by law.

MANNER AND TIME OF DELIVERY: The successful bidder will be given at least seven business days’ advance notice of the proposed date of the delivery of the 2017 Bonds when that date has been determined. It is now estimated that the 2017 Bonds will be delivered in book–entry form on or about Tuesday, February 21, 2017. The 2017 Bonds will be delivered as a single bond certificate for each maturity of the 2017 Bonds, registered in the name of DTC or its nominee. Delivery of the 2017 Bonds will be made in Salt Lake City, Utah, except that the successful bidder may at its option and expense designate some other place of delivery, that expense to include travel expenses of two Board officials or two representatives of the Board and closing expenses. The successful bidder must also agree to pay for the 2017 Bonds in federal funds that will be immediately available to the Board in West Jordan, Utah, on the day of delivery.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the 2017 Bonds, but neither the failure to print such numbers on any 2017 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the successful bidder to accept delivery of and pay for the 2017 Bonds in accordance with terms of the contract of sale. All expenses in relation to the providing of CUSIP numbers for the 2017 Bonds shall be paid for by the Board.

TAX-EXEMPT STATUS: In the opinion of Chapman and Cutler LLP, Bond Counsel, subject to the Board’s compliance with certain covenants, under present law, interest on the 2017 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 and corporations under the Internal Revenue Code of 1986, as amended (the “Code”), but is taken into account, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Board covenants could cause interest on the 2017 Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2017 Bonds. Ownership of the 2017 Bonds may result in other federal tax consequences to certain taxpayers, and Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2017 Bonds.

It is further the opinion of Bond Counsel that under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2017 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 of Utah or any political subdivision thereof. Ownership of the 2017 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 2017 Bonds. Prospective purchasers of the 2017 Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

ISSUE PRICE: In order to enable the Board to comply with certain requirements of the Code, as amended, the successful bidder will be required to provide a certificate as to the “issue price” of the 2017 Bonds in substantially the form attached hereto as *Annex I*. Each bidder, by submitting its bid, agrees to complete, execute and deliver such certificate, in form and substance satisfactory to Bond Counsel, by the date of delivery of the 2017 Bonds, if its bid is accepted by the Board. It will be the responsibility of the successful bidder to institute such syndicate reporting requirements, to make such investigation or otherwise to ascertain the facts necessary to make such certification. Any questions regarding the certificate should be directed to Chapman and Cutler LLP, Bond Counsel, 215 S State Street, Ste 800, Salt Lake City, UT 84111, 801.536.1426, fax: 801.533.9595, bjjerke@chapman.com.

LEGAL OPINION AND CLOSING CERTIFICATES: The unqualified approving opinion of Chapman and Cutler LLP covering the legality of the 2017 Bonds will be furnished to the successful bidder. Closing certificates will also be furnished, dated as of the date of delivery of and payment for the 2017 Bonds, including a statement that there is no litigation pending or, to the knowledge of the signer thereof, threatened affecting the validity of the 2017 Bonds.

DISCLOSURE CERTIFICATE: The closing papers will include a certificate executed by the President, the Business Administrator or other officer of the District confirming to the successful bidder that, to the best of the knowledge of the signers thereof, and after reasonable investigation: (a) the Preliminary Official Statement (the “*Preliminary Official Statement*”) circulated with respect to the 2017 Bonds did not at the time of the acceptance of the bid contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (b) the final Official Statement (the “*Official Statement*”) did not as of its date and does not at the time of the delivery of the 2017 Bonds contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, should the Official Statement be supplemented or amended subsequent to the date thereof, the foregoing confirmation as to the Official Statement shall relate to the Official Statement as so supplemented or amended.

CONTINUING DISCLOSURE: The Board covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the “*Undertaking*”) to provide ongoing disclosure about the Board for the benefit of the beneficial owners of the 2017 Bonds on or before the date of delivery of the 2017 Bonds as required under paragraph (b)(5) of Rule 15c2-12 (the “*Rule*”) adopted by the Securities and

Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed upon in writing by the successful bidder. For more information regarding the Undertaking and the Board's compliance with prior undertakings, see "CONTINUING DISCLOSURE UNDERTAKING" in the Preliminary Official Statement.

The successful bidder's obligation to purchase the 2017 Bonds shall be conditioned upon the Board delivering the Undertaking on or before the date of delivery of the 2017 Bonds.

DELIVERY OF COPIES OF OFFICIAL STATEMENT: The Board shall deliver to the successful bidder on such business day as directed in writing by the successful bidder, which is not earlier than the second business day or later than the seventh business day after the award of the 2017 Bonds as described under the caption "AWARD" above, copies of the Official Statement in sufficient quantity, as directed in writing by the successful bidder, to comply with paragraph (b)(4) of the Rule and the Rules of the Municipal Securities Rulemaking Board.

After the original issuance and delivery of the 2017 Bonds, if any event relating to or affecting the Board shall occur as a result of which it is necessary in the opinion of counsel for the successful bidder to amend or supplement the Official Statement in order to make the Official Statement not misleading in the light of the circumstances existing at the time it is delivered to a prospective purchaser, the Board shall, for so long as the successful bidder is obligated by the Rule to deliver an Official Statement to prospective purchasers, forthwith prepare and furnish to the successful bidder such information with respect to itself as the successful bidder deems necessary to amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, in the light of the circumstances existing at the time the Official Statement is delivered to a prospective purchaser.

MUNICIPAL ADVISOR: The Board has entered into an agreement with the Municipal Advisor whereunder the Municipal Advisor provides financial recommendations and guidance to the Board with respect to preparation for sale of the 2017 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2017 Bonds.

WAIVER OF CONFLICTS: By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Board in the 2017 Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the Board in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel. If a bidder does not agree to such consent and waiver, such bidder should not submit a bid for the 2017 Bonds.

ADDITIONAL INFORMATION: For copies of this Official Notice of Bond Sale, the Preliminary Official Statement and information regarding the electronic bidding procedures and other related information, contact the Municipal Advisor, Zions Bank Public Finance, One South Main Street, 18th Floor, Salt Lake City, Utah 84133, 801.844.7376, fax: 801.844.4484, johnathan.ward@zionsbancorp.com, bruce.williams@zionsbancorp.com or eric.pehrson@zionsbancorp.com. The Preliminary Official Statement (including the Official Notice of Bond Sale) is also available at <http://www.idealprospectus.com/>, <http://www.fmhub.com> and <http://www.munios.com>.

DATED this 25th day of January, 2017.

BOARD OF EDUCATION OF JORDAN SCHOOL
DISTRICT, UTAH

By /s/ Janice L. Voorhies
President

[SEAL]

By /s/ John Larsen
Business Administrator

ANNEX 1

CERTIFICATE OF PURCHASER

[TO BE DATED THE CLOSING DATE]

I. General

1. On February 9, 2017 (the “*Sale Date*”), the Purchaser purchased the \$_____ aggregate principal amount of General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017 (the “*2017 Bonds*”) of the Board of Education of Jordan School District, Utah (the “*Issuer*”), by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Bond Sale” and having its bid accepted by the Issuer. The Purchaser has not modified the terms of the purchase since the Sale Date.

2. All of the 2017 Bonds have been offered in a bona fide initial offering to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) (the “*Public*”).

II. Price

1. With respect to each of the maturities of the 2017 Bonds:

A. All of the 2017 Bonds of each maturity were offered to the Public at the price for such maturity as shown on or corresponding to the yield on the cover page of the official statement, dated _____, 2017, and related to the 2017 Bonds (the “*Price*”).

B. Based upon our assessment of then prevailing market conditions, the Price for the 2017 Bonds of each maturity was not less than the fair market value to the Public of the 2017 Bonds of each maturity as of the Sale Date.

C. The first sale to the Public of an amount of 2017 Bonds of each maturity equal to ten percent or more of such maturity of the 2017 Bonds (the “*First Substantial Block*”) was at the Price.

D. No 2017 Bonds of any maturity were sold at a price higher than the Price before the First Substantial Block of 2017 Bonds of each maturity was sold to the Public at the Price.

E. As of the Sale Date, the Purchaser had no expectations that 2017 Bonds of each maturity would be sold at a price higher than the Price before the First Substantial Block of 2017 Bonds of such maturity would be sold to the Public at the Price.

All terms not defined herein shall have the same meanings as in the Tax Exemption Certificate and Agreement with respect to the 2017 Bonds, to which this Certificate is attached. Expectations as of the Sale Date are limited to expectations as of the time that the bond purchase agreement was executed by the Purchaser.

DATED as of the day and year first above written.

[PURCHASER]

By _____
Its _____

PRELIMINARY OFFICIAL STATEMENT

\$36,050,000*



Board of Education of Jordan School District, Utah

General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017

On Thursday, February 9, 2017 up to 9:30:00 A.M., M.S.T., electronic bids will be received by means of the **PARITY**[®] electronic bid submission system. See the “OFFICIAL NOTICE OF BOND SALE—Procedures Regarding Electronic Bidding.”

The 2017 Bonds, as defined herein, will be awarded to the successful bidder(s) and issued pursuant to a resolution of the Board of Education of Jordan School District, Utah (the “Board”), previously adopted on December 13, 2016.

The Board has deemed this PRELIMINARY OFFICIAL STATEMENT final as of the date hereof, for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion with certain information to be established at the time of sale of the 2017 Bonds as permitted by the Rule.

For copies of the OFFICIAL NOTICE OF BOND SALE, the PRELIMINARY OFFICIAL STATEMENT, and other related information with respect to the 2017 Bonds contact the Municipal Advisor:



Zions Bank Building
One S Main St 18th Fl
Salt Lake City UT 84133-1109
801.844.7373 | f 801.844.4484
eric.pehrson@zionsbancorp.com

This PRELIMINARY OFFICIAL STATEMENT is dated January 25, 2017, and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

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PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 25, 2017

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 2017 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 and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2017 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See "TAX MATTERS—Federal" and "—State" herein for a more complete discussion.

\$36,050,000*



Board of Education of Jordan School District, Utah

General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017

The \$36,050,000* General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017 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 2017 Bonds.

Principal of and interest on the 2017 Bonds (interest payable June 15 and December 15 of each year, commencing December 15, 2017) are payable by Zions Bank, a division of ZB, National Association, Corporate Trust Department, Salt Lake City, Utah, as Paying Agent, to the registered owners thereof, initially DTC. See "THE 2017 BONDS—Book-Entry System" herein.

The 2017 Bonds are subject to optional redemption prior to maturity and may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See "THE 2017 BONDS—Redemption Provisions" and "—Mandatory Sinking Fund Redemption At Bidder's Option" herein.

The 2017 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 of the taxable property in Jordan School District, Utah, fully sufficient to pay the 2017 Bonds as to both principal and interest.

Payment of the principal of and interest on the 2017 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 Bond Guaranty Act. 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 2017 Bonds.

The 2017 Bonds will be awarded pursuant to competitive bidding received by means of the *PARITY*[®] electronic bid submission system on Thursday, February 9, 2017 as set forth in the **OFFICIAL NOTICE OF BOND SALE** (dated January 25, 2017).

Zions Public Finance, Inc., Salt Lake City, Utah, is acting 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 __, 2017, and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

¹ The anticipated date of delivery is Tuesday, February 21, 2017.

This PRELIMINARY OFFICIAL STATEMENT and the information contained herein are subject to completion, amendment or other change without any notice. Under no circumstances shall this PRELIMINARY OFFICIAL STATEMENT constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Jordan School District, Utah

\$36,050,000*

General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017

Dated: Date of Delivery¹

Due: June 15, as shown below

<u>Due June 15</u>	<u>CUSIP® 480772</u>	<u>Principal Amount*</u>	<u>Interest Rate</u>	<u>Yield/ Price</u>
2021.....		\$1,525,000		
2022.....		1,575,000		
2023.....		1,625,000		
2024.....		1,675,000		
2025.....		1,750,000		
2026.....		1,850,000		
2027.....		1,925,000		
2028.....		2,025,000		
2029.....		2,125,000		
2030.....		2,225,000		
2031.....		2,300,000		
2032.....		2,375,000		
2033.....		2,450,000		
2034.....		2,525,000		
2035.....		2,600,000		
2036.....		2,700,000		
2037.....		2,800,000		

\$ _____ % Term Bond due June 15, 20__ — Price of _____ %
(CUSIP® 480772 __)

* Preliminary; subject to change.

¹ The anticipated date of delivery is Tuesday, February 21, 2017.

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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 2017 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 Bank, a division of ZB, 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 2017 Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the Board, since the date hereof.

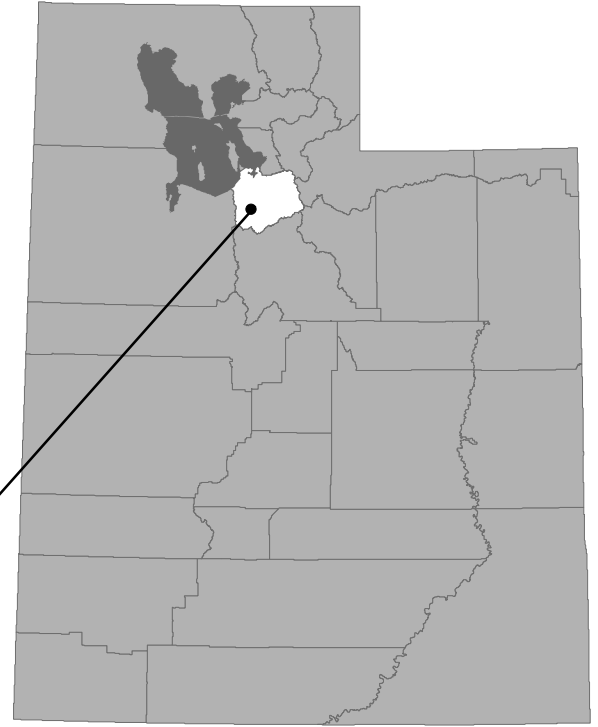
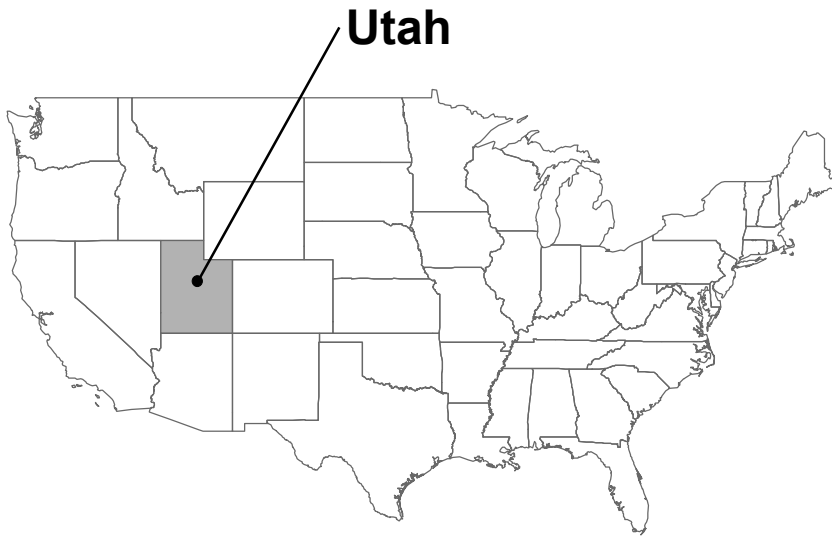
The 2017 Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

The yields/prices at which the 2017 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 2017 Bonds to dealers and others. In connection with the offering of the 2017 Bonds, the successful bidder(s) may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2017 Bonds. Such transactions may include overallocments in connection with the purchase of 2017 Bonds, the purchase of 2017 Bonds to stabilize their market price and the purchase of 2017 Bonds to cover the successful bidder’s(s’) short positions. Such transactions, if commenced, may be discontinued at any time.

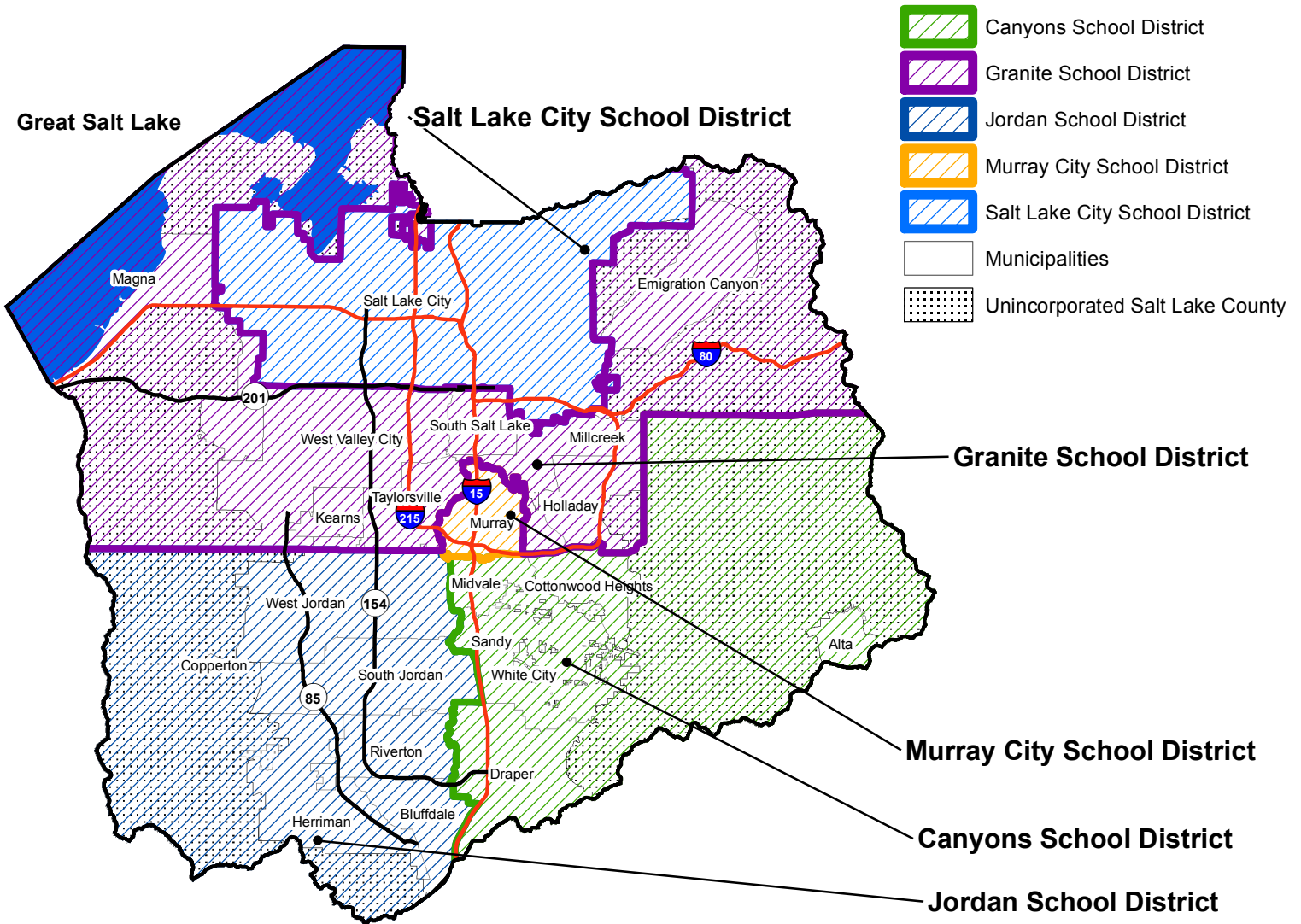
Forward–Looking Statements. Certain statements included or incorporated by reference in this OFFICIAL STATEMENT may constitute “forward–looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act 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 2017 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the 2017 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 in connection with the offering of the 2017 Bonds and is not a part of this OFFICIAL STATEMENT.



Salt Lake County School Districts



OFFICIAL STATEMENT RELATED TO

\$36,050,000*

Board of Education of Jordan School District, Utah

General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017

INTRODUCTION

This introduction is only a brief description of the 2017 Bonds, as hereinafter defined, the security and source of payment for the 2017 Bonds and certain information regarding the Board of Education (the “Board”) of Jordan School District, Utah (the “District” or “Jordan”). 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 2016;” “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 beginning on July 1 and ending on June 30 of the year indicated. When used herein the terms “Calendar Year[s] 20YY”; “Calendar Year[s] End[ed][ing] December 31, 20YY”; or “Tax Year 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 2017 Bonds will be awarded pursuant to competitive bidding received by means of the **PARITY**[®] electronic bid submission system on Thursday, February 9, 2017 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated January 25, 2017).

See the “OFFICIAL NOTICE OF BOND SALE” above.

The 2017 Bonds may be offered and sold to certain dealers (including dealers depositing the 2017 Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the inside cover page of the OFFICIAL STATEMENT and such public offering prices may be changed from time to time.

* Preliminary; subject to change.

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 southeastern portion of the County now constitute the boundaries of the District. See location map above. See “JORDAN SCHOOL DISTRICT, UTAH” below.

The 2017 Bonds

This OFFICIAL STATEMENT, including the cover page, introduction and appendices, provides information in connection with the issuance and sale by the Board of its \$36,050,000* General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017 (the “2017 Bond” or “2017 Bonds”), initially issued in book–entry form only.

Security

The 2017 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 of the taxable property in the District, fully sufficient to pay the 2017 Bonds as to both principal and interest. See “THE 2017 BONDS—Security And Sources Of Payment” and “FINANCIAL INFORMATION REGARDING JORDAN SCHOOL DISTRICT, UTAH—Tax Levy And Collection” below.

Payment of the principal of and interest on the 2017 Bonds when due is guaranteed by the full faith and credit and unlimited taxing power of the State under the provisions of the Utah School Bond Guaranty Act, Title 53A, Chapter 28 (the “Guaranty Act”), Utah Code Annotated 1953, as amended (the “Utah Code”). See “STATE OF UTAH GUARANTY” below.

Authorization For And Purpose Of The 2017 Bonds

Authorization. The 2017 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 53A of the Utah Code, (ii) the resolution of the Board adopted on December 13, 2016 (the “Resolution”), which provides for the issuance of the 2017 Bonds, and (iii) other applicable provisions of law.

The 2016 Bond Election. The 2017 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.

* Preliminary; subject to change.

The 2017 Bonds will be the first block of bonds to be issued from the 2016 Bond Election. After the sale and delivery of the 2017 Bonds, the Board will have approximately \$206,150,000 authorized unissued bonds from the 2016 Bond Election.

Purpose. The 2017 Bonds are being issued to fund various equipment, acquisition and construction projects as set forth in the 2016 Bond Election proposition and to pay certain costs of issuance. See “THE 2017 BONDS—Sources And Uses Of Funds” below.

Redemption Provisions

The 2017 Bonds are subject to optional redemption prior to maturity and may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See “THE 2017 BONDS—Redemption Provisions” and “—Mandatory Sinking Fund Redemption At Bidder’s Option” below.

Registration, Denominations, Manner Of Payment

The 2017 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 2017 Bonds. Purchases of 2017 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 2017 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 2017 Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined under “APPENDIX D—BOOK-ENTRY SYSTEM.”

Principal of and interest on the 2017 Bonds (interest payable June 15 and December 15 of each year, commencing December 15, 2017) are payable by Zions Bank, a division of ZB, National Association, Corporate Trust Department, Salt Lake City, Utah (“Zions Bank”), as paying agent (the “Paying Agent”) for the 2017 Bonds, to the registered owners of the 2017 Bonds. So long as Cede & Co. is the registered owner of the 2017 Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2017 Bonds, as described in “APPENDIX D—BOOK-ENTRY SYSTEM.”

So long as DTC or its nominee is the registered owner of the 2017 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 2017 Bonds. Under these same circumstances, references herein and in the Resolution to the “Bondowners” or “Registered Owners” of the 2017 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2017 Bonds.

Tax Exemption

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 2017 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 and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In the opinion of Bond Counsel, under the existing laws of the State, as presently enacted and construed, interest on the 2017 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 2017 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 Bank a division of ZB National Association
Zions Bank Building
Corporate Trust Department
One S Main St 12th Fl
Salt Lake City UT 84133
801.844.7253 | f 855.547.5428
dawn.richards@zionsbank.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@zionsbankcorp.com

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

The 2017 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 2017 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 2017 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 Tuesday, February 21, 2017.

Continuing Disclosure Undertaking

The Board will enter into a continuing disclosure undertaking for the benefit of the Beneficial Owners of the 2017 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 2017 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 2017 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 2017 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 (the “Municipal Advisor”):

Johnathan Ward, Vice President, johnathan.ward@zionsbancorp.com
Bruce Williams, Vice President, bruce.williams@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 2017 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 2017 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
<http://www.treasurer.utah.gov>

CONTINUING DISCLOSURE UNDERTAKING

Continuing Disclosure Undertaking For 2017 Bonds

The Board will enter into a Continuing Disclosure Undertaking (the “Disclosure Undertaking”) for the benefit of the Beneficial Owners of the 2017 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 2017 CAFR and other required operating and financial information for the 2017 Bonds on or before January 16, 2018, 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 2017 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 2017 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2017 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 2017 Bonds, guaranteed by the State pursuant to the Guaranty Act. See “STATE OF UTAH GUARANTY” below. In the Master Agreement, the State has undertaken to send certain information annually and to provide notice of certain events to 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” below. The State has complied in all material respects with the Master Agreement previously entered into by it pursuant to the Rule. 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 2016 CAFR and other operating and financial information on or before January 15, 2017 (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 2017 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 into a continuing disclosure undertaking for the 2014 Bonds (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 comprehensive 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 14, 2016 (from January 16, 2015 (698 days late) and from January 16, 2016 (333 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.

STATE OF UTAH GUARANTY

Guaranty Provisions

Payment of the principal of and interest on the 2017 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 “Utah School Bond Guaranty Program”). The State’s guaranty is contained in Section 53A–28–201(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 2017 Bonds to the Paying Agent at least 15 days before any principal or interest payment date for the 2017 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 2017 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 2017 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 or interest on the 2017 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)	39
Number of bond issues.....	318
Aggregate total principal amount outstanding within the State’s Fiscal Year 2017	\$2,975,439,000

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 2017 through 2022, inclusive, is as follows (currently, the Program’s annual principal and interest payments extend to Fiscal Year 2036):

Fiscal Year 2017	\$353,056,520
Fiscal Year 2018	332,064,598
Fiscal Year 2019	319,493,837
Fiscal Year 2020	300,409,387
Fiscal Year 2021	294,757,786
Fiscal Year 2022	265,357,369

(Source: Zions Public Finance, Inc.)

Purpose Of The Guaranty

The Guaranty Act is for the protection of the bondholders. Ultimate liability for the payment of the 2017 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 2017 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

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 2016 (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 or approved and 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”).

THE 2017 BONDS

General

The 2017 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 2017 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 2017 Bonds is payable semiannually on each June 15 and December 15, commencing December 15, 2017. Interest on the 2017 Bonds will be computed on the basis of 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 2017 Bonds under the Resolution.

The 2017 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 2017 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.

Sources And Uses Of Funds

The proceeds from the sale of the 2017 Bonds are estimated to be applied as set forth below:

Sources:

Par amount of 2017 Bonds.....	\$
Original issue premium.....	_____
Total	\$

Uses:

Deposit to Construction Account.....	\$
Successful bidder’s discount.....	
Original issue discount.....	
Costs of Issuance (1).....	_____
Total	\$

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

[‡] The anticipated date of delivery is Tuesday, February 21, 2017.

Security And Sources Of Payment

The 2017 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 of the taxable property in the District, fully sufficient to pay the 2017 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 2017 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” above.

Redemption Provisions

Optional Redemption. The 2017 Bonds maturing on or after June 15, 2027, are subject to redemption prior to maturity in whole or in part at the option of the Board on December 15, 2026, 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 2017 Bonds to be redeemed, plus accrued interest thereon to the redemption date.

Selection for Redemption. If less than all 2017 Bonds of any maturity are to be redeemed, the particular 2017 Bonds or portion of 2017 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 2017 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 2017 Bonds for redemption, the Bond Registrar will treat each such 2017 Bond as representing that number of 2017 Bonds of \$5,000 denomination that is obtained by dividing the principal amount of such 2017 Bond by \$5,000.

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 2017 BONDS—Registration And Transfer; Record Date” below, of each 2017 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 principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the 2017 Bonds are to be redeemed, the distinctive numbers of the 2017 Bonds or portions of 2017 Bonds to be redeemed, and will also state that the interest on the 2017 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 2017 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 2017 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 2017 Bonds. In the event that 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 manner in which 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 or not the Bondowner receives such notice. Failure to give such notice or any

defect therein with respect to any 2017 Bond will not affect the validity of the proceedings for redemption with respect to any other 2017 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 2017 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 2017 Bonds. See “THE 2017 BONDS—Book–Entry System” below.

Mandatory Sinking Fund Redemption At Bidder’s Option

The 2017 Bonds may be subject to mandatory sinking fund redemption at the option of the successful bidder(s). See “OFFICIAL NOTICE OF BOND SALE—Term Bonds and Mandatory Sinking Fund Redemption at Bidder’s Option.”

Registration And Transfer; Record Date

Registration and Transfer. In the event the book–entry system is discontinued, any 2017 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 2017 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 2017 Bond is surrendered for transfer, the Bond Registrar will authenticate and deliver a new fully–registered 2017 Bond or 2017 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 2017 Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully–registered 2017 Bonds of the same series, designation, maturity and interest rate of other authorized denominations.

For every such exchange or transfer of the 2017 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 2017 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 2017 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 2017 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 2017 Bonds. The 2017 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 2017 Bond certificate will be issued for each maturity of the 2017 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 2017 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 2017 Bonds will be payable at the principal office of the Paying Agent.

Debt Service On The 2017 Bonds

<u>Payment Date</u>	<u>The 2017 Bonds</u>		<u>Period Total</u>	<u>Fiscal Total</u>
	<u>Principal*</u>	<u>Interest</u>		
December 15, 2017.....	\$ 0.00	\$	\$	
June 15, 2018.....	0.00			
December 15, 2018.....	0.00			
June 15, 2019.....	0.00			
December 15, 2019.....	0.00			
June 15, 2020.....	0.00			
December 15, 2020.....	0.00			
June 15, 2021.....	1,525,000.00			
December 15, 2021.....	0.00			
June 15, 2022.....	1,575,000.00			
December 15, 2022.....	0.00			
June 15, 2023.....	1,625,000.00			
December 15, 2023.....	0.00			
June 15, 2024.....	1,675,000.00			
December 15, 2024.....	0.00			
June 15, 2025.....	1,750,000.00			
December 15, 2025.....	0.00			
June 15, 2026.....	1,850,000.00			
December 15, 2026.....	0.00			
June 15, 2027.....	1,925,000.00			
December 15, 2027.....	0.00			
June 15, 2028.....	2,025,000.00			
December 15, 2028.....	0.00			
June 15, 2029.....	2,125,000.00			
December 15, 2029.....	0.00			
June 15, 2030.....	2,225,000.00			
December 15, 2030.....	0.00			
June 15, 2031.....	2,300,000.00			
December 15, 2031.....	0.00			
June 15, 2032.....	2,375,000.00			
December 15, 2032.....	0.00			
June 15, 2033.....	2,420,000.00			
December 15, 2033.....	0.00			
June 15, 2034.....	2,525,000.00			
December 15, 2034.....	0.00			
June 15, 2035.....	2,600,000.00			
December 15, 2035.....	0.00			
June 15, 2036.....	2,700,000.00			
December 15, 2036.....	0.00			
June 15, 2037.....	<u>2,800,000.00</u>			
Totals.....	<u>\$36,050,000.00</u>	\$	\$	

* Preliminary; subject to change.

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 2015 population estimate from the U.S. Census Bureau of incorporated cities within the District, population is estimated at 262,260 people. See “Population” below.

The Board’s main administration building is located in West Jordan, Utah and the Board maintains a Web site at <http://www.jordandistrict.org>. *The information available at this Web site is provided by the Board in the course of its normal operations and has not been reviewed for accuracy or completeness. Such information is not a part of this Official Statement.*

The District presently operates 59 schools/buildings (consisting of 34 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 2016—Statistical Section—Capital Asset Information Last Ten Fiscal Years June 30, 2007 through June 30, 2016” (CAFR page 117).

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>
2016	52,509	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 (1).....	48,411	(40.2)
2008	81,017	1.0
2007	80,187	1.9

(1) Creation of Canyons in Fiscal Year 2010

(Source: The District.)

Charter Schools. The District has 18 operating charter schools located within the boundaries of the District. The Utah State Board of Education has authorized two additional charter schools that could be built within the boundaries of the District. October 1 enrollment within these 18 charter schools is 11,506 students. Students who attend charters schools in the District may live outside the boundaries of the District. 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.

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 2016—Statistical Section—Student Enrollment Statistics” (CAFR page 113).

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 District’s 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.....	Janice L. Voorhies	4	January 2021
Vice President	Matthew Young, CPA	2	January 2019
Secretary/Member.....	Jen Atwood	2	January 2019
Member	Bryce Dunford	1	January 2021
Member (1)	Susan Pulsipher	6	January 2019
Member	Marilyn Richards	1	January 2021
Member	Darrell Robinson	1	January 2021
Superintendent	Dr. Patrice Johnson	5	Appointed/July 2017
Business Administrator	John Larsen, CPA	2	Appointed/Jan. 2017

(1) Ms. Pulsipher was elected to the Utah State Legislature in November 2016 and resigned her position as a Board Member effective January 30, 2017. A new Board Member will be appointed in the near future.

Employee Workforce And Retirement System; Post–Employment Benefits

Employee Workforce and Retirement System. As of Fiscal Year 2016 the District employed approximately 4,123 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 2016–Notes to Basic Financial Statements–Note 9. Retirement Plans” (CAFR page 44).

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 of time 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 was 116 in the month of January 2016.

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 2016 balance of \$52,528,487 (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 2016–Notes to Basic Financial Statements–Note 10. District Retirement Plans” (CAFR page 48).

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 2016, the Administrative Services Risk Management Fund contained approximately \$48.1 million in reserve available to pay for claims incurred. In the opinion of the State’s Risk Manager, the available balance will be adequate to cover claims through Fiscal Year 2016.

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 2016–Notes to Basic Financial Statements–Note. 11. Risk Management” (CAFR page 49).

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 of 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 2016—Notes to Basic Financial Statements—Note 2. Deposits and Investments” (CAFR page 38).

Investment of 2017 Bond Proceeds. The proceeds of the 2017 Bonds will be held by the Board and invested so as to be readily available. The 2017 Bond proceeds may also be invested in the PTIF or other investments authorized under the Money Management Act.

Population

Based on the 2015 population estimate from the U.S. Census Bureau of incorporated cities within the District, population is estimated at 262,260 people (however, a specific population report on school districts from the 2015 U.S. Census Bureau lists the population of the District at 236,559). *The District believes that the estimates of incorporated cities within the District more accurately reflects the population within the District and uses that number as its population estimate instead of the lower estimate from the report for school districts.*

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>
2015 Estimate.....	1,107,314	7.5%	2,995,919	8.4%
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

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

(The remainder of this page has been intentionally left blank.)

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				
	2015	2014	2013	2012	2011	2010	2014-15	2013-14	2012-13	2011-12	2010-11
Civilian labor force.....	587,026	577,159	571,160	557,101	546,644	548,378	1.7	1.1	2.5	1.9	(0.3)
Employed persons.....	567,497	555,908	546,034	527,698	510,425	506,309	2.1	1.8	3.5	3.4	0.8
Unemployed persons.....	19,529	21,251	25,126	29,403	36,219	42,069	(8.1)	(15.4)	(14.5)	(18.8)	(13.9)
Total private sector (average).....	565,635	540,662	528,937	511,092	491,778	481,542	4.6	2.2	3.5	3.9	2.1
Agriculture, forestry, fishing and hunting.....	192	179	194	213	217	234	7.3	(7.7)	(8.9)	(1.8)	(7.3)
Mining.....	2,696	2,948	3,399	3,652	3,220	2,628	(8.5)	(13.3)	(6.9)	13.4	22.5
Utilities.....	1,532	1,483	1,460	1,532	1,540	1,581	3.3	1.6	(4.7)	(0.5)	(2.6)
Construction.....	33,452	31,621	30,606	30,535	29,493	29,724	5.8	3.3	0.2	3.5	(0.8)
Manufacturing.....	53,357	52,468	52,562	52,503	51,174	50,231	1.7	(0.2)	0.1	2.6	1.9
Wholesale trade.....	31,414	30,538	30,758	31,161	29,969	28,421	2.9	(0.7)	(1.3)	4.0	5.4
Retail trade.....	69,427	67,280	66,412	64,161	60,869	61,538	3.2	1.3	3.5	5.4	(1.1)
Transportation and warehousing.....	30,334	28,319	27,984	27,125	26,018	24,916	7.1	1.2	3.2	4.3	4.4
Information.....	17,959	18,154	17,937	17,468	16,248	16,296	(1.1)	1.2	2.7	7.5	(0.3)
Finance and insurance.....	43,228	40,888	39,525	37,556	37,118	36,498	5.7	3.4	5.2	1.2	1.7
Real estate, rental and leasing.....	9,840	9,609	9,294	9,168	9,010	8,808	2.4	3.4	1.4	1.8	2.3
Professional, scientific, and technical services.....	49,355	46,708	43,994	40,654	38,043	36,898	5.7	6.2	8.2	6.9	3.1
Management of companies and enterprises.....	16,622	16,559	16,319	16,109	15,664	15,335	0.4	1.5	1.3	2.8	2.1
Admin., support, waste mgmt., remediation.....	50,397	48,327	46,489	43,552	41,782	39,019	4.3	4.0	6.7	4.2	7.1
Education services.....	13,016	12,215	11,697	10,769	10,244	9,620	6.6	4.4	8.6	5.1	6.5
Health care and social assistance.....	62,061	59,778	59,266	57,259	56,171	55,612	3.8	0.9	3.5	1.9	1.0
Arts, entertainment and recreation.....	7,751	7,430	7,098	6,892	6,492	6,638	4.3	4.7	3.0	6.2	(2.2)
Accommodation and food services.....	47,803	46,218	44,774	42,550	40,787	39,970	3.4	3.2	5.2	4.3	2.0
Other services.....	20,758	20,066	19,338	18,535	17,893	17,766	3.4	3.8	4.3	3.6	0.7
Unclassified establishments.....	105	56	26	19	46	49	87.5	115.4	36.8	(58.7)	(6.1)
Total public sector (average).....	100,193	98,849	95,372	92,821	91,232	89,717	1.4	3.6	2.7	1.7	1.7
Federal.....	11,115	10,374	10,210	10,265	10,665	10,963	7.1	1.6	(0.5)	(3.8)	(2.7)
State.....	45,306	44,389	41,904	39,663	38,338	37,619	2.1	5.9	5.7	3.5	1.9
Local.....	43,771	44,086	43,259	42,907	42,229	41,135	(0.7)	1.9	0.8	1.6	2.7
Total payroll (in millions).....	\$ 32,692	\$ 30,472	\$ 28,858	\$ 27,728	\$ 25,917	\$ 24,829	7.3	5.6	4.1	7.0	4.4
Average monthly wage.....	\$ 4,120	\$ 3,971	\$ 3,852	\$ 3,826	\$ 3,705	\$ 3,622	3.8	3.1	0.7	3.3	2.3
Average employment.....	661,297	639,511	624,309	603,913	583,010	571,259	3.4	2.4	3.4	3.6	2.1
Establishments.....	41,519	40,022	38,702	36,826	35,890	35,625	3.7	3.4	5.1	2.6	0.7

(1) 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				
	2015	2014	2013	2012	2011	2010	2014–15	2013–14	2012–13	2011–12	2010–11
Total Personal Income (in \$1,000's):											
Salt Lake County.....	\$ 49,488,031	\$ 46,634,482	\$ 44,302,371	\$ 43,101,775	\$ 40,204,993	\$ 37,100,572	6.1	5.3	2.8	7.2	8.4
State of Utah.....	117,763,901	110,843,820	104,664,413	101,508,754	94,918,680	87,931,071	6.2	5.9	3.1	6.9	7.9
Total Per Capita Personal Income:											
Salt Lake County.....	\$ 44,692	42,671	40,977	40,481	38,338	35,909	4.7	4.1	1.2	5.6	6.8
State of Utah.....	39,308	37,644	36,045	35,538	33,702	31,682	4.4	4.4	1.4	5.4	6.4
Median Household Income:											
Salt Lake County.....	\$ 65,549	62,536	61,716	58,743	56,166	56,664	4.8	1.3	5.1	4.6	(0.9)
State of Utah.....	\$ 62,961	60,943	59,715	57,067	55,802	54,740	3.3	2.1	4.6	2.3	1.9

Construction within Jordan School District (2)

	Calendar Year						% change from prior year				
	2015	2014	2013	2012	2011	2010	2014–15	2013–14	2012–13	2011–12	2010–11
Number new dwelling units.....	3,136.0	2,649.0	2,478.0	1,800.0	1,256.0	1,259.0	18.4	6.9	37.7	43.3	(0.2)
New (in \$1,000's):											
Residential value.....	\$ 647,493.0	\$ 503,755.2	\$ 532,945.8	\$ 395,921.5	\$ 257,934.1	\$ 241,132.3	28.5	(5.5)	34.6	53.5	7.0
Non-residential value.....	104,015.6	107,223.0	101,391.4	63,948.6	77,489.1	93,587.0	(3.0)	5.8	58.6	(17.5)	(17.2)
Additions, alterations, repairs (in \$1,000's):											
Residential value.....	21,432.0	13,218.4	8,227.3	7,899.0	7,667.6	9,360.9	62.1	60.7	4.2	3.0	(18.1)
Non-residential value.....	65,803.8	86,957.6	84,477.2	25,526.7	64,372.4	22,327.4	(24.3)	2.9	230.9	(60.3)	188.3
Total construction value (in \$1,000's).....	<u>\$ 838,744.4</u>	<u>\$ 711,154.2</u>	<u>\$ 727,041.7</u>	<u>\$ 493,295.8</u>	<u>\$ 407,463.2</u>	<u>\$ 366,407.6</u>	17.9	(2.2)	47.4	21.1	11.2

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

	Calendar Year						% change from prior year				
	2015	2014	2013	2012	2011	2010	2014–15	2013–14	2012–13	2011–12	2010–11
Gross Taxable Sales (in \$1,000's):											
Salt Lake County.....	\$ 24,256,515	\$ 22,940,973	\$ 21,986,133	\$ 21,387,821	\$ 19,672,228	\$ 18,498,826	5.7	4.3	2.8	8.7	6.3
State of Utah.....	53,933,277	51,709,163	49,404,046	47,531,180	44,335,559	41,907,568	4.3	4.7	3.9	7.2	5.8
	Fiscal Year						% change from prior year				
	2015	2014	2013	2012	2011	2010	2014–15	2013–14	2012–13	2011–12	2010–11
Local Sales and Use Tax Distribution:											
Salt Lake County (and all cities).....	\$211,079,080	\$200,829,369	\$195,073,246	\$183,870,893	\$170,917,371	\$166,606,416	5.1	3.0	6.1	7.6	2.6

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

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

(3) Utah State Tax Commission.

Additional Information. For a 10–year history of the District’s presentation of demographic and economic statistics (CAFR page 103) are provided in “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016–Statistical Section.”

Largest Employers

The County is the business and financial center for most of the major businesses and industries in the State. The Church of Jesus Christ of Latter–day Saints is believed to be a major employer in the County and employs approximately 6,000 to 12,000 employees; however, the church does not provide employment numbers. Major employers (over 1,000 employees) in the County area include:

<u>Employer (Location)</u>	<u>Business</u>	<u>Range of Number of Employees</u>
State of Utah (county–wide).....	All services	8,060–17,100
Granite School District (county–wide).....	Education services (1)	6,370–13,970
University of Utah Hospital (Salt Lake).....	Health care and social assistance	5,250–7,500
Intermountain Medical Center (Murray)	Health care and social assistance	5,000–7,000
Salt Lake County (county–wide)	Public administration	5,000–7,000
Jordan School District (county–wide)	Education services (1)	4,340–10,150
University of Utah (Salt Lake)	Education services	4,000–5,000
The Canyons School District (county–wide).....	Education services (1)	3,200–6,900
Wal Mart (county–wide)	Retail trade (2)	3,100–6,100
C.R. England Inc. (Salt Lake).....	Transportation and warehousing	3,000–4,000
Discover Products (Salt Lake)	Finance and insurance	3,000–4,000
L3 Communications Corp. (Salt Lake).....	Manufacturing	3,000–4,000
Smiths (county–wide).....	Retail trade (2)	2,750–6,600
Salt Lake City School District (Salt Lake)	Education services	2,680–5,750
Zions Bank, division of ZB (county–wide)	Finance and insurance (2)	2,625–5,270
Delta Airlines (Salt Lake).....	Transportation and warehousing (3)	2,600–4,250
U. S. Postal Service (Salt Lake).....	Transportation and warehousing	2,580–5,350
Wells Fargo Bank/Advisors (county–wide).....	Finance and insurance	2,235–4,580
Jet Blue Airways (Salt Lake).....	Administration (3)	2,250–3,500
Associated Reg. & University Patholo (Salt Lake)	Health care and social assistance	2,100–3,250
Primary Children’s Med Center (Salt Lake).....	Health care and social assistance	2,000–3,000
VA Salt Lake City Health Care Systems (Salt Lake)	Health care and social assistance	2,000–3,000
Salt Lake Community College (county–wide)	Education services	1,900–3,850
United Parcel Service (Salt Lake).....	Transportation and warehousing (2)	1,600–2,500
Salt Lake City (Salt Lake)	Public administration (1)	1,500–3,200
Overstock Com Inc. (Salt Lake)	Retail trade (3)	1,250–2,500
Kennecott Utah Copper (county–wide)	Mining; Manufacturing (2)	1,200–2,600
Utah Transit Authority (Salt Lake).....	Transportation and warehousing	1,200–2,500
Harmos (various cities).....	Retail trade	1,100–2,250
Convergys CM (Salt Lake City)	Administration (4)	1,100–2,250
Skywest Airlines (Salt Lake).....	Transportation and warehousing	1,100–2,250
The Home Depot (various cities).....	Retail trade	1,050–2,500
Alorica Inc. (Salt Lake)	Administration (3)	1,000–2,000
Benton Dickinson and Co. (Sandy)	Manufacturing	1,000–2,000

- (1) Includes transportation and warehousing and utilities.
- (2) Also includes management of companies and enterprises.
- (3) Also includes administration, support, waste management and remediation.
- (4) Includes administration, support, waste management and remediation; and management of companies and enterprises.

Largest Employers—continued

<u>Employer (Location)</u>	<u>Business</u>	<u>Range of Number of Employees</u>
Clearlink Technologies Payroll (Salt Lake).....	Information	1,000–2,000
Ebay (Draper)	Retail trade	1,000–2,000
Fidelity Brokerage Services LLC (Salt Lake)	Finance and insurance	1,000–2,000
Goldman Sachs and Co. (Salt Lake).....	Finance and insurance	1,000–2,000
Lake Park Campus (West Valley)	Management (2)	1,000–2,000
LDS Hospital (Salt Lake)	Health care and social assistance	1,000–2,000
MA Mortenson Company (Salt Lake)	Construction	1,000–2,000
Merit Medical (South Jordan).....	Manufacturing	1,000–2,000
Overstock Com Inc. (Cottonwood Heights)	Retail trade	1,000–2,000
Premier Employee Solutions LLC (Salt Lake)	Administrative (2)	1,000–2,000
Salt Lake Community College (Taylorsville).....	Education services	1,000–2,000
Selecthealth, Inc. (Salt Lake).....	Finance and insurance	1,000–2,000
Snowbird Operations LLC (Salt Lake).....	Accommodations and food services	1,000–2,000
St. Marks Hospital (Salt Lake)	Health care and social assistance	1,000–2,000
State of Utah Social Services (county–wide).....	Health care and social assistance	1,000–2,000
Sutter Connect LLC (Salt Lake)	Professional, scientific/technical service	1,000–2,000
Ultradent Products (South Jordan).....	Manufacturing	1,000–2,000
Utah State Prison (Draper).....	Public administration	1,000–2,000
Vivint Smart Home Arena (Salt Lake)	Arts, entertainment and recreation	1,000–2,000
Western Governors University (Salt Lake).....	Education services	1,000–2,000
Westminster College (Salt Lake).....	Private education services	1,000–2,000

(Source: Utah Department of Workforce Services. Updated September 2016 (reflecting information as of March 2016).)

Additional Information. For a presentation of the largest employers in the District in Fiscal Years 2016 and 2007 see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Statistical Section—Ten of the Principal Employers” (CAFR page 104).

Rate Of Unemployment—Annual Average

<u>Year</u>	<u>Salt Lake County</u>	<u>State of Utah</u>	<u>United States</u>
2016 (1).....	2.9%	3.1%	4.6%
2015	3.3	3.5	5.3
2014	3.7	3.8	6.2
2013	4.4	4.6	7.4
2012	5.3	5.4	8.1
2011	6.6	6.8	8.9

(1) Preliminary, subject to change. As of November 2016 (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 creation of Canyons). Accordingly, approximately 58% of the outstanding 2014 Bonds and the 2007 Bonds issued by the District will be paid by Canyons and approximately 42% will be paid by the District.

Series	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2017 (1).....	Building	\$ 36,050,000*	June 15, 2037*	\$ 36,050,000*
2014 (2) (3).....	Refunding (Jordan/Canyons)	104,665,000	June 15, 2022	89,700,000
2007 (2).....	Building (Jordan/Canyons)	196,000,000	June 15, 2017 (4)	<u>13,700,000</u>
Total direct general obligation debt (3).....				<u>\$139,450,000*</u>
The District’s portion of direct general obligation debt (3)				\$ 76,669,000*
Canyons’ portion of direct general obligation debt (3).....				<u>62,781,000</u>
Total direct general obligation debt.....				<u>\$142,250,000*</u>

* Preliminary; subject to change.

- (1) Rating applied for.
- (2) 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.
- (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 in order 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.
- (4) Final maturity date after portions of this bond was refunded by the 2014 Bonds.

(Source: Municipal Advisor.)

Additional Information. For the Board’s general obligation debt outstanding as of Fiscal Year 2016 see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Notes to Basic Financial Statements—5. Long-Term Liabilities—General Obligation Bonds” (CAFR page 41).

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

Other Financial Considerations. Future Issuance of Debt. The Board anticipates the issuance of additional general obligation bonds from the 2016 Bond Election in Fiscal Years 2018, 2019, 2020 and 2021.

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 into 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 of 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 (the current deposit in this sinking fund is approximately \$3,027,671 as of Fiscal Year 2016).

(Source: Municipal Advisor.)

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Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year

Issued by Jordan School District

Fiscal Year Ending June 30	Series 2017 \$36,050,000*		Series 2014 \$104,665,000		Series 2007 \$196,000,000		Series 2006 (1) \$15,000,000		Total Issued Debt*		
	Principal (a)	Interest*	Principal	Interest	Principal	Interest	Principal	Interest	Total	Total	Total Debt
									Principal	Interest	Principal	Interest	Service
2016.....	\$ 0	\$ 0	\$ 8,580,000	\$ 4,914,000	\$ 13,050,000	\$ 1,104,250	\$ 1,050,000	\$ 42,000	\$ 22,680,000	\$ 6,060,250	\$ 28,740,250
2017.....	0	0	9,520,000	4,485,000	13,700,000	582,250	-	-	23,220,000	5,067,250	28,287,250
2018.....	0	1,800,377	23,820,000	4,009,000	-	-	-	-	23,820,000	5,809,377	29,629,377
2019.....	0	1,367,375	23,970,000	2,818,000	-	-	-	-	23,970,000	4,185,375	28,155,375
2020.....	0	1,367,375	13,385,000	1,619,500	-	-	-	-	13,385,000	2,986,875	16,371,875
2021.....	1,525,000	1,367,375	9,650,000	950,250	-	-	-	-	11,175,000	2,317,625	13,492,625
2022.....	1,575,000	1,321,625	9,355,000	467,750	-	-	-	-	10,930,000	1,789,375	12,719,375
2023.....	1,625,000	1,274,375	0	0	-	-	-	-	1,625,000	1,274,375	2,899,375
2024.....	1,675,000	1,225,625	0	0	-	-	-	-	1,675,000	1,225,625	2,900,625
2025.....	1,750,000	1,141,875	0	0	-	-	-	-	1,750,000	1,141,875	2,891,875
2026.....	1,850,000	1,054,375	0	0	-	-	-	-	1,850,000	1,054,375	2,904,375
2027.....	1,925,000	961,875	0	0	-	-	-	-	1,925,000	961,875	2,886,875
2028.....	2,025,000	865,625	0	0	-	-	-	-	2,025,000	865,625	2,890,625
2029.....	2,125,000	764,375	0	0	-	-	-	-	2,125,000	764,375	2,889,375
2030.....	2,225,000	658,125	0	0	-	-	-	-	2,225,000	658,125	2,883,125
2031.....	2,300,000	591,375	0	0	-	-	-	-	2,300,000	591,375	2,891,375
2032.....	2,375,000	522,375	0	0	-	-	-	-	2,375,000	522,375	2,897,375
2033.....	2,450,000	445,188	0	0	-	-	-	-	2,450,000	445,188	2,895,188
2034.....	2,525,000	365,563	0	0	-	-	-	-	2,525,000	365,563	2,890,563
2035.....	2,600,000	283,500	0	0	-	-	-	-	2,600,000	283,500	2,883,500
2036.....	2,700,000	192,500	0	0	-	-	-	-	2,700,000	192,500	2,892,500
2037.....	2,800,000	98,000	0	0	-	-	-	-	2,800,000	98,000	2,898,000
Totals.....	<u>\$36,050,000</u>	<u>\$17,668,877</u>	<u>\$98,280,000</u>	<u>\$19,263,500</u>	<u>\$26,750,000</u>	<u>\$ 1,686,500</u>	<u>\$ 1,050,000</u>	<u>\$ 42,000</u>	<u>\$162,130,000</u>	<u>\$ 38,660,877</u>	<u>\$200,790,877</u>

Fiscal Year Ending June 30	Canyons' Portion of District Debt			District's Portion of District Debt			Total Issued Debt*
	Total	Total	Total Debt	Total	Total	Total Debt	
	Principal	Interest	Service	Principal*	Interest*	Service*	
2016.....	\$11,183,000	\$ 3,556,825	\$14,739,825	\$11,497,000	\$ 2,503,425	\$ 14,000,425	\$ 28,740,250
2017.....	11,211,000	3,079,455	14,290,455	12,009,000	1,987,795	13,996,795	28,287,250
2018.....	11,255,000	2,578,500	13,833,500	12,565,000	3,230,877	15,795,877	29,629,377
2019.....	10,775,000	2,015,750	12,790,750	13,195,000	2,169,625	15,364,625	28,155,375
2020.....	10,535,000	1,477,000	12,012,000	2,850,000	1,509,875	4,359,875	16,371,875
2021.....	9,650,000	950,250	10,600,250	1,525,000	1,367,375	2,892,375	13,492,625
2022.....	9,355,000	467,750	9,822,750	1,575,000	1,321,625	2,896,625	12,719,375
2023.....	-	-	-	1,625,000	1,274,375	2,899,375	2,899,375
2024.....	-	-	-	1,675,000	1,225,625	2,900,625	2,900,625
2025.....	-	-	-	1,750,000	1,141,875	2,891,875	2,891,875
2026.....	-	-	-	1,850,000	1,054,375	2,904,375	2,904,375
2027.....	-	-	-	1,925,000	961,875	2,886,875	2,886,875
2028.....	-	-	-	2,025,000	865,625	2,890,625	2,890,625
2029.....	-	-	-	2,125,000	764,375	2,889,375	2,889,375
2030.....	-	-	-	2,225,000	658,125	2,883,125	2,883,125
2031.....	-	-	-	2,300,000	591,375	2,891,375	2,891,375
2032.....	-	-	-	2,375,000	522,375	2,897,375	2,897,375
2033.....	-	-	-	2,450,000	445,188	2,895,188	2,895,188
2034.....	-	-	-	2,525,000	365,563	2,890,563	2,890,563
2035.....	-	-	-	2,600,000	283,500	2,883,500	2,883,500
2036.....	-	-	-	2,700,000	192,500	2,892,500	2,892,500
2037.....	-	-	-	2,800,000	98,000	2,898,000	2,898,000
Totals.....	<u>\$73,964,000</u>	<u>\$14,125,530</u>	<u>\$88,089,530</u>	<u>\$88,166,000</u>	<u>\$ 24,535,347</u>	<u>\$112,701,347</u>	<u>\$200,790,877</u>

* Preliminary; subject to change.

(a) Preliminary; subject to change. Interest has been estimated at an average interest rate of 3.70% per annum.

(1) This bond issue has been included in this table because final principal and interest payment occurred in Fiscal Year 2016.

(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)
2016.....	\$ 0	\$ 540,000	\$ (405,920)	\$ 134,080	\$ 562,500	\$ 696,580
2017.....	0	540,000	(405,920)	134,080	562,500	696,580
2018.....	0	540,000	(405,920)	134,080	562,500	696,580
2019.....	0	540,000	(405,920)	134,080	562,500	696,580
2020.....	0	540,000	(405,920)	134,080	562,500	696,580
2021.....	0	540,000	(405,920)	134,080	562,500	696,580
2022.....	0	540,000	(405,920)	134,080	562,500	696,580
2023.....	0	540,000	(405,920)	134,080	562,500	696,580
2024.....	0	540,000	(405,920)	134,080	562,500	696,580
2025.....	0	540,000	(405,920)	134,080	562,500	696,580
2026.....	0	540,000	(405,920)	134,080	562,500	696,580
2027.....	<u>9,000,000</u>	<u>540,000</u>	<u>(405,920)</u>	<u>134,080</u>	<u>562,500</u>	<u>696,580</u>
Totals.....	<u>\$9,000,000</u>	<u>\$ 6,480,000</u>	<u>\$ (4,871,040)</u>	<u>\$ 1,608,960</u>	<u>\$ 6,750,000</u>	<u>\$ 8,358,960</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 4.51% per annum.
- (3) The Authority will contribute \$562,500 on June 15, 2017 and approximately \$562,500 (or less, depending on interest earnings) on June 15, 2018 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: Zions Public Finance, Inc.)

Additional Information General Obligation Bonds. For the schedule of annual debt service requirement of the District as of Fiscal Year 2016 for the Fiscal Years 2016 through Fiscal Year 2022 time period see “COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—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, 2016” (CAFR page 100).

Additional Information Lease Revenue Bonds. For the Authority’s lease revenue debt outstanding as of Fiscal Year 2016 see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Notes to Basic Financial Statements—5. Long-Term Liabilities—Qualified School Construction Bonds” (CAFR page 42).

Overlapping And Underlying General Obligation Debt

<u>Taxing Entity</u>	<u>2016 Taxable Value (1)</u>	<u>Board’s Portion of Tax- able Value</u>	<u>Board’s Per- centage</u>	<u>Entity’s General Obligation Debt</u>	<u>Board’s Portion of G.O. Debt</u>
<i>Overlapping:</i>					
State of Utah	\$239,942,572,174	\$19,280,503,547	8.0%	\$2,173,985,000	\$173,918,800
CUWCD (2)	140,842,789,096	19,280,503,547	13.7	229,525,000	31,444,925
Salt Lake County	91,781,634,240	19,280,503,547	21.0	194,540,000	<u>40,853,400</u>
Total overlapping					<u>246,217,125</u>
<i>Underlying:</i>					
West Jordan City	6,359,007,355	6,359,007,355	100.0	6,045,000	<u>6,045,000</u>
Total underlying					<u>6,045,000</u>
Total overlapping and underlying general obligation debt					<u>\$252,262,125</u>
Total <i>overlapping</i> general obligation debt (excluding the State) (3)					\$ 72,298,325
Total <i>direct</i> general obligation bonded indebtedness					<u>76,669,000*</u>
Total <i>direct and overlapping</i> general obligation debt (excluding the State)					<u>\$148,967,325*</u>

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

* Preliminary; subject to change.

- (1) *Preliminary; subject to change.* Taxable value used in this table *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (2) Central Utah Water Conservancy District (“CUWCD”) outstanding general obligation bonds are limited ad valorem tax bonds. Certain portions of the principal of and interest on CUWCD’s general obligation bonds are paid from sales 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 2016 see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Statistical Section—Direct and Overlapping Governmental Activities Debt As Of June 30, 2016” (CAFR page 99).

Debt Ratios

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.*

	To 2016 Estimated Taxable Value (1)	To 2016 Estimated Market Value (2)	To 2015 Population Estimate Per Capita (3)
<i>Direct general obligation debt*</i>	0.40%	0.27%	\$292
<i>Direct and overlapping general obligation debt*</i>	0.77	0.52	\$568

* Preliminary; subject to change.

- (1) Based on an estimated 2016 Taxable Value of \$19,280,503,547, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (2) Based on an estimated 2016 Market Value of \$28,670,342,418, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (3) Based on the 2015 population estimate (based on incorporated cities within the District) of 262,260 from the U.S. Census Bureau.

(Source: Municipal Advisor.)

Additional Information. For a 10-year history of ratios of outstanding debt calculated by the District see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Statistical Section—Ratios of Outstanding Debt Last Ten Fiscal Years June 30, 2007 through 2016” (CAFR page 96).

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.

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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. The legal debt limit and additional debt incurring capacity of the Board (after the issuance of the 2017 Bonds) are based on the estimated fair market value for 2016 and the calculated valuation value from 2015 uniform fees, and are calculated as follows:

Estimated 2016 “Fair Market Value”	\$28,670,342,418
2015 valuation from uniform fees (1)	<u>507,744,169</u>
Estimated 2016 “Fair Market Value for Debt Incurring Capacity”	<u>\$29,178,086,587</u>
“Fair Market Value for Debt Incurring Capacity” times 4% (the “Debt Limit”)	\$1,167,123,463
Less: current outstanding general obligation debt (2)	<u>(81,295,018)*</u>
Estimated additional debt incurring capacity	<u>\$1,085,828,445*</u>

- (1) 2016 final information is not available. 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.
- (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. Thus, for accounting purposes, the total unamortized bond premium was \$4,626,018 (as of June 30, 2016); and together with current outstanding debt of \$76,669,000*, results in total outstanding debt of \$81,295,018*.

* Preliminary; subject to change.

(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 2016—Statistical Section—Legal Debt Margin Information Last Ten Years June 30, 2007 through 2016” (CAFR page 102).

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 2016, including cuts to the subsidy payments to be made to issuers of QSCBs and various other federal expenditures.

The Authority 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 as a result of sequestration would have no material impact on its operations or financial position. The Authority cannot predict whether Congress will take action to avoid sequestration in federal fiscal year 2017 or what, if any, sequestration cuts may occur in federal fiscal year 2018 or thereafter.

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 in particular.

The accounts of the District are organized on the basis of funds or groups of accounts, each of which is considered to be 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 the means by which 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 2016—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 "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 in excess of 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 53A–19–104 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 2016—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 2016. For the complete discussion see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Management’s Discussion and Analysis” (CAFR page 11).

The Management’s Discussion and Analysis for Fiscal Year 2017 is not available. Under State law the Board must complete its annual financial report for Fiscal Year 2017 by November 30, 2017.

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 2016.”

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Jordan School District
Statement of Net Position
Governmental Activities

(This summary has not been audited)

	As of June 30				
	2016	2015	2014	2013	2012
Assets:					
Capital assets:					
Other capital assets, net of depreciation.....	\$ 637,000,668	\$ 647,872,700	\$ 634,271,798	\$ 607,646,113	\$ 615,068,081
Sites and construction in progress.....	92,415,399	90,612,797	105,364,439	108,985,648	91,222,028
Cash and investments.....	328,832,339	299,720,313	289,382,198	293,175,211	285,075,405
Accounts receivable:					
Property taxes.....	144,413,033	128,941,803	104,006,042	106,826,465	111,536,801
Federal government.....	9,767,647	6,520,696	6,301,926	5,372,501	6,186,652
State of Utah.....	1,805,217	2,083,904	2,009,047	1,640,993	4,480,806
Other local.....	317,213	150,715	194,873	215,575	494,114
Net retirement asset.....	31,328,549	30,104,573	28,724,816	26,689,789	24,053,316
Investments restricted for debt service.....	3,027,671	2,459,954	1,900,693	1,328,483	562,548
Inventories.....	2,292,505	1,841,813	1,754,576	1,854,864	2,102,705
Net pension asset.....	9,185	137,439	8,421 (r)	-	-
Total assets.....	<u>1,251,209,426</u>	<u>1,210,446,707</u>	<u>1,173,918,829</u>	<u>1,153,735,642</u>	<u>1,140,782,456</u>
Deferred outflows of resources:					
Related to pensions.....	60,976,688	19,643,471	15,895,884 (r)	-	-
Deferred charge on refunding.....	2,292,358	2,865,447	3,438,536	271,072	406,608 (r)
Total deferred outflows of resources.....	<u>63,269,046</u>	<u>22,508,918</u>	<u>19,334,420</u>	<u>271,072</u>	<u>406,608</u>
Total assets and deferred outflows of resources.....	<u>\$ 1,314,478,472</u>	<u>\$ 1,232,955,625</u>	<u>\$ 1,193,253,249</u>	<u>\$ 1,154,006,714</u>	<u>\$ 1,141,189,064</u>
Liabilities:					
Noncurrent liabilities:					
Due or payable after one year.....	\$ 205,859,430	\$ 185,254,294	\$ 217,080,890 (1)	\$ 80,273,982	\$ 89,622,899
Due or payable within one year.....	24,121,320	23,890,207	24,896,674	20,836,399	21,810,367
Accrued payroll and related benefits.....	31,461,241	29,350,387	27,824,193	23,402,064	25,944,250
Unearned revenue:					
State of Utah.....	22,566,409	20,725,553	18,158,320	17,825,962	17,610,587
Federal government.....	1,545,859	1,152,726	400,909	29,116	297,459
Other local.....	820,046	884,766	655,810	582,414	513,059
Accounts and contracts payable.....	6,688,839	8,733,647	9,998,568	11,065,411	8,503,323
Accrued interest.....	86,609	107,799	127,199	136,078	163,882
Total liabilities.....	<u>293,149,753</u>	<u>270,099,379</u>	<u>299,142,563</u>	<u>154,151,426</u>	<u>164,465,826</u>
Deferred inflows of resources:					
Property taxes levied for future year.....	142,381,941	126,393,762	101,332,080	104,507,806	107,863,484 (r)
Related to pensions.....	16,059,297	12,232,142	-	-	-
Total deferred inflows of resources.....	<u>158,441,238</u>	<u>138,625,904</u>	<u>101,332,080</u>	<u>104,507,806</u>	<u>107,863,484</u>
Net position:					
Net investment in capital assets.....	677,463,407	674,379,692	664,132,697 (r)	632,301,170	611,327,293 (r)
Restricted for:					
Capital projects.....	85,941,213	71,545,939	64,687,349	79,377,683	79,137,884
Nutrition services.....	7,751,305	7,475,581	7,021,064	5,945,889	5,673,159
K-3 reading.....	6,042,513	3,748,410	-	-	-
Debt service.....	3,211,631	2,214,683	2,193,800	2,163,821	2,448,285
Other purposes.....	1,002,225	986,627	6,088,433 (r)	4,494,945	4,039,997
Unrestricted.....	81,475,187	63,879,410	48,655,263 (r)	171,063,974	166,233,136
Total net position.....	<u>862,887,481</u>	<u>824,230,342</u>	<u>792,778,606</u>	<u>895,347,482</u>	<u>868,859,754</u>
Total liabilities, deferred inflows of resources and net position.....	<u>\$ 1,314,478,472</u>	<u>\$ 1,232,955,625</u>	<u>\$ 1,193,253,249</u>	<u>\$ 1,154,006,714</u>	<u>\$ 1,141,189,064</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 Zions Public Finance, Inc.)

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				
	2016	2015	2014	2013	2012
Governmental activities:					
Instructional services.....	\$ (152,673,832)	\$ (146,294,004)	\$ (143,971,219)	\$ (141,938,424)	\$ (132,139,718)
Supporting services:					
Operation and maintenance of facilities.....	(34,701,498)	(33,302,520)	(34,217,874)	(31,938,940)	(30,312,707)
School administration.....	(19,770,118)	(18,829,978)	(19,580,860)	(17,997,113)	(16,900,534)
Instructional staff.....	(7,866,104)	(7,796,415)	(8,154,805)	(7,021,683)	(5,199,185)
Business.....	(3,187,542)	(3,616,563)	(3,269,050)	(3,290,353)	(3,311,578)
Students.....	(8,703,863)	(7,696,842)	(7,701,522)	(7,101,268)	(6,613,566)
Personnel, planning and data processing.....	(6,937,405)	(6,407,800)	(6,141,215)	(5,694,437)	(5,612,146)
Student transportation.....	(6,261,851)	(5,968,783)	(6,099,779)	(7,324,413)	(6,968,615)
General district administration.....	(2,772,694)	(2,571,116)	(2,873,120)	(2,431,750)	(2,181,980)
Community services (2).....	(11,752,288)	(10,231,395)	-	-	-
Interest on long-term liabilities.....	(2,367,310)	(3,260,584)	(3,649,802)	(3,645,070)	(4,176,553)
Nutrition services.....	465,592	581,453	767,008	(247,459)	254,635
Total school district.....	<u>(256,528,913)</u>	<u>(245,394,547)</u>	<u>(234,892,238)</u>	<u>(228,630,910)</u>	<u>(213,161,947)</u>
General revenues:					
Federal and state aid not restricted to specific purposes.....	151,682,696	147,394,903	147,618,952	135,503,748	125,731,773
Property taxes levied for:					
Basic.....	33,235,973	22,235,310	24,189,967	25,789,739	25,626,144
Voted local.....	30,632,233	25,071,527	25,214,298	24,993,085	25,771,107
Capital local.....	25,348,173	30,148,511	33,330,150	34,209,285	35,451,379
Debt service.....	16,349,954	13,867,688	13,347,819	15,073,954	17,572,673
Board local.....	14,512,021	13,663,982	16,310,498	14,902,127	6,442,777
Reading achievement.....	-	-	-	-	1,948,940
10% of basic.....	-	-	-	-	1,755,657
Recreation.....	-	-	-	-	1,433,518
Transportation.....	-	-	-	-	1,417,411
Tort liability.....	-	-	-	-	467,101
Tax increment (2).....	11,752,288	10,231,395	-	-	-
Capital equalization payments (2).....	3,911,776	10,395,559	-	-	-
Total taxes.....	<u>135,742,418</u>	<u>125,613,972</u>	<u>112,392,732</u>	<u>114,968,190</u>	<u>117,886,707</u>
Miscellaneous.....	5,357,440	2,269,628	3,349,672	2,690,109	5,461,827
Earnings on investments.....	2,403,498	1,567,780	1,497,162	1,956,591	2,070,310
Total general revenues.....	<u>295,186,052</u>	<u>276,846,283</u>	<u>264,858,518</u>	<u>255,118,638</u>	<u>251,150,617</u>
Change in net position.....	<u>38,657,139</u>	<u>31,451,736</u>	<u>29,966,280</u>	<u>26,487,728</u>	<u>37,988,670</u>
Net position—beginning (as restated).....	824,230,342	792,778,606 (3)	895,347,482	868,859,754	831,320,548
Net position—ending.....	<u>\$ 862,887,481</u>	<u>\$ 824,230,342</u>	<u>\$ 925,313,762</u>	<u>\$ 895,347,482</u>	<u>\$ 869,309,218</u>

- (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) 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 2014 to Fiscal Year 2015 was due to GASB Statement 68.

(Source: Information taken from the District’s audited basic financial statements. Compiled by Zions Public Finance, Inc.)

Jordan School District

Balance Sheet—Governmental Funds

Major Funds—General Fund

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2016	2015	2014	2013	2012
Assets:					
Cash and investments.....	\$ 189,986,810	\$ 178,551,089	\$ 174,963,001	\$ 160,963,113	\$ 157,611,185
Receivables:					
Property taxes.....	71,842,584 (r)	66,448,394	57,248,072	58,268,415	60,514,131
Federal government.....	8,882,124	5,950,007	5,304,576	4,675,069	5,462,877
Other local.....	308,246	106,877	110,568	175,884	156,175
State of Utah.....	286,217	406,038	470,794	191,074	216,344
Inventories.....	1,062,366	1,154,094	1,040,095	1,182,484	1,629,309
Total assets.....	<u>\$272,368,347</u>	<u>\$252,616,499</u>	<u>\$239,137,106</u>	<u>\$225,456,039</u>	<u>\$225,590,021</u>
Liabilities:					
Accrued payroll and related benefits.....	\$ 31,461,241	\$ 29,350,387	\$ 27,824,193	\$ 23,402,064	\$ 25,944,250
Unearned revenue:					
State of Utah.....	20,905,145	19,249,155	16,737,749	16,635,624	16,613,010
Federal government.....	1,545,859	1,152,726	400,909	29,116	297,459
Local.....	121,829	66,207	62,558	65,525	55,918
Accounts and contracts payable.....	1,986,813	2,456,377	3,300,805	2,738,975	2,089,717
Total liabilities.....	<u>56,020,887</u>	<u>52,274,852</u>	<u>48,326,214</u>	<u>42,871,304</u>	<u>45,000,354</u>
Deferred inflows of resources:					
Property taxes levied for future year.....	70,743,037	65,149,719	55,731,286	57,031,152	60,348,602
Unavailable property tax revenue.....	984,251 (r)	1,113,136	1,238,366	1,010,897	—
Total deferred inflows of resources.....	<u>71,727,288</u>	<u>66,262,855</u>	<u>56,969,652</u>	<u>58,042,049</u>	<u>60,348,602</u>
Fund balances:					
Committed to:					
Retiree benefits.....	52,528,487	57,115,248	63,406,198	64,140,080	62,996,451
Economic stabilization.....	16,700,000	16,000,000	15,450,000	15,000,000	14,450,000
Contractual obligations.....	1,842,647	894,790	1,236,323	1,486,882	2,243,061
Compensated absences.....	3,225,151	3,054,256	2,913,689	7,215,051	7,347,469
Unassigned.....	36,504,140	22,471,743	10,702,332	17,706,299	13,469,583
Assigned to:					
Personnel.....	19,950,186	24,294,623	28,750,811	10,544,331 (r)	10,751,752 (r)
Educational programs.....	6,797,029	5,381,488	5,162,665	3,565,976 (r)	5,050,342 (r)
Restricted for:					
Property tax programs.....	6,010,166	3,712,550	5,179,127	3,701,583	2,303,098
Nonspendable:					
Inventories.....	1,062,366	1,154,094	1,040,095	1,182,484	1,629,309
Total fund balances.....	<u>144,620,172</u>	<u>134,078,792</u>	<u>133,841,240</u>	<u>124,542,686</u>	<u>120,241,065</u>
Total liabilities, deferred inflows of resources, and fund balances.....	<u>\$272,368,347</u>	<u>\$252,616,499</u>	<u>\$239,137,106</u>	<u>\$225,456,039</u>	<u>\$225,590,021</u>

(r) Restated by the District.

(Source: Information taken from the District's audited basic financial statements. Compiled by Zions Public Finance, Inc.)

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				
	2016	2015	2014	2013	2012
Revenues:					
State of Utah.....	\$ 217,432,316	\$ 207,909,276	\$ 210,081,172	\$ 195,942,899	\$ 183,725,226
Property taxes.....	70,443,092	59,369,132	58,565,960	59,779,018 (r)	59,278,100
Federal government.....	16,630,763	17,422,527	15,765,974	15,467,995 (r)	16,475,745
Other local sources.....	7,713,261	7,258,440	6,723,379	6,026,033	5,948,869
Interest.....	1,527,182	969,874	937,064	1,201,179	1,230,990
Total revenues.....	313,746,614	292,929,249	292,073,549	278,417,124	266,658,930
Expenditures:					
Current:					
Instruction.....	200,689,103	192,123,387	184,974,229	182,210,131	178,810,504
Support services:					
Operation and maintenance of facilities....	32,543,189	31,394,721	31,389,725	29,335,972	28,374,180
School administration.....	21,317,489	20,508,229	19,978,546	18,375,400	17,697,566
Instructional staff.....	13,246,639	14,387,077	14,962,336	13,867,708	12,144,431
Students.....	11,296,375	10,584,305	9,650,162	9,134,482	8,802,077
Student transportation.....	11,307,750	10,955,155	10,265,761	10,208,390	9,930,729
Personnel, planning and data processing...	7,265,266	6,888,450	6,242,453	5,820,063	5,906,535
Business.....	3,246,676	3,715,867	3,215,500	3,258,511	3,356,112
General district administration.....	2,121,286	1,969,069	1,941,013	1,752,719	1,666,396
Total expenditures.....	303,033,773	292,526,260	282,619,725	273,963,376	266,688,530
Revenues over (under) expenditures.....	10,712,841	402,989	9,453,824	4,453,748	(29,600)
Other financing sources (uses):					
Transfers in (out).....	(171,461)	(165,437)	(155,270)	(152,127)	(155,766)
Total other financing sources (uses).....	(171,461)	(165,437)	(155,270)	(152,127)	(155,766)
Net change in fund balances.....	10,541,380	237,552	9,298,554	4,301,621	(185,366)
Fund balances—beginning.....	134,078,792	133,841,240	124,542,686	120,241,065	120,426,431
Fund balances—ending.....	\$ 144,620,172	\$ 134,078,792	\$ 133,841,240	\$ 124,542,686	\$ 120,241,065

(r) Restated by the District.

(Source: Information taken from the District's audited basic financial statements. Compiled by Zions Public Finance, Inc.)

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 2016–Statistical Section” at the indicated pages as set forth below.

- (i) “Net Position by Component Last Ten Fiscal Years June 30, 2007 to 2016” (CAFR page 84);
- (ii) “Fund Balances–Governmental Funds Last Ten Fiscal Years June 30, 2007 to 2016” (CAFR page 85);
- (iii) “Changes in Net Position Last Ten Fiscal Years June 30, 2007 to 2016” (CAFR page 86); and
- (iv) “Changes in Fund Balances–Governmental Funds Last Ten Fiscal Years June 30, 2007 to 2016” (CAFR page 88).

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 the purpose of 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 with a showing of reasonable cause, may, on or before the later of June 1 or a day within 30 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 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.

Taxes are due November 30 (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. 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 (provided that 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 in the second preceding paragraph, 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 in excess of the certified tax rate. A resolution levying a tax in excess of 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 collected 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 new growth. New growth is any increase in taxable value of the taxing entity from the previous calendar year to the current year less the amount of increase to locally-assessed real property taxable values resulting from factoring, reappraisal, other adjustments, or changes in the method of apportioning taxable value. 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 on the basis of 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 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 an 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 located 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

	Maximum Tax Rate (1)	Tax Rate (Fiscal Year)				
		2016-17	2015-16	2014-15	2013-14	2012-13
General Fund:						
Basic school levy (2).....	formula	.001675	.001736	.001419	.001535	.001651
Voted local levy (3).....	.001600	.001600	.001600	.001600	.001600	.001600
Board local leeway.....	.001800	.000644	.000758	.000872	.001035	.000954
Subtotals		<u>.003919</u>	<u>.004094</u>	<u>.003891</u>	<u>.004170</u>	<u>.004205</u>
Capital outlay:						
Capital outlay equalized (4) .....	.000600	.000600	.000600	.000560	.000600	.000600
Capital local levy (5).....	.003000	<u>.001622</u>	<u>.001324</u>	<u>.001364</u>	<u>.001515</u>	<u>.001590</u>
Subtotals		<u>.002222</u>	<u>.001924</u>	<u>.001924</u>	<u>.002115</u>	<u>.002190</u>
Debt service (general obligation bonds):						
Debt service (6).....	none	<u>.000765</u>	<u>.000854</u>	<u>.000885</u>	<u>.000847</u>	<u>.000965</u>
Judgment recovery levy (7).....	none	—	—	—	—	—
Total all funds.....		<u>.006906</u>	<u>.006872</u>	<u>.006700</u>	<u>.007132</u>	<u>.007360</u>

- (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) 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 and will be not levied in Fiscal Year 2018.*
- (5) Construction remodeling projects and purchase of school sites/equipment, etc.
- (6) 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.
- (7) A "judgment levy" is levied for the purpose of 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.

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Comparative 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 (Fiscal Year)				
	2016	2015	2014	2013	2012
Canyons School District:					
Alta Town .....	.012177	.012807	.013323	.013703	.013482
Cottonwood Heights City .....	.014675	.015549	.016280	.016880	.016858
Draper City (3) (4) .....	.013808	.014604	.014620	.018580	.018946
Midvale City .....	.015397	.015391	.016080	.016822	.016549
Sandy City .....	.014020	.015000	.015386	.016052	.015970
Granite School District:					
Holladay City .....	.012913	.013557	.014099	.014524	.014300
Murray City (3) .....	.013118	.013795	.014343	.014702	.014584
Salt Lake City (3) .....	.014758	.015504	.016731	.017318	.016838
South Salt Lake City .....	.013166	.013806	.014351	.014918	.014653
Taylorsville City (3) .....	.015335	.016206	.016820	.016642	.015881
West Jordan City (3) .....	.014451	.015239	.015830	.016517	.016386
West Valley City .....	.016864	.017844	.018598	.019363	.019412
Jordan School District:					
Bluffdale Town .....	.012523	.012573	.013082	.013877	.013736
Draper City (3) .....	.012903	.013008	.013497	.014286	.014163
Herriman City .....	.015460	.015667	.016289	.017194	.016619
Murray City (3) .....	.012227	.012276	.012733	.013419	.013331
Riverton City .....	.015118	.015306	.015905	.016776	.016184
South Jordan City .....	.013294	.013389	.013916	.014839	.014530
Taylorsville City (3) .....	.014173	.014317	.014847	.014853	.014082
West Jordan City (3) .....	.014846	.015101	.015666	.016620	.016547
Murray City School District:					
Murray City .....	.012056	.012961	.013384	.013811	.012994
Salt Lake City School District:					
Salt Lake City .....	.016225	.017716	.019040	.019899	.019400
Unincorporated areas (2):					
Canyons School District .....	.016492	.017425	.018213	.018861	.018357
Granite School District .....	.016512	.017760	.018536	.019196	.018708
Jordan School District .....	.016588	.016965	.017617	.018561	.018026
Alpine School District (Utah County):					
Draper City (3) (4) .....	.012075	.012583	.012253	.016499	.017268

- (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 municipalities 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.

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

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 2016—Statistical Section—Direct and Overlapping Property Tax Rates Last Ten Years December 31, 2006 through 2015” (CAFR page 91).

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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
2016 (1)	\$ 19,280,503,547	9.0	\$ 28,670,342,418	9.4
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
2013	14,283,842,272	(0.8)	21,167,029,872	2.1
2012	14,395,264,677	(4.4)	20,734,123,513	(3.9)

(1) Preliminary; subject to change. Fair Market/Market Value calculated by Zions Public Finance, Inc.

(2) Taxable valuation includes redevelopment agency valuation. The estimated redevelopment agency valuation for Calendar Year 2016 was approximately \$1.826 billion; for Calendar Year 2015 was approximately \$1.678 billion; for Calendar Year 2014 was approximately \$1.337 billion; for Calendar Year 2013 was approximately \$1.298 billion; and for Calendar Year 2012 was approximately \$1.088 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.

(Source: Information taken from reports of the State Tax Commission. Compiled by Zions Public Finance, Inc.)

Historical Summaries Of Taxable Values Of Property

	Calendar Year					
	2016		2015	2014	2013	2012
	Taxable Value*	% of T.V.	Taxable Value	Taxable Value	Taxable Value	Taxable Value
Set by State Tax Commission (centrally assessed):						
Total centrally assessed.....	\$ 2,314,465,711	12.0 %	\$ 2,291,176,345	\$ 2,030,409,084	\$ 1,546,327,116	\$ 2,543,340,183
Set by County Assessor (locally assessed):						
Real property (land and buildings):						
Primary residential.....	11,473,179,019	59.5	10,391,969,914	9,469,690,654	8,409,254,008	7,743,838,311
Secondary residential.....	600,000,000	3.1	550,053,980	482,753,030	481,741,520	486,127,630
Commercial and industrial.....	3,750,000,000	19.4	3,306,146,990	3,040,499,520	2,888,362,000	2,821,028,240
FAA (greenbelt).....	100,000	0.0	115,700	147,500	140,990	220,890
Unimproved non FAA (vacant)....	30,000,000	0.2	37,820,680	49,187,600	43,876,720	39,290,080
Agricultural.....	3,875,000	0.0	3,982,030	3,634,040	3,995,280	3,872,550
Total real property.....	<u>15,857,154,019</u>	<u>82.2</u>	<u>14,290,089,294</u>	<u>13,045,912,344</u>	<u>11,827,370,518</u>	<u>11,094,377,701</u>
Personal property:						
Primary mobile homes.....	3,290,712	0.0	3,290,712	3,406,415	3,530,837	3,655,822
Secondary mobile homes.....	1,080,574	0.0	1,080,574	1,522,518	1,676,289	1,014,226
Other business.....	1,104,512,531	5.7	1,104,512,531	1,068,271,362	904,937,512	752,876,745
SCME (1).....	18,420,040	0.1	18,420,040	26,911,868	38,700,567	46,813,425
Total personal property.....	<u>1,127,303,857</u>	<u>5.8</u>	<u>1,127,303,857</u>	<u>1,100,112,163</u>	<u>948,845,205</u>	<u>804,360,218</u>
Total locally assessed.....	<u>16,984,457,876</u>	<u>88.1</u>	<u>15,417,393,151</u>	<u>14,146,024,507</u>	<u>12,776,215,723</u>	<u>11,898,737,919</u>
Total taxable value.....	<u>\$19,298,923,587</u>	<u>100.0 %</u>	<u>\$ 17,708,569,496</u>	<u>\$16,176,433,591</u>	<u>\$ 14,322,542,839</u>	<u>\$14,442,078,102</u>
Total taxable value (2).....	<u>\$19,280,503,547</u>		<u>\$ 17,690,149,456</u>	<u>\$16,149,521,723</u>	<u>\$ 14,283,842,272</u>	<u>\$14,395,264,677</u>

* Preliminary; subject to change.

(1) SCME (semi-conductor manufacturing equipment).

(2) Not including taxable valuation associated with SCME.

(Source: Information taken from reports of the State Tax Commission. Compiled by Zions Public Finance, Inc.)

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 2016—Statistical Section—Assessed Value and Estimated Actual Value of Taxable Property Last Ten Years December 31, 2006 through 2015” (CAFR page 90).

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 2016—Statistical Section—Historical Summaries of Taxable Values of Property Last Ten Years December 31, 2006 through 2015” (CAFR page 124).

Tax Collection Record

Ad valorem property taxes are due on November 30th of each year. Final Calendar Year 2016 tax collections are not available.

Tax Year End 12/31	(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
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
2012	96,399,395	530,022	95,869,373	94,014,326	14,071,019	108,085,345	98.1	112.7
2011	101,203,708	522,451	100,681,257	98,308,198	4,933,783	103,241,981	97.6	102.5

- (1) Excludes redevelopment agencies valuation.
- (2) Treasurer’s Relief includes abatements. 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 2012 through 2015 (and will include tax year 2016), includes the collection of moneys from the county–wide equalized capital outlay program, which program was ended in Fiscal Year 2017 (tax year 2016). Delinquent collections include equalized capital outlay of: \$4,320,958 for tax year 2015; \$10,777,882 for tax year 2014; \$11,249,056 for tax year 2013; \$10,233,124 for tax year 2012; and \$412,397 for tax year 2011.
- (4) In addition to the Total Collections indicated above, the District also collected Uniform Fees (fees–in–lieu payments) 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); for tax year 2013 of \$6,802,429 (which includes \$572,274 from equalized capital outlay); for tax year 2012 of \$6,848,662 (which includes \$558,315 from equalized capital outlay); and for tax year 2011 of \$7,145,877 (which includes \$585,807 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.

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

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 2016—Statistical Section—Property Tax levies and Collections (summary) Last Ten Tax Years December 31, 2006 through 2015” (CAFR page 93) and “–Property Tax levies and Collections (detail) Last Ten Tax Years December 31, 2006 through 2015” (CAFR page 94).

Some Of The Largest Taxpayers

The 10 largest ad valorem property taxpayers for Fiscal Year 2017 (Calendar Year or Tax Year 2016) is as follows:

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2016 Taxable Value (1)</u>	<u>% of Jordan's 2016 Prel. Tax- able Value</u>
Kennecott Utah Copper LLC	Manufacturing/real estate	\$1,649,571,513	8.5%
Pacificorp	Electric utility	319,749,838	1.7
Ebay	Buildings/real estate	299,713,921	1.6
Riverpark (et all)	Buildings/real estate	267,739,200	1.4
Verizon Wireless.....	Communication utility	153,966,460	0.8
Dannon Company	Manufacturing /real estate	138,639,478	0.7
Oracle America, Inc.	Buildings/real estate	132,342,767	0.7
Plaza at Jordan Landing LLC.....	Buildings/real estate	128,778,900	0.7
Walmart (et all)	Buildings/real estate	119,067,066	0.6
The District LLC	Buildings/real estate	<u>118,091,900</u>	0.6
Totals		<u>\$3,327,661,043</u>	17.2%

(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.)

For a listing of the District’s 10 largest property tax payers for Calendar Year 2015 see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Statistical Section—Ten of the Principal Property Taxpayers Current Year and Nine Years Ago December 31, 2015 and 2006” (CAFR page 92).

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 2016, approximately 54% of the District’s funding was provided by State Funding, approximately 39% was provided by Local District Funding, and approximately 7% was provided from Federal Funding. See “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016.”

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				
	2016	2015	2014	2013	2012
State Funds					
General.....	\$217,432,316	\$207,909,276	\$210,081,172	\$195,942,899	\$183,725,226
Other governmental.....	7,595,242	6,907,993	6,281,690	6,041,558	5,603,185
Capital projects	<u>393,054</u>	<u>279,713</u>	<u>320,177</u>	<u>584,732</u>	<u>532,170</u>
Total	<u>\$225,420,612</u>	<u>\$215,096,982</u>	<u>\$216,683,039</u>	<u>\$202,569,189</u>	<u>\$189,860,581</u>
% change over prior year	4.8%	(0.7)%	7.0%	6.7%	2.0%
Federal Funds					
General.....	\$16,630,763	\$17,422,527	\$15,765,974	\$15,467,995	\$16,475,745
Other governmental.....	10,847,378	10,060,471	9,913,632	9,654,163	9,692,546
Capital projects	<u>444,009</u>	<u>462,144</u>	<u>530,985</u>	<u>442,920</u>	<u>1,101,997</u>
Total	<u>\$27,922,150</u>	<u>\$27,945,142</u>	<u>\$26,210,591</u>	<u>\$25,565,078</u>	<u>\$27,270,288</u>
% change over prior year	(0.1)%	6.6%	2.5%	(6.3)%	(35.4)%

(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 2017 Bonds.

TAX MATTERS

Federal

Federal tax law contains a number of requirements and restrictions which apply to the 2017 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 2017 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 2017 Bonds to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the 2017 Bonds.

Subject to the Board's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the 2017 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 and corporations, but interest on the 2017 Bonds is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

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.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the regular corporate tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the 2017 Bonds.

Ownership of the 2017 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 2017 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the 2017 Bonds is the price at which a substantial amount of such maturity of the 2017 Bonds is first sold to the public. The Issue Price of a maturity of the 2017 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 Issue Price of a maturity of the 2017 Bonds is less than the principal amount payable at maturity, the difference between the Issue Price of each such maturity, if any, of the 2017 Bonds (the “OID Bonds”) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the 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 and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; 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 2017 Bonds who dispose of 2017 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2017 Bonds in the initial public offering, but at a price different from the Issue Price or purchase 2017 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2017 Bond is purchased at any time for a price that is less than the 2017 Bond’s stated redemption price at maturity or, in the case of an OID Bond, its Issue Price plus accreted original issue discount (the “Revised Issue Price”), the purchaser will be treated as having purchased a 2017 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 2017 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 2017 Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2017 Bonds.

An investor may purchase a 2017 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 2017 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 2017 Bond. Investors who purchase a 2017 Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2017 Bond’s basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2017 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 2017 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 2017 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 2017 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 2017 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 2017 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2017 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 2017 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 2017 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 2017 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 2017 Bonds. Prospective purchasers of the 2017 Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

MISCELLANEOUS

General

The authorization and issuance of the 2017 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 2017 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 2017 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 2017 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.

Bond Ratings

As of the date of this OFFICIAL STATEMENT, the 2017 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 2017 Bonds.

Additionally, as of the date of this OFFICIAL STATEMENT, Fitch has given the 2017 Bonds an underlying rating of “Aaa” and Moody’s has given the 2017 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 obligation bonds will continue for any given period of time 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 2017 Bonds.

Municipal Advisor

The Board has entered into an agreement with the Municipal Advisor whereunder the Municipal Advisor provides financial recommendations and guidance to the Board with respect to preparation for sale of the 2017 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2017 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, 2016 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 2016” (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 or not 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 PRELIMINARY OFFICIAL STATEMENT is in a form deemed final for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

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

Board of Education of Jordan School District, Utah

By: _____

Janice L. Voorhies, President

APPENDIX A

COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016

The comprehensive annual financial report of the Board for Fiscal Year 2016 are 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 2017 must be completed under State law by November 30, 2017.

Government Finance Officers Association—Financial Reporting and Budgets

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 30th consecutive year, beginning with Fiscal Year 1986 through Fiscal Year 2015. For the Fiscal Year 2015 certificate see “APPENDIX A—COMPREHENSIVE ANNUAL FINANCIAL REPORT OF JORDAN SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2016—Certificate of Achievement” (CAFR page 7). *The Board has submitted its Fiscal Year 2016 CAFR to GFOA to determine its eligibility for a Certificate of Achievement. The Board believes that its Fiscal Year 2016 CAFR continues to meet the Certificate of Achievement program requirements.*

In order 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.

Distinguished Budget Presentation Award. GFOA has awarded a Distinguished Budget Presentation Award to the Board for its annual budget for the 20th consecutive year, beginning with Fiscal Year 1997 through Fiscal Year 2016. *The Board has submitted its Fiscal Year 2017 Budget to GFOA to determine its eligibility for a Distinguished Budget Presentation. The Board believes that its Fiscal Year 2017 Budget continues to meet the Distinguished Budget Presentation program requirements.*

In order to receive the annual budget award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This budget award is valid for a period of one year only.

Association of School Business Officials International; Meritorious Budget Award

Budget. The Association of School Business Officials International (“ASBO”) has awarded a Meritorious Budget Award to the Board for its annual budget for the 20th consecutive year, beginning with the Fiscal Year 1997 through Fiscal Year 2016. *The Board has submitted its Fiscal Year 2017 Budget to ASBO to determine its eligibility for a Meritorious Budget Award. The Board believes that its Fiscal Year 2017 Budget continues to meet the Meritorious Budget Award program requirements.*

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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, 2016

Prepared by:

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

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November 10, 2016

**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, 2016, 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, 2016.

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 year ended June 30, 2016. 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 seventh 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, 2016, the State of Utah had 41 school districts with Jordan being the fourth largest. Approximately 52,000 students were enrolled in the District. For the 2015-16 school year, the District had 55 schools—34 elementary schools, 10 middle schools, 6 high schools, 2 technical centers, and 3 special education schools. The average age of the District's 59 buildings is approximately 21 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 District's assessed valuation was \$18.2 billion in tax year 2015, an increase of 9.5 percent compared to tax year 2014. This increase is mostly due to increases in centrally-assessed valuations and residential real estate. Current indicators point to an increase in overall assessed valuation for tax year 2016. The District's student enrollment is projected to increase by 1,427 students next year. The 2016 legislature increased the value of the weighted pupil unit (WPU) for regular school programs by 3.0 percent for the 2016-17 fiscal year. It is anticipated the 2017 legislature will not increase the value of the WPU for the 2017-18 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, approximately 2,000 additional students are expected each year. Jordan School District's enrollment growth will continue to require construction of new schools. Resources in the Capital Projects Fund are available to help finance anticipated construction needs; however, sustainable, long-term solutions require the issuance of bonds. Since exhausting prior voter-approved bonding authorization, the District used reserves and other funding sources to construct two elementary schools and one middle school and has started construction on two additional elementary schools. While these sources and methods have helped address enrollment growth, the District cannot keep pace with this growth without dedicated funding to build more schools. 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.

Major Initiatives and Events

During the year ended June 30, 2016, the District began construction of two new elementary schools, one in South Jordan and one in Herriman. Existing resources in the Capital Projects Fund are being used for the construction of these schools.

Challenges Facing the District

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, 2015. This was the thirtieth 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 Heather Ellingson, CPA, director of Accounting, Budgets, and Audits; Dan Ellis, 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 other 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, 2016.

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 Susan K. Pulsipher
Mrs. Pulsipher represents Precinct 3. Her term of office is 2015-2018.
- Board Vice President Janice L. Voorhies
Mrs. Voorhies represents Precinct 6. Her term of office is 2013-2016.
- Board Secretary Kayleen Whitelock
Mrs. Whitelock represents Precinct 4. Her term of office is 2013-2016.
- Board Member Jen Atwood
Mrs. Atwood represents Precinct 7. Her term of office is 2015-2018.
- Board Member J. Lynn Crane
Mr. Crane represents Precinct 1. His term of office is 2013-2016.
- Board President Richard S. Osborn
Mr. Osborn represents Precinct 5. His term of office is 2013-2016.
- Board Member Matthew Young, CPA
Mr. Young represents Precinct 2. His term of office is 2015-2018.

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 System.....Brad Sorensen

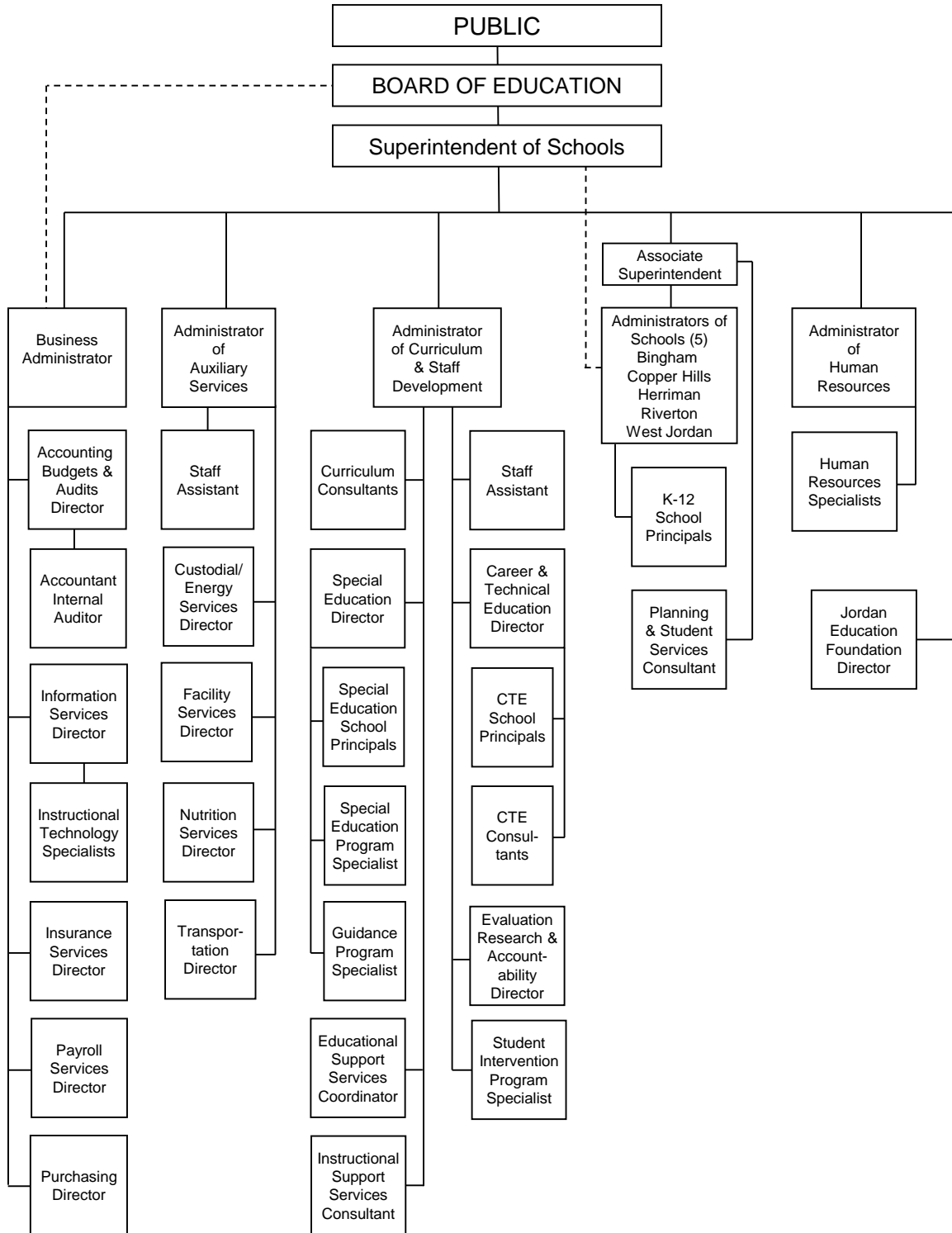
Administrator of Schools – Riverton Feeder SystemMichael Anderson

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

2015-16





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Jordan School District
Utah**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

A handwritten signature in black ink, appearing to read 'Jeffrey R. Emery', is written in a cursive style.

Executive Director/CEO



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, 2016, 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, 2016, 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 schedule of funding progress – district retirement benefits, 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 10, 2016, 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.



Orem, Utah
November 10, 2016

JORDAN SCHOOL DISTRICT

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, 2016. 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 \$4.3 million primarily due to an increase of \$6.7 million in state board and voted local subsidies offset by a decrease of \$2.8 million for general K-12 education funding. Operating grants and contributions increased \$5.9 million primarily due to special education grant increases. Property tax revenues increased \$15.1 million due to increased assessed valuation, offset by a decrease of \$6.5 million in capital equalization payments.
- Instruction expenses increased \$13.8 million during 2016 of which \$8.6 million was due to increased salaries and benefits due to step, lane, and COLA increases given to employees, \$0.9 million local replacement funds sent to charter schools, and a \$4.6 million increase in pension expense.
- During 2016, the District began construction on two elementary schools. Total additions to capital assets (sites, improvements, buildings, equipment, and vehicles) were \$33.2 million for the year.
- The District's total net position increased by \$38.7 million during 2016. Expenditures for capital purchases and debt principal repayment of \$33.2 million and \$11.5 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 the 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 unused vacation leave).

The government-wide financial statements reports 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, and nutrition services.

JORDAN SCHOOL DISTRICT

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 58 through 63 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.

Notes to the 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 the basic financial statements can be found on pages 33 through 50 of this report.

JORDAN SCHOOL DISTRICT

Additional information – In addition to the basic financial statements and related notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide cash stipends and other postemployment benefits to its eligible employees and retirees as well as the schedules of the District's proportionate shares of the Utah Retirement Systems (URS) net pension liabilities and contributions to URS. Required supplementary and related notes information can be found on pages 51 through 54 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 57 through 82 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 \$862.9 million at June 30, 2016.

Jordan School District's Net Position June 30, 2016 and 2015

	<u>Governmental activities</u>		Increase (decrease) from 2015
	<u>2016</u>	<u>2015</u>	
Current and other assets	\$ 521,793,359	\$ 471,961,210	\$ 49,832,149
Capital assets	<u>729,416,067</u>	<u>738,485,497</u>	<u>(9,069,430)</u>
Total assets	<u>1,251,209,426</u>	<u>1,210,446,707</u>	<u>40,762,719</u>
Deferred outflows of resources	<u>63,269,046</u>	<u>22,508,918</u>	<u>40,760,128</u>
Other liabilities	87,290,323	60,954,878	26,335,445
Long-term liabilities outstanding	<u>205,859,430</u>	<u>209,144,501</u>	<u>(3,285,071)</u>
Total liabilities	<u>293,149,753</u>	<u>270,099,379</u>	<u>23,050,374</u>
Deferred inflows of resources	<u>158,441,238</u>	<u>138,625,904</u>	<u>19,815,334</u>
Net position:			
Net investment in capital assets	677,463,407	674,379,692	3,083,715
Restricted	103,948,887	85,971,240	17,977,647
Unrestricted	<u>81,475,187</u>	<u>63,879,410</u>	<u>17,595,777</u>
Total net position	<u>\$ 862,887,481</u>	<u>\$ 824,230,342</u>	<u>\$ 38,657,139</u>

The largest portion of the District's net position (78.5 percent) reflects its investment in capital assets (e.g., sites, 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.

JORDAN SCHOOL DISTRICT

An additional portion of the District's net position (12.1 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 (9.4 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, 2016, 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 decreased \$9.1 million during the year ended June 30, 2016. This decrease is due to the depreciation of existing facilities and sale of land offset by the construction in progress of two elementary schools, improvements to existing buildings, and other capital purchases.

Long-term liabilities increased \$20.8 million due to an increase in the District's net pension liability offset by regular annual payments on the District's general obligation bonds.

Restricted net position increased by \$18.0 million during the year ended June 30, 2016. This increase is largely the result of the timing of major construction projects.

Unrestricted net position increased by \$17.6 million during the current fiscal year. This increase is mostly due to the results of operations in the General Fund providing positive budget variances. These positive variances are due mostly to conservative budgeting and attrition. These positive amounts are offset by increased operating costs for health and accident claims.

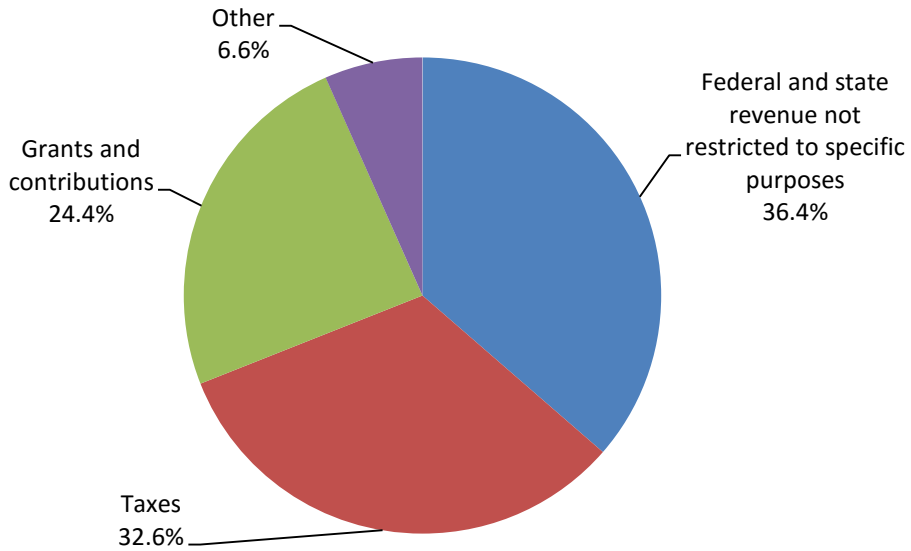
Governmental activities – The key elements of the increase in the District's net position for the year ended June 30, 2016 are as follows:

- 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 \$4.3 million primarily due to an increase of \$6.7 million in state board and voted local subsidies offset by a decrease of \$2.8 million for general K-12 education funding. Operating grants and contributions increased \$5.9 million primarily due to special education grant increases. Property tax revenues increased \$15.1 million due to increased assessed valuation offset by a decrease of \$6.5 million in capital equalization funds.
- Instruction expenses increased \$13.8 million during 2016 of which \$8.6 million increase was due to increased salaries and benefits due to step, lane, and COLA increases given to employees, \$0.9 million local replacement funds sent to charter schools, and a \$4.6 million increase in pension expense.

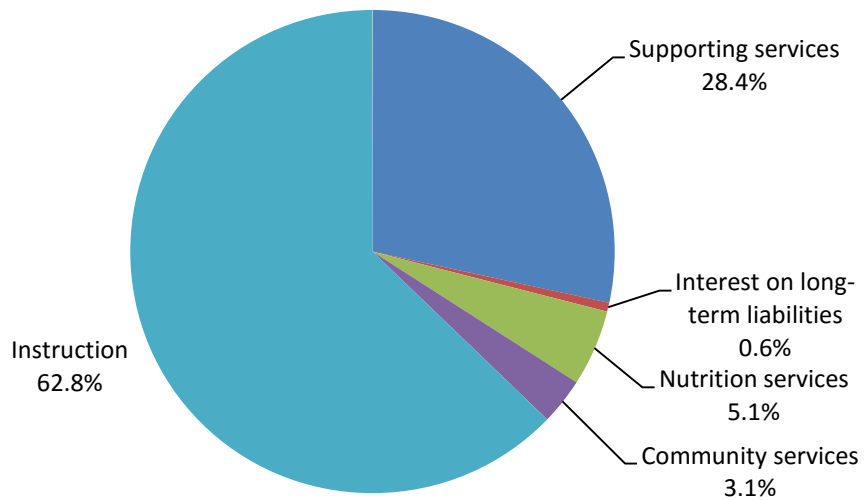
JORDAN SCHOOL DISTRICT**Jordan School District's Changes in Net Position
Years Ended June 30, 2016 and 2015**

	<u>Governmental activities</u>		Increase (decrease) from
	<u>2016</u>	<u>2015</u>	<u>2015</u>
Revenues:			
Program revenues:			
Charges for services	\$ 19,922,005	\$ 18,018,182	\$ 1,903,823
Operating grants and contributions	101,236,370	95,317,508	5,918,862
Capital grants and contributions	423,696	329,713	93,983
General revenues:			
Property taxes	120,078,354	104,987,018	15,091,336
Tax increment	11,752,288	10,231,395	1,520,893
Capital equalization payments	3,911,776	10,395,559	(6,483,783)
Federal and state revenue not restricted to specific purposes	151,682,696	147,359,905	4,322,791
Interest	2,403,498	1,567,780	835,718
Miscellaneous	5,357,440	2,304,626	3,052,814
Total revenues	<u>416,768,123</u>	<u>390,511,686</u>	<u>26,256,437</u>
Expenses:			
Instruction	237,250,386	223,482,113	13,768,273
Supporting services:			
Students	10,897,619	9,905,879	991,740
Instructional staff	13,115,186	13,787,866	(672,680)
General district administration	2,772,694	2,571,116	201,578
School administration	21,821,609	20,676,005	1,145,604
Business	3,187,542	3,616,563	(429,021)
Operation and maintenance of facilities	35,207,469	33,748,406	1,459,063
Student transportation	13,200,129	12,664,262	535,867
Personnel, planning, and data processing	7,141,141	6,608,398	532,743
Community services	11,752,288	10,231,395	1,520,893
Nutrition services	19,397,611	18,507,363	890,248
Interest on long-term liabilities	2,367,310	3,260,584	(893,274)
Total expenses	<u>378,110,984</u>	<u>359,059,950</u>	<u>19,051,034</u>
Increase in net position	38,657,139	31,451,736	7,205,403
Net position - beginning	<u>824,230,342</u>	<u>792,778,606</u>	<u>31,451,736</u>
Net position - ending	<u><u>\$ 862,887,481</u></u>	<u><u>\$ 824,230,342</u></u>	<u><u>\$ 38,657,139</u></u>

**Jordan School District
Revenues by Source - Governmental Activities
Year Ended June 30, 2016**



**Jordan School District
Expenses by Function - Governmental Activities
Year Ended June 30, 2016**



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, 2016, the District’s governmental funds reported a combined fund balance of \$251.1 million, an increase of \$27.6 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 (\$2.3 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 (\$102.1 million or 40.7 percent);
- *committed* includes resources that by Board of Education resolution or contractual obligation are limited in use to particular purposes (\$83.4 million or 33.2 percent);
- *assigned* includes resources that management designates to particular purposes (\$26.7 million or 10.7 percent); and
- *unassigned* or all other available net fund resources (\$36.5 million or 14.5 percent).

Most of this year’s change in the combined fund balances is due to the increase in the Capital Projects Fund which is due to the timing of major construction projects. The following changes in revenues and expenditures should also be noted:

- Overall revenues increased 6.0 percent or \$23.5 million of which \$16.9 is due to property tax revenue offset by decreases of \$6.5 million in capital equalization payments. State revenues increased \$10.3 million primarily due to increases in state board and voted local subsidies offset by decreases in K-12 education funding.
- Expenditures for the General Fund totaled \$303.0 million, an increase of 3.6 percent during the fiscal year. This is mostly due to increases in salaries and state retirement costs. Instruction represents 66.2 percent of the General Fund expenditures.
- General Fund salaries totaled \$185.0 million while the associated benefits of retirement, social security, Medicare, unemployment, industrial insurance, disability insurance, and health and accident insurance added \$80.7 million to arrive at 87.7 percent of the total General Fund expenditures.
- Expenditures for the Capital Projects Fund totaled \$33.5 million, a decrease of 15.4 percent during the fiscal year due to the timing of construction projects.

General Fund Budgetary Highlights

During the year, the Board revised the District’s budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$19.0 million or 6.0 percent in total General Fund expenditures. The most significant change is the increase in instructional staff due to expenditure-driven federal and state grants which, for budgeting purposes, are assumed to be spent down each year.

Final budgeted revenues exceeded original budgetary estimates by \$14.5 million or 4.9 percent, mostly to account for increases in state and federal revenue as well as state carryovers from the prior year. This increase is mostly due to expenditure-driven federal and state grants which, for budgeting purposes, are assumed to be spent down each year.

JORDAN SCHOOL DISTRICT

With these adjustments, actual expenditures were \$32.7 million less than final budgeted amounts. The most significant positive variances were \$19.8 million in instruction and \$7.2 million in supporting services-instructional staff. Actual revenues were \$0.7 million more than final budgeted amounts. Variances primarily result 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 two largest committed fund balances are retiree benefits and economic stabilization. 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."

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, 2016, amounts to \$729.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, and vehicles. The total investment decreased \$9.1 million (1.2 percent) for the year ended June 30, 2016. Total additions to capital assets (sites, improvements, buildings, equipment, and vehicles) were \$33.2 million for the year.

Capital assets are outlined below:

Jordan School District's Capital Assets (Net of accumulated depreciation) June 30, 2016 and 2015

	<u>Governmental activities</u>		<u>Increase (decrease) from 2015</u>
	<u>2016</u>	<u>2015</u>	
Sites and improvements	\$ 111,356,061	\$ 118,863,610	\$ (7,507,549)
Construction in progress	7,525,134	-	7,525,134
Buildings and improvements	570,115,764	576,813,907	(6,698,143)
Furniture and equipment	29,943,112	32,328,746	(2,385,634)
Vehicles	10,475,996	10,479,234	(3,238)
Total capital assets	<u>\$ 729,416,067</u>	<u>\$ 738,485,497</u>	<u>\$ (9,069,430)</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, 2016, the District's long-term debt totaled \$54.2 million, a decrease of \$12.7 million (19.0 percent) from the prior year.

General obligation bonds have a balance of \$40.6 million. All general obligation bonds previously authorized by voters have been issued. 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 debt 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, 2016 is \$1.1 billion. Total general obligation debt with bond premiums at June 30, 2016 is \$45.2 million, resulting in a legal debt margin of \$1.0 billion.

Jordan School District's Long-term Debt June 30, 2016 and 2015

	<u>Governmental activities</u>		Increase (Decrease) from 2015
	<u>2016</u>	<u>2015</u>	<u>2015</u>
General obligation bonds	\$ 40,619,000	\$ 52,116,000	\$ (11,497,000)
Bond premium	4,626,018	5,855,252	(1,229,234)
Qualified school construction bonds	<u>9,000,000</u>	<u>9,000,000</u>	<u>-</u>
Total long-term debt	<u>\$ 54,245,018</u>	<u>\$ 66,971,252</u>	<u>\$ (12,726,234)</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.

JORDAN SCHOOL DISTRICT

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Basic
Financial Statements

JORDAN SCHOOL DISTRICT

Statement of Net Position

June 30, 2016

	Governmental Activities
Assets:	
Cash and investments	\$ 328,832,339
Investments restricted for debt service	3,027,671
Accounts receivable:	
Property taxes	144,413,033
Other local	317,213
State of Utah	1,805,217
Federal government	9,767,647
Inventories	2,292,505
Net pension asset	9,185
Net retirement asset	31,328,549
Capital assets:	
Sites and construction in progress	92,415,399
Other capital assets, net of accumulated depreciation	<u>637,000,668</u>
Total assets	<u>1,251,209,426</u>
Deferred outflows of resources:	
Deferred charge on refunding	2,292,358
Related to pensions	<u>60,976,688</u>
Total deferred outflows of resources	63,269,046
Liabilities:	
Accounts and contracts payable	6,688,839
Accrued payroll and related benefits	31,461,241
Accrued interest	86,609
Unearned revenue:	
Local	820,046
State of Utah	22,566,409
Federal government	1,545,859
Noncurrent liabilities:	
Due or payable within one year	24,121,320
Due or payable after one year	<u>205,859,430</u>
Total liabilities	<u>293,149,753</u>
Deferred inflows of resources:	
Related to pensions	16,059,297
Property taxes levied for future year	<u>142,381,941</u>
Total deferred inflows of resources	158,441,238
Net position:	
Net investment in capital assets	677,463,407
Restricted for:	
Debt service	3,211,631
Capital projects	85,941,213
Nutrition services	7,751,305
K-3 reading	6,042,513
Other purposes	1,002,225
Unrestricted	<u>81,475,187</u>
Total net position	<u>\$ 862,887,481</u>

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

JORDAN SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2016

Activities and Functions	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental activities:					
Instruction	\$ 237,250,386	\$ 10,620,352	\$ 73,532,506	\$ 423,696	\$ (152,673,832)
Supporting services:					
Students	10,897,619	28,317	2,165,439	-	(8,703,863)
Instructional staff	13,115,186	114,689	5,134,393	-	(7,866,104)
General district administration	2,772,694	-	-	-	(2,772,694)
School administration	21,821,609	43,074	2,008,417	-	(19,770,118)
Business	3,187,542	-	-	-	(3,187,542)
Operation and maintenance of facilities	35,207,469	448,010	57,961	-	(34,701,498)
Student transportation	13,200,129	896,339	6,041,939	-	(6,261,851)
Personnel, planning, and data processing	7,141,141	112,212	91,524	-	(6,937,405)
Community services	11,752,288	-	-	-	(11,752,288)
Nutrition services	19,397,611	7,659,012	12,204,191	-	465,592
Interest on long-term liabilities	2,367,310	-	-	-	(2,367,310)
Total school district	<u>\$ 378,110,984</u>	<u>\$ 19,922,005</u>	<u>\$ 101,236,370</u>	<u>\$ 423,696</u>	<u>(256,528,913)</u>
General revenues:					
Taxes:					
Property taxes levied for:					
Basic					33,235,973
Voted local					30,632,233
Board local					14,512,021
Debt service					16,349,954
Capital local					25,348,173
Tax increment					11,752,288
Capital equalization payments					3,911,776
Total taxes					135,742,418
Federal and state revenue not restricted to specific purposes					151,682,696
Interest					2,403,498
Miscellaneous					5,357,440
Total general revenues					295,186,052
Change in net position					38,657,139
Net position - beginning					824,230,342
Net position - ending					<u>\$ 862,887,481</u>

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

JORDAN SCHOOL DISTRICT

**Balance Sheet
Governmental Funds
June 30, 2016**

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General	Debt Service	Capital Projects		
Assets:					
Cash and investments	\$ 189,986,810	\$ 3,069,357	\$ 86,167,244	\$ 17,473,757	\$ 296,697,168
Investments restricted for debt service	-	-	3,027,671	-	3,027,671
Accounts receivable:					
Property taxes	71,936,740	14,287,611	44,175,937	14,012,745	144,413,033
Other local	308,246	8,967	-	-	317,213
State of Utah	286,217	-	-	1,519,000	1,805,217
Federal government	8,882,124	-	-	885,523	9,767,647
Inventories	1,062,366	-	-	1,230,139	2,292,505
Total assets	<u>\$ 272,462,503</u>	<u>\$ 17,365,935</u>	<u>\$ 133,370,852</u>	<u>\$ 35,121,164</u>	<u>\$ 458,320,454</u>
Liabilities:					
Accounts and contracts payable	\$ 1,986,813	\$ -	\$ 3,682,448	\$ 942,772	\$ 6,612,033
Accrued payroll and related benefits	31,461,241	-	-	-	31,461,241
Unearned revenue:					
Local	121,829	-	-	698,217	820,046
State of Utah	20,905,145	-	-	1,661,264	22,566,409
Federal government	1,545,859	-	-	-	1,545,859
Total liabilities	<u>56,020,887</u>	<u>-</u>	<u>3,682,448</u>	<u>3,302,253</u>	<u>63,005,588</u>
Deferred inflows of resources:					
Unavailable property tax revenue	1,078,407	228,299	353,944	191,345	1,851,995
Property taxes levied for future year	70,743,037	14,067,695	43,747,191	13,824,018	142,381,941
Total deferred inflows of resources	<u>71,821,444</u>	<u>14,295,994</u>	<u>44,101,135</u>	<u>14,015,363</u>	<u>144,233,936</u>
Fund balances:					
Nonspendable:					
Inventories	1,062,366	-	-	1,230,139	2,292,505
Restricted for:					
Property tax programs	6,010,166	3,069,941	85,587,269	-	94,667,376
Nutrition services	-	-	-	6,521,166	6,521,166
Donated purposes	-	-	-	905,986	905,986
Committed to:					
Contractual obligations	1,842,647	-	-	-	1,842,647
Economic stabilization	16,700,000	-	-	-	16,700,000
Compensated absences	3,225,151	-	-	-	3,225,151
Retiree benefits	52,528,487	-	-	-	52,528,487
Students	-	-	-	9,146,257	9,146,257
Assigned to:					
Educational programs	6,797,029	-	-	-	6,797,029
Personnel	19,950,186	-	-	-	19,950,186
Unassigned	36,504,140	-	-	-	36,504,140
Total fund balances	<u>144,620,172</u>	<u>3,069,941</u>	<u>85,587,269</u>	<u>17,803,548</u>	<u>251,080,930</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 272,462,503</u>	<u>\$ 17,365,935</u>	<u>\$ 133,370,852</u>	<u>\$ 35,121,164</u>	<u>\$ 458,320,454</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, 2016

Total fund balance of governmental funds \$ 251,080,930

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 \$1,068,030,528 and accumulated depreciation is \$338,614,461 (see Note 4). 729,416,067

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. 1,851,995

An internal service fund is used by the District's management to charge the costs of health and life insurance benefits to individual funds. The assets and liabilities of the internal service fund are included with governmental activities. 22,687,423

The net pension asset is not an available resource and therefore is not reported in the governmental funds. 9,185

Certain retirement benefit payments in excess of actuarially required amounts are recognized as expenditures in governmental funds. 31,328,549

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. (86,609)

In an advance refunding of bonds, the difference between the reacquisition price and the net carrying amount of the old bonds is reported as 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. 2,292,358

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	\$ (40,619,000)	
Qualified school construction bonds	(9,000,000)	
Bond issuance premium	(4,626,018)	
Compensated absences	(3,225,151)	
Net pension liability	(163,139,639)	
Deferred outflows of resources related to pensions	60,976,688	
Deferred inflows of resources related to pensions	(16,059,297)	(175,692,417)

Total net position of governmental activities \$ 862,887,481

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, 2016**

	Major Funds			Other Governmental Funds	Total Governmental Funds
	General	Debt Service	Capital Projects		
Revenues:					
Property taxes	\$ 70,443,092	\$ 14,939,455	\$ 33,945,004	\$ 12,823,468	\$ 132,151,019
Capital equalization payments	-	-	3,911,776	-	3,911,776
Interest	1,527,182	71,381	435,016	181,965	2,215,544
School lunch sales	-	-	-	7,659,012	7,659,012
Other local sources	7,713,261	-	7,469	8,313,193	16,033,923
State of Utah	217,432,316	-	393,054	7,595,242	225,420,612
Federal government	16,630,763	-	444,009	10,847,378	27,922,150
Total revenues	313,746,614	15,010,836	39,136,328	47,420,258	415,314,036
Expenditures:					
Current:					
Instruction	200,689,103	-	-	14,049,398	214,738,501
Supporting services:					
Students	11,296,375	-	-	-	11,296,375
Instructional staff	13,246,639	-	-	-	13,246,639
General district administration	2,121,286	-	-	-	2,121,286
School administration	21,317,489	-	-	-	21,317,489
Business	3,246,676	-	-	-	3,246,676
Operation and maintenance of facilities					
facilities	32,543,189	-	-	-	32,543,189
Student transportation	11,307,750	-	-	-	11,307,750
Personnel, planning, and data processing					
	7,265,266	-	-	-	7,265,266
Nutrition services	-	-	-	19,679,844	19,679,844
Community services	-	-	-	12,470,739	12,470,739
Capital outlay	-	-	32,924,853	-	32,924,853
Debt service:					
Principal	-	11,497,000	-	-	11,497,000
Interest and fees	-	2,504,097	540,548	-	3,044,645
Total expenditures	303,033,773	14,001,097	33,465,401	46,199,981	396,700,252
Excess (deficiency) of revenues over (under) expenditures	10,712,841	1,009,739	5,670,927	1,220,277	18,613,784
Other financing sources (uses):					
Transfers in (out)	(171,461)	-	-	171,461	-
Proceeds from sale of capital assets	-	-	8,940,603	-	8,940,603
Total other financing sources (uses)	(171,461)	-	8,940,603	171,461	8,940,603
Net change in fund balances	10,541,380	1,009,739	14,611,530	1,391,738	27,554,387
Fund balances - beginning	134,078,792	2,060,202	70,975,739	16,411,810	223,526,543
Fund balances - ending	<u>\$ 144,620,172</u>	<u>\$ 3,069,941</u>	<u>\$ 85,587,269</u>	<u>\$ 17,803,548</u>	<u>\$ 251,080,930</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, 2016

Net change in fund balances of governmental funds \$ 27,554,387

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 depreciation exceeded capital outlays and related items in the current period.

	Capital outlays	\$ 33,176,383	
	Gain on sale of capital assets	3,218,071	
	Proceeds from sale of capital assets	(8,940,603)	
	Depreciation expense	<u>(36,523,281)</u>	(9,069,430)

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:

	Repayment of bond principal	\$ 11,497,000	
	Bond interest expense	21,190	
	Amortization of deferred charge on refunding	(573,089)	
	Amortization of bond issuance premiums	<u>1,229,234</u>	12,174,335

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. (320,377)

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.

	Pension expense - URS	\$ 3,560,073	
	Compensated absence benefits	(170,895)	
	District retirement benefits	<u>1,223,976</u>	4,613,154

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. 3,705,070

Change in net position of governmental activities \$ 38,657,139

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, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues:				
Property taxes	\$ 64,544,000	\$ 70,191,600	\$ 70,443,092	\$ 251,492
Interest	680,000	680,000	1,527,182	847,182
Other local revenue	6,246,371	7,449,588	7,713,261	263,673
State of Utah	212,007,917	216,925,939	217,432,316	506,377
Federal government	15,078,608	17,847,208	16,630,763	(1,216,445)
Total revenues	<u>298,556,896</u>	<u>313,094,335</u>	<u>313,746,614</u>	<u>652,279</u>
Expenditures:				
Current:				
Instruction	203,529,001	220,489,621	200,689,103	19,800,518
Supporting services:				
Students	10,725,683	10,594,578	11,296,375	(701,797)
Instructional staff	17,920,559	20,452,156	13,246,639	7,205,517
General district administration	2,346,232	2,345,177	2,121,286	223,891
School administration	21,793,894	22,603,470	21,317,489	1,285,981
Business	3,456,689	3,386,518	3,246,676	139,842
Operation and maintenance of facilities	36,342,104	35,349,901	32,543,189	2,806,712
Student transportation	12,667,981	12,531,827	11,307,750	1,224,077
Personnel, planning, and data processing	7,949,527	7,951,005	7,265,266	685,739
Total expenditures	<u>316,731,670</u>	<u>335,704,253</u>	<u>303,033,773</u>	<u>32,670,480</u>
Excess (deficiency) of revenues over (under) expenditures	(18,174,774)	(22,609,918)	10,712,841	33,322,759
Other financing sources (uses):				
Transfer out	<u>(167,871)</u>	<u>(175,849)</u>	<u>(171,461)</u>	<u>4,388</u>
Net change in fund balances	(18,342,645)	(22,785,767)	10,541,380	33,327,147
Fund balances - beginning	<u>111,427,231</u>	<u>134,078,792</u>	<u>134,078,792</u>	<u>-</u>
Fund balances - ending	<u>\$ 93,084,586</u>	<u>\$ 111,293,025</u>	<u>\$ 144,620,172</u>	<u>\$ 33,327,147</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, 2016

	<u>Governmental Activities - Internal Service Fund Self-Insurance</u>
Assets:	
Current assets:	
Cash and investments	\$ 32,135,171
Liabilities:	
Current liabilities:	
Accounts payable	76,806
Accrued medical claims	8,926,027
Accrued workers compensation claims	444,915
Total liabilities	<u>9,447,748</u>
Net position:	
Unrestricted	<u>\$ 22,687,423</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, 2016

	Governmental Activities - Internal Service Fund <u>Self-Insurance</u>
Operating revenues:	
Insurance premiums	\$ 36,649,128
Operating expenses:	
Medical claims	23,302,586
Prescription claims	5,580,133
Workers compensation claims	888,245
Insurance premiums	1,762,050
Administration and other	1,598,998
Total operating expenses	<u>33,132,012</u>
Operating income	3,517,116
Nonoperating revenues:	
Interest	187,954
Change in net position	3,705,070
Net position - beginning	<u>18,982,353</u>
Net position - ending	<u><u>\$ 22,687,423</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, 2016

	Governmental Activities - Internal Service Fund Self-Insurance
Cash flows from operating activities:	
Receipts from interfund services provided	\$ 36,649,128
Payments to suppliers	(1,541,428)
Payments for medical fees and insurance claims	(31,260,461)
Payments for workers compensation claims	(698,700)
Net cash provided by operating activities	<u>3,148,539</u>
Cash flows from investing activities:	
Interest received	<u>187,954</u>
Net increase in cash and cash equivalents	3,336,493
Cash and cash equivalents - beginning	<u>28,798,678</u>
Cash and cash equivalents - ending	<u>\$ 32,135,171</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	\$ 3,517,116
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts payable	57,570
Decrease in accrued medical claims	(615,692)
Increase in accrued workers compensation claims	189,545
Total adjustments	<u>(368,577)</u>
Net cash provided by operating activities	<u>\$ 3,148,539</u>
 Noncash investing, capital, and financing activities:	 none

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

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JORDAN SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2016

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

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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.

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 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:

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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. The District has the following sources that qualify for reporting in this category; these items are reported in the statement of net position:

- Deferred charge on refunding – results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources related to pensions – includes a) net difference between projected and actual earnings on pension plan investments and b) changes in proportion and differences between contributions and proportionate share of contributions, and c) District contributions subsequent to the measurement date of December 31, 2015.

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.

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

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

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

- Property taxes levied for future year – property taxes levied on January 1, 2016 for the fiscal year ending June 30, 2017.

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

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

Net Position / Fund Balances – The residual of all other elements presented in 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

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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:
 - 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 for the schools' use and not general District use.
 - e) The Board committed the program balances within the Non K-12 Programs Fund for the programs' use and not general District use.
 - f) The Board committed the program balances within the Jordan Education Foundation Fund for the programs' use and not general District use.
- **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 school allocations, negotiated agreements, health insurance, and industrial insurance.
- **Unassigned** – Residual balances in the General Fund are classified as unassigned.

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

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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, 2016 as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 15,511,260
Carrying amount of investments:	
Mutual funds	353,543
Public Treasurers' Investment Fund	<u>315,995,207</u>
Total cash and investments	<u>\$ 331,860,010</u>
Governmental funds cash and investments	\$ 296,697,168
Internal service fund cash and investments	<u>32,135,171</u>
Total cash and investments, unrestricted	328,832,339
Investments restricted for debt service	<u>3,027,671</u>
Total cash and investments	<u>\$ 331,860,010</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, US Treasury obligations, US 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, 2016, 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	\$ 15,506,167	\$ 15,486,218	\$ 1,092,355
Jordan Education Foundation	<u>5,093</u>	<u>5,144</u>	<u>5,144</u>
Total deposits	<u>\$ 15,511,260</u>	<u>\$ 15,491,362</u>	<u>\$ 1,097,499</u>

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- **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, 2016, \$14,393,863 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, and certificates of deposit. The portfolio has a weighted average maturity of 53 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, 2016, the District has the following investments summarized by investment type:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>	
		<u>Less Than 1</u>	<u>1-5</u>
Jordan School District:			
Utah Public Treasurers' Investment Fund (PTIF)	\$ 315,345,163	\$ 315,345,163	\$ -
Jordan Education Foundation			
Utah Public Treasurers' Investment Fund (PTIF)	650,044	650,044	-
Mutual funds	353,543	353,543	-
Total investments	<u>\$ 316,348,750</u>	<u>\$ 316,348,750</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.

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- **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

In 2016, the District adopted Government Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*. The new standard provides guidance for determining a fair value measurement for financial reporting purposes. The standard also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The District's financial statements are not affected by this new standard.

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, 2016:

- Mutual funds investing in marketable securities of \$353,543 are valued using quoted market prices (Level 1 inputs).
- Public Treasurers' Investment Fund of \$315,995,207 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, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Sites	\$ 90,612,797	\$ -	\$ (5,722,532)	\$ 84,890,265
Construction in progress	-	7,525,134	-	7,525,134
Total capital assets, not being depreciated	90,612,797	7,525,134	(5,722,532)	92,415,399
Capital assets, being depreciated:				
Site improvements	43,420,282	457,025	-	43,877,307
Buildings	819,395,518	18,046,797	(2,195,949)	835,246,366
Equipment	71,328,380	5,147,531	(7,046,515)	69,429,396
Vehicles	25,081,483	1,999,896	(19,319)	27,062,060
Total capital assets, being depreciated	959,225,663	25,651,249	(9,261,783)	975,615,129
Accumulated depreciation for:				
Site Improvements	15,169,469	2,242,042	-	17,411,511
Buildings	242,581,611	22,759,417	(210,426)	265,130,602
Equipment	38,999,634	9,518,688	(9,032,038)	39,486,284
Vehicles	14,602,249	2,003,134	(19,319)	16,586,064
Total accumulated depreciation	311,352,963	36,523,281	(9,261,783)	338,614,461
Total capital assets, being depreciated, net	647,872,700	(10,872,032)	-	637,000,668
Governmental activities capital assets, net	<u>\$ 738,485,497</u>	<u>\$ (3,346,898)</u>	<u>\$ (5,722,532)</u>	<u>\$ 729,416,067</u>

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Depreciation expense for the year ended June 30, 2016 was charged to functions of the District as follows:

Governmental activities:

Instruction	\$ 27,470,318
Supporting services:	
Instructional staff	206,987
General district administration	708,621
School administration	1,066,398
Business	7,732
Operation and maintenance of facilities	3,192,214
Student transportation	2,160,148
Personnel, planning, and data processing	37,972
Nutrition services	1,672,891
Total depreciation expense, governmental activities	<u>\$ 36,523,281</u>

5. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 52,116,000	\$ -	\$ (11,497,000)	\$ 40,619,000	\$ 12,009,000
Qualified school construction bonds	9,000,000	-	-	9,000,000	-
Bond issuance premium	5,855,252	-	(1,229,234)	4,626,018	-
Total bonds payable, net	66,971,252	-	(12,726,234)	54,245,018	12,009,000
Net pension liability	129,321,904	69,682,170	(35,864,435)	163,139,639	-
Accrued medical claims	9,541,719	28,882,719	(29,498,411)	8,926,027	8,926,027
Compensated absences obligation	3,054,256	3,225,151	(3,054,256)	3,225,151	2,741,378
Accrued workers compensation claims	255,370	888,245	(698,700)	444,915	444,915
Total governmental activity long-term liabilities	<u>\$ 209,144,501</u>	<u>\$ 102,678,285</u>	<u>\$ (81,842,036)</u>	<u>\$ 229,980,750</u>	<u>\$ 24,121,320</u>

General Obligation Bonds Payable – General obligation bonds payable at June 30, 2016 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
2007	School Building	\$ 196,000,000	4.00% to 4.25%	4.12%	June 15, 2017	\$ 13,700,000
2014	Bond Refunding	104,665,000	5.00%	1.00%	June 15, 2020*	89,700,000
Total general obligation bonds payable as of June 30, 2016						103,400,000
Amount to be paid by Canyons School District						(62,781,000)
Amount to be paid by Jordan School District						<u>\$ 40,619,000</u>

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

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General obligation bonds payable are obligations of the District prior to dividing (July 1, 2009). Accordingly, Canyons School District is responsible for 58 percent of the outstanding debt and Jordan School District is responsible for 42 percent.

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:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 12,009,000	\$ 1,987,795	\$ 13,996,795
2018	12,565,000	1,430,500	13,995,500
2019	13,195,000	802,250	13,997,250
2020	<u>2,850,000</u>	<u>142,500</u>	<u>2,992,500</u>
Total	<u>\$ 40,619,000</u>	<u>\$ 4,363,045</u>	<u>\$ 44,982,045</u>

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 4.51 percent subsidy received from the federal government to arrive at 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, 2016, the sinking fund has a balance of \$3,027,671. 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, 2016, including interest payments, are listed as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Net Interest</u>	<u>Total</u>
2017	\$ -	\$ 134,080	\$ 134,080
2018	-	134,080	134,080
2019	-	134,080	134,080
2020	-	134,080	134,080
2021	-	134,080	134,080
2022-2026	-	670,400	670,400
2027	<u>9,000,000</u>	<u>134,080</u>	<u>9,134,080</u>
Total	<u>\$ 9,000,000</u>	<u>\$ 1,474,880</u>	<u>\$ 10,474,880</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, 2016 to be \$3,225,151. 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. Risk Management.

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6. TRANSFERS

During the year ended June 30, 2016, the District made one transfer between funds. The District transferred \$171,461 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 under construction. At June 30, 2016, the District has \$34,230,483 in open purchase orders for capital projects. The District anticipates spending \$35,024,031 for fiscal year ending June 30, 2017 on building projects and \$14,546,173 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 \$82,278 for the fiscal year ended June 30, 2016. The future minimum lease payments for these leases are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2017	\$ 70,842
2018	50,739
2019	1,731

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

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

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During the year ended June 30, 2016, incremental taxes levied by the District for the redevelopment agencies totaling \$11,752,288 were recorded as revenue with an equivalent amount of expenditure in the other governmental funds (in the tax increment financing 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 (the URS) administered by the URS:

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

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

Defined Contribution Plans (individual account plans):

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

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

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.

Benefits provided – The URS provides retirement, disability, and death benefits to participants in the defined benefit pension plans. Retirement benefits are determined from 1.25% to 2.0% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; 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, 2016, District required contribution rates for the plans were as follows:

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	Defined Benefit Plans Rates			District Rates for 401(k) Plan
	District Contributions	Employee Paid	Paid by District for Employee	
Tier 1 Noncontributory System	22.19%	-	-	1.50%
Tier 1 Contributory System	17.70%	1.00%	5.00%	-
Tier 2 Contributory System*	8.22%	-	-	1.78%
Tier 2 Defined Contribution Plan*	-	-	-	10.00%

* The District is also required to contribute 9.94 % of covered employee payroll of the Tier 2 plans to finance the unfunded accrued liability of the Tier 1 plans. The District is also required to contribute 0.08% of covered employee payroll of the Tier 2 plans for death benefits.

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

For the year ended June 30, 2016, District and employee contributions to the plans were as follows:

	District Contributions	Employee Contributions
Tier 1 Noncontributory System	\$ 29,535,553	\$ -
Tier 1 Contributory System	108,260	5,569
Tier 2 Contributory System*	5,584,710	-
401(k) Plan	3,919,551	2,463,536
457 Plan	-	333,356
Roth IRA Plan	-	160

* Tier 2 plan contributions include required contributions to finance the unfunded actuarial accrued liability of the Tier 1 plans and for death benefits.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions – At June 30, 2016, the District reported a net pension asset of \$9,185 and a net pension liability of \$163,139,639 for the following plans:

	Proportionate Share	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	5.1519245%	\$ -	\$ 161,836,702
Tier 1 Contributory System	2.0792025%	-	1,302,937
Tier 2 Contributory System	4.2076149%	9,185	-
Total		<u>\$ 9,185</u>	<u>\$ 163,139,639</u>

The net pension asset and liability were measured as of December 31, 2015, and the total pension asset and liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2015 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension asset and liability is equal to the ratio of the District's actual contributions compared to the total of all employer contributions during the plan year.

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For the year ended June 30, 2016, the District recognized pension expense of \$32,304,362. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 12,827,031
Changes of assumptions	-	3,232,266
Net difference between projected and actual earnings on pension plan investments	42,916,405	-
Changes in proportion and differences between contributions and proportionate share of contributions	211,578	-
District contributions subsequent to the measurement date	<u>17,848,705</u>	<u>-</u>
Total	<u>\$ 60,976,688</u>	<u>\$ 16,059,297</u>

The \$17,848,705 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of December 31, 2015 will be recognized as a reduction of the net pension liability in the year ending June 30, 2017. 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:

<u>Year Ending June 30,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2017	\$ 5,821,334
2018	5,821,334
2019	6,257,278
2020	9,311,451
2021	(26,104)
Thereafter	(116,607)

Actuarial assumptions – The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

Mortality rates were developed from actual experience and mortality tables, 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, 2015 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2013.

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

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

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

Discount rate – The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions all participating employers will be made at contractually required rates, actuarially determined 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. The discount rate was not changed from the prior measurement date.

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

	1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
District's proportionate share of the net pension (asset) liability			
Tier 1 Noncontributory System	\$ 292,918,319	\$ 161,836,702	\$ 51,924,591
Tier 1 Contributory System	2,945,969	1,302,937	(90,830)
Tier 2 Contributory System	1,684,404	(9,185)	(1,292,768)
Total	\$ 297,548,692	\$ 163,130,454	\$ 50,540,993

JORDAN SCHOOL DISTRICT

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, 2016, the District reported payables of \$7,159,787 for contributions to defined benefit pension plans and \$310,702 for contributions to defined contribution plans.

10. DISTRICT RETIREMENT PLANS

Plan Descriptions – Under the authority of the Board of Education and District Policy, the District self-administers the single-employer retirement plans described below.

Beginning July 1, 2006, the District offers retirement benefit stipends to employees retiring under the guidelines of the Utah Retirement Systems. These benefits are based on the tenure and salary of the employees as of June 30, 2006, effectively eliminating the benefit over a period of time and “freezing” the total future liability of the District.

The District also provides post-employment health-care benefits to employees who retire with the Utah Retirement Systems. 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 retiring before July 1, 2006 receive up to seven years, based on tenure, of retirement health insurance at the employee premium and may purchase additional years of coverage up to age 65, at 110 percent of the total District premium. Those employees retiring after June 30, 2006 may purchase health insurance at a percentage above the total District premium as follows: first eighteen months at 102 percent, next six months at 110 percent, and up until age 65 at a floating percentage to cover retiree healthcare costs as its own insured group. The number of participants who received post-employment insurance benefits was 116 in the month of January 2016.

Net Retirement Asset – The District pays for these benefits on a pay-as-you-go basis from the General Fund. However, the District retirement benefit cost in the government-wide statement of activities is equal to the actuarial annual required contribution plus interest, plus an adjustment to the actuarial required contribution. The difference between actual cash payments and the actuarial annual benefit cost equals a liability still to be paid or an asset of amounts paid sooner than actuarially estimated. This liability or asset is recorded on the government-wide statement of net position. During 2016, the District’s net retirement asset increased \$1,223,976 to a total of \$31,328,549 as calculated and summarized below:

	<u>Cash Stipends</u>	<u>Healthcare</u>
Annual required contribution	\$ (2,193,138)	\$ (783,056)
Interest on net retirement obligation	374,329	374,936
Adjustment to annual required contribution	<u>(877,114)</u>	<u>(924,689)</u>
Annual retirement cost (expense)	(2,695,923)	(1,332,809)
Contributions made	<u>4,107,463</u>	<u>1,145,245</u>
Increase (decrease) in net retirement asset	1,411,540	(187,564)
Net retirement asset - beginning of year	<u>14,644,550</u>	<u>15,460,023</u>
Net retirement asset - end of year	<u><u>\$ 16,056,090</u></u>	<u><u>\$ 15,272,459</u></u>

Year Ended June 30,	Annual Retirement Cost		Contributions as Percentage of Annual Retirement Cost		Net Retirement Asset	
	Cash Stipends	Healthcare	Cash Stipends	Healthcare	Cash Stipends	Healthcare
2014	\$ 2,965,160	\$ 1,220,084	163.89%	111.52%	\$ 13,238,504	\$ 15,486,312
2015	2,752,901	1,319,866	151.08%	98.01%	14,644,550	15,460,023
2016	2,695,923	1,332,809	152.36%	85.93%	16,056,090	15,272,459

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Funded Status – The District has committed \$52,528,487 of General Fund resources to help cover future obligations of these benefits; however, such commitments do not qualify as “funding.” The required schedule of funding progress immediately following the notes to the basic financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time. The funded status of these benefits as of June 30, 2016, based on the September 1, 2014 actuarial study, is summarized below:

	<u>Cash Stipends</u>	<u>Healthcare</u>
Actuarial Accrued Liability (AAL)	\$ 27,097,384	\$ 8,054,805
Actuarial Value of Plan Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 27,097,384</u>	<u>\$ 8,054,805</u>
Funded Ratio (actuarial value of plan assets / AAL)	<u>0.00%</u>	<u>0.00%</u>
Covered Payroll	<u>\$ 62,175,885</u>	<u>\$ 81,157,311</u>
UAAL as a Percentage of Covered Payroll	<u>43.58%</u>	<u>9.92%</u>

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Changes in the accrued liabilities over time can be found in information immediately following the notes to the basic financial statements. Calculations are based on the other post-employment benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. Actuarial calculations are long-term in nature, and techniques are used to reduce the short-term volatility of actuarial accrued liabilities and the actuarial valuation of assets. In the September 1, 2014 actuarial valuation, the projected unit credit using full accrual at full eligibility age method and level dollar closed amortization (30 years) was used. An interest rate assumption of the 30 year Treasury Yield Curve as of September 2, 2014 was used. The valuation assumes a healthcare cost trend increase of 5.8 percent for fiscal year 2014-15, 5.5 percent for fiscal year 2015-16, 5.6 percent for fiscal year 2016-17 at which point it gradually grades down to 4.6 percent for fiscal year 2089-90 and beyond with inflation at 2.5 percent. Cost of health-care was estimated using the District’s past experience, level of coverage, and premiums with gender and age adjustments. Demographic and other assumptions include: 1) mortality rates, 2) public education retirement rates, and 3) termination rates by age, gender, and years employed. Projected salary increases are not assumed since the plans are based on the June 30, 2006 salary.

11. 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, 2016, the District has recorded estimates of claims incurred but not reported of \$8,926,027 and \$444,915 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, 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Change</u>
Accrued medical claims (beginning of year)	\$ 9,541,719	\$ 11,059,725	\$ (1,518,006)
Claims (including incurred but not reported)	28,882,719	31,265,768	(2,383,049)
Payments of claims	<u>(29,498,411)</u>	<u>(32,783,774)</u>	<u>3,285,363</u>
Accrued medical claims (end of year)	<u>\$ 8,926,027</u>	<u>\$ 9,541,719</u>	<u>\$ (615,692)</u>

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The following table shows a history of accrued workers compensation claims for the years ended June 30, 2016 and 2015:

	<u>2016</u>	<u>2015</u>	<u>Change</u>
Accrued workers compensation claims (beginning of year)	\$ 255,370	\$ 622,613	\$ (367,243)
Claims (including incurred but not reported)	888,245	663,440	224,805
Payments of claims	<u>(698,700)</u>	<u>(1,030,683)</u>	<u>331,983</u>
Accrued workers compensation claims (end of year)	<u>\$ 444,915</u>	<u>\$ 255,370</u>	<u>\$ 189,545</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.

12. 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.

13. 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
Schedule of Funding Progress
District Retirement Benefits**

June 30, 2016

Cash Stipends

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
9/1/2010	\$ -	\$ 41,937,894	\$ 41,937,894	0.00%	\$ 77,064,238	54.42%
9/1/2012	-	38,108,312	38,108,312	0.00%	70,754,360	53.86%
9/1/2014	-	30,045,222	30,045,222	0.00%	64,961,949	46.25%

Health Care

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
9/1/2010	\$ -	\$ 11,686,981	\$ 11,686,981	0.00%	\$ 100,221,908	11.66%
9/1/2012	-	9,608,268	9,608,268	0.00%	91,502,547	10.50%
9/1/2014	-	8,872,056	8,872,056	0.00%	84,318,936	10.52%

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

The studies assumed interest rates on the 30-year Treasury Yield Curve.

The composition of the population covered in each study has changed due to the nature of the frozen benefit.

JORDAN SCHOOL DISTRICT

Required Supplementary Information Schedules of the District's Proportionate Share of the Net Pension Liability (Asset) - Utah Retirement Systems Last Two Plan (Calendar) Years

	<u>2015</u>	<u>2014</u>
Tier 1 Noncontributory System:		
District's proportionate share of the net pension liability (asset)	5.1519245%	5.1373968%
District's	\$ 161,836,702	\$ 129,078,568
District's covered employee payroll	\$ 137,717,333	\$ 141,673,010
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	117.51%	91.11%
Plan fiduciary net position as a percentage of the total pension liability (asset)	84.5%	87.2%
Tier 1 Contributory System:		
District's proportionate share of the net pension liability (asset)	2.0792025%	2.2192353%
District's	\$ 1,302,937	\$ 243,336
District's covered employee payroll	\$ 658,644	\$ 816,179
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	197.82%	29.8%
Plan fiduciary net position as a percentage of the total pension liability (asset)	92.4%	98.7%
Tier 2 Contributory System		
District's proportionate share of the net pension liability (asset)	4.2076149%	4.5352734%
District's	\$ (9,185)	\$ (137,439)
District's covered employee payroll	\$ 27,168,733	\$ 22,176,805
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-0.03%	-0.6%
Plan fiduciary net position as a percentage of the total pension liability (asset)	100.2%	103.5%

These schedules only present information for 2014 and subsequent measurement period of the plans; prior-year information is not available.

JORDAN SCHOOL DISTRICT

Required Supplementary Information

Schedules of District Contributions - Utah Retirement Systems

Last Two Fiscal Years

	<u>2016</u>	<u>2015</u>
Tier 1 Noncontributory System:		
Contractually required contribution	\$ 29,535,553	\$ 29,515,696
Contributions in relation to the contractually required contribution	<u>(29,535,553)</u>	<u>(29,515,696)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 136,890,577	\$ 139,443,813
Contributions as a percentage of covered-employee payroll	21.6%	21.2%
Tier 1 Contributory System:		
Contractually required contribution	\$ 108,260	\$ 125,970
Contributions in relation to the contractually required contribution	<u>(108,260)</u>	<u>(125,970)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 611,635	\$ 727,168
Contributions as a percentage of covered-employee payroll	17.7%	17.3%
Tier 2 Contributory System:		
Contractually required contribution	\$ 5,584,710	\$ 4,430,218
Contributions in relation to the contractually required contribution	<u>(5,584,710)</u>	<u>(4,430,218)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 30,610,544	\$ 24,560,938
Contributions as a percentage of covered-employee payroll	18.2%	18.0%

These schedules only present information for the District's 2015 and subsequent reporting periods; prior-year information is not available. 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. Tier 2 plan contributions include required contributions to finance the unfunded actuarial accrued liability of the Tier 1 plans and for death benefits.

JORDAN SCHOOL DISTRICT
Notes to Required Supplementary Information

Changes in assumptions-Utah Retirement Systems – 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.

**Combining and Individual Fund
Financial Statements and Schedules**

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Major Governmental Funds June 30, 2016

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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and investments	\$ 189,986,810	\$ 178,551,089
Accounts receivable:		
Property taxes	71,936,740	66,448,394
Other local	308,246	106,877
State of Utah	286,217	406,038
Federal government	8,882,124	5,950,007
Inventories	1,062,366	1,154,094
Total assets	<u>\$ 272,462,503</u>	<u>\$ 252,616,499</u>
Liabilities:		
Accounts payable	\$ 1,986,813	\$ 2,456,377
Accrued payroll and related benefits	31,461,241	29,350,387
Unearned revenue:		
Local	121,829	66,207
State of Utah	20,905,145	19,249,155
Federal government	1,545,859	1,152,726
Total liabilities	<u>56,020,887</u>	<u>52,274,852</u>
Deferred inflows of resources:		
Unavailable property tax revenue	1,078,407	1,113,136
Property taxes levied for future year	70,743,037	65,149,719
Total deferred inflows of resources	<u>71,821,444</u>	<u>66,262,855</u>
Fund Balances:		
Nonspendable:		
Inventories	1,062,366	1,154,094
Restricted for:		
Property tax programs	6,010,166	3,712,550
Committed to:		
Contractual obligations	1,842,647	894,790
Economic stabilization	16,700,000	16,000,000
Compensated absences	3,225,151	3,054,256
Retiree benefits	52,528,487	57,115,248
Assigned to:		
Educational programs	6,797,029	5,381,488
Personnel	19,950,186	24,294,623
Unassigned	36,504,140	22,471,743
Total fund balances	<u>144,620,172</u>	<u>134,078,792</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 272,462,503</u>	<u>\$ 252,616,499</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, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 70,191,600	\$ 70,443,092	\$ 251,492	\$ 59,369,132
Interest	680,000	1,527,182	847,182	969,874
Other local	7,449,588	7,713,261	263,673	7,258,440
State sources	216,925,939	217,432,316	506,377	207,909,276
Federal sources	17,847,208	16,630,763	(1,216,445)	17,422,527
Total revenues	<u>313,094,335</u>	<u>313,746,614</u>	<u>652,279</u>	<u>292,929,249</u>
Expenditures:				
Current:				
Instruction	220,489,621	200,689,103	19,800,518	192,123,387
Supporting services:				
Students	10,594,578	11,296,375	(701,797)	10,584,305
Instructional staff	20,452,156	13,246,639	7,205,517	14,387,077
General district administration	2,345,177	2,121,286	223,891	1,969,069
School administration	22,603,470	21,317,489	1,285,981	20,508,229
Business	3,386,518	3,246,676	139,842	3,715,867
Operation and maintenance of facilities	35,349,901	32,543,189	2,806,712	31,394,721
Student transportation	12,531,827	11,307,750	1,224,077	10,955,155
Personnel, planning, and data processing	7,951,005	7,265,266	685,739	6,888,450
Total expenditures	<u>335,704,253</u>	<u>303,033,773</u>	<u>32,670,480</u>	<u>292,526,260</u>
Excess (deficiency) of revenues over (under) expenditures	(22,609,918)	10,712,841	33,322,759	402,989
Other financing sources (uses):				
Transfer out	<u>(175,849)</u>	<u>(171,461)</u>	<u>4,388</u>	<u>(165,437)</u>
Net change in fund balances	(22,785,767)	10,541,380	33,327,147	237,552
Fund balance - beginning	<u>134,078,792</u>	<u>134,078,792</u>	<u>-</u>	<u>133,841,240</u>
Fund balance - ending	<u>\$ 111,293,025</u>	<u>\$ 144,620,172</u>	<u>\$ 33,327,147</u>	<u>\$ 134,078,792</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets

Debt Service Fund

A Major Governmental Fund

June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and investments	\$ 3,069,357	\$ 2,037,612
Accounts receivable:		
Property taxes	14,287,611	14,071,653
Other local	8,967	5,448
Total assets	<u>\$ 17,365,935</u>	<u>\$ 16,114,713</u>
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 228,299	\$ 262,280
Property taxes levied for future year	14,067,695	13,792,231
Total deferred inflows of resources	<u>14,295,994</u>	<u>14,054,511</u>
Fund balances:		
Restricted for:		
Debt service	<u>3,069,941</u>	<u>2,060,202</u>
Total deferred inflows of resources and fund balances	<u>\$ 17,365,935</u>	<u>\$ 16,114,713</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, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 14,859,600	\$ 14,939,455	\$ 79,855	\$ 13,947,717
Interest	20,000	71,381	51,381	45,385
Total revenues	<u>14,879,600</u>	<u>15,010,836</u>	<u>131,236</u>	<u>13,993,102</u>
Expenditures:				
Debt service:				
Bond principal	11,497,000	11,497,000	-	10,737,700
Bond interest	2,503,425	2,503,425	-	3,261,035
Paying agent fees and other	7,500	672	6,828	948
Total expenditures	<u>14,007,925</u>	<u>14,001,097</u>	<u>6,828</u>	<u>13,999,683</u>
Excess (deficiency) of revenues over (under) expenditures/ net change in fund balances	871,675	1,009,739	138,064	(6,581)
Fund balance - beginning	<u>2,060,202</u>	<u>2,060,202</u>	<u>-</u>	<u>2,066,783</u>
Fund balance - ending	<u>\$ 2,931,877</u>	<u>\$ 3,069,941</u>	<u>\$ 138,064</u>	<u>\$ 2,060,202</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets
Capital Projects Fund
A Major Governmental Fund
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and investments	\$ 86,167,244	\$ 73,555,585
Investments restricted for debt service	3,027,671	2,459,954
Accounts receivable:		
Property taxes	44,175,937	34,714,366
Other local	-	11,100
Total assets	<u>\$ 133,370,852</u>	<u>\$ 110,741,005</u>
Liabilities:		
Accounts and contracts payable	<u>\$ 3,682,448</u>	<u>\$ 5,212,263</u>
Deferred inflows of resources:		
Unavailable property tax revenue	353,944	570,200
Property taxes levied for future year	<u>43,747,191</u>	<u>33,982,803</u>
Total deferred inflows of resources	<u>44,101,135</u>	<u>34,553,003</u>
Fund balances:		
Restricted for:		
Debt service	3,027,671	2,459,954
Capital projects	<u>82,559,598</u>	<u>68,515,785</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 133,370,852</u>	<u>\$ 110,741,005</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, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 37,477,600	\$ 33,945,004	\$ (3,532,596)	\$ 29,539,466
Capital equalization payments	-	3,911,776	3,911,776	10,395,559
Interest	150,000	435,016	285,016	286,106
Other local	-	7,469	7,469	6,133
Total local sources	37,627,600	38,299,265	671,665	40,227,264
State sources:				
Capital equalization	393,054	393,054	-	279,713
Federal sources:				
QSCB interest subsidy	412,144	413,367	1,223	412,144
Other federal	30,642	30,642	-	50,000
Total federal sources	442,786	444,009	1,223	462,144
Total revenues	38,463,440	39,136,328	672,888	40,969,121
Expenditures:				
Sites and improvements	14,671,025	609,542	14,061,483	3,544,395
Buildings	32,455,140	26,561,693	5,893,447	22,538,135
Equipment and vehicles	11,743,989	4,807,729	6,936,260	6,573,812
Principal	-	-	-	5,000,000
Interest and fees	605,000	540,548	64,452	678,036
Other capital outlay	1,001,883	945,889	55,994	854,304
Total expenditures	60,477,037	33,465,401	27,011,636	39,188,682
Excess (deficiency) of revenues over (under) expenditures	(22,013,597)	5,670,927	27,684,524	1,780,439
Other financing sources (uses):				
Issuance of note payable	-	-	-	5,000,000
Proceeds from sale of capital assets	8,903,982	8,940,603	36,621	142,741
Total other financing sources (uses)	8,903,982	8,940,603	36,621	5,142,741
Net change in fund balances	(13,109,615)	14,611,530	27,721,145	6,923,180
Fund balance - beginning	70,975,739	70,975,739	-	64,052,559
Fund balance - ending	\$ 57,866,124	\$ 85,587,269	\$ 27,721,145	\$ 70,975,739

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Nonmajor Governmental Funds June 30, 2016

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.
- Tax Increment Financing Fund – to account for taxes which flow through to other entities
- 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, 2016

	Special Revenue				Jordan Education Foundation	Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Non K-12 Programs	Tax Increment Financing		
Assets:						
Cash and investments	\$ 5,280,860	\$ 7,870,332	\$ 3,313,885	\$ -	\$ 1,008,680	\$ 17,473,757
Accounts receivable:						
Property taxes	-	-	1,337,440	12,675,305	-	14,012,745
State of Utah	1,499,600	-	12,400	-	7,000	1,519,000
Federal government	215,884	-	669,639	-	-	885,523
Inventories	1,230,139	-	-	-	-	1,230,139
Total assets	<u>\$ 8,226,483</u>	<u>\$ 7,870,332</u>	<u>\$ 5,333,364</u>	<u>\$ 12,675,305</u>	<u>\$ 1,015,680</u>	<u>\$ 35,121,164</u>
Liabilities:						
Accounts payable	\$ 48,511	\$ 872,574	\$ 19,325	\$ -	\$ 2,362	\$ 942,772
Unearned revenue:						
Local	426,667	179,032	92,518	-	-	698,217
State of Utah	-	-	1,661,264	-	-	1,661,264
Federal government	-	-	-	-	-	-
Deferred inflows of resources:						
Unavailable property tax revenue	-	-	16,040	175,305	-	191,345
Property taxes levied for future year	-	-	1,324,018	12,500,000	-	13,824,018
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,340,058</u>	<u>12,675,305</u>	<u>-</u>	<u>14,015,363</u>
Fund balances:						
Nonspendable:						
Inventories	1,230,139	-	-	-	-	1,230,139
Restricted for:						
Nutrition services	6,521,166	-	-	-	-	6,521,166
Donated purposes	-	-	-	-	905,986	905,986
Committed to:						
Students	-	6,818,726	2,220,199	-	107,332	9,146,257
Total fund balances	<u>7,751,305</u>	<u>6,818,726</u>	<u>2,220,199</u>	<u>-</u>	<u>1,013,318</u>	<u>17,803,548</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,226,483</u>	<u>\$ 7,870,332</u>	<u>\$ 5,333,364</u>	<u>\$ 12,675,305</u>	<u>\$ 1,015,680</u>	<u>\$ 35,121,164</u>

JORDAN SCHOOL DISTRICT

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

Year Ended June 30, 2016

	Special Revenue				Jordan Education Foundation	Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Non K-12 Programs	Tax Increment Financing		
Revenues:						
Property taxes	\$ -	\$ -	\$ 1,071,180	\$ 11,752,288	\$ -	\$ 12,823,468
Sales, fees, admissions	-	4,084,711	725,934	-	-	4,810,645
Lunch sales	7,659,012	-	-	-	-	7,659,012
Interest	92,365	54,035	34,081	-	1,484	181,965
Other local	-	2,921,449	-	-	581,099	3,502,548
State sources	3,716,079	-	3,872,163	-	7,000	7,595,242
Federal sources	8,488,112	-	2,359,266	-	-	10,847,378
Total revenues	19,955,568	7,060,195	8,062,624	11,752,288	589,583	47,420,258
Expenditures:						
Current:						
Nutrition services	19,679,844	-	-	-	-	19,679,844
Instruction	-	6,233,490	7,815,908	-	-	14,049,398
Community services	-	-	-	11,752,288	718,451	12,470,739
Total expenditures	19,679,844	6,233,490	7,815,908	11,752,288	718,451	46,199,981
Excess (deficiency) of revenues over (under) expenditures	275,724	826,705	246,716	-	(128,868)	1,220,277
Other financing sources:						
Transfer in	-	-	-	-	171,461	171,461
Net change in fund balances	275,724	826,705	246,716	-	42,593	1,391,738
Fund balances - beginning	7,475,581	5,992,021	1,973,483	-	970,725	16,411,810
Fund balances - ending	\$ 7,751,305	\$ 6,818,726	\$ 2,220,199	\$ -	\$ 1,013,318	\$ 17,803,548

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets
Nutrition Services Fund
A Nonmajor Special Revenue Fund
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and investments	\$ 5,280,860	\$ 5,957,844
Accounts receivable:		
State of Utah	1,499,600	1,022,080
Federal government	215,884	332,454
Inventories	1,230,139	687,719
Total assets	<u>\$ 8,226,483</u>	<u>\$ 8,000,097</u>
Liabilities:		
Accounts payable	\$ 48,511	\$ 118,099
Unearned revenue, local	426,667	406,417
Total liabilities	<u>475,178</u>	<u>524,516</u>
Fund balances:		
Nonspendable:		
Inventories	1,230,139	687,719
Restricted for:		
Nutrition services	6,521,166	6,787,862
Total fund balances	<u>7,751,305</u>	<u>7,475,581</u>
Total liabilities and fund balances	<u>\$ 8,226,483</u>	<u>\$ 8,000,097</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, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Lunch sales - students	\$ 7,769,000	\$ 7,412,374	\$ (356,626)	\$ 7,314,545
Lunch sales - adult	210,000	246,638	36,638	228,658
Interest	40,000	92,365	52,365	58,746
Total local sources	8,019,000	7,751,377	(267,623)	7,601,949
State sources:				
State lunch program	3,400,000	3,716,079	316,079	3,455,686
Federal sources:				
Lunch program	1,700,000	1,780,175	80,175	1,708,858
Free and reduced reimbursement	4,380,000	4,381,803	1,803	4,333,996
Breakfast program	670,000	683,764	13,764	682,277
Other food programs	136,316	124,741	(11,575)	161,055
Commodity program	1,594,213	1,517,629	(76,584)	1,203,741
Total federal sources	8,480,529	8,488,112	7,583	8,089,927
Total revenues	19,899,529	19,955,568	56,039	19,147,562
Expenditures:				
Current:				
Salaries	7,093,173	6,483,860	609,313	6,230,553
Employee benefits	2,339,010	2,177,642	161,368	2,104,909
Purchased services	330,500	312,427	18,073	270,265
Supplies and materials	463,000	645,806	(182,806)	442,971
Food	9,336,316	8,057,604	1,278,712	7,998,788
Property	550,000	534,518	15,482	240,799
Other	1,561,784	1,467,987	93,797	1,404,760
Total expenditures	21,673,783	19,679,844	1,993,939	18,693,045
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(1,774,254)	275,724	2,049,978	454,517
Fund balances - beginning	7,475,581	7,475,581	-	7,021,064
Fund balances - ending	<u>\$ 5,701,327</u>	<u>\$ 7,751,305</u>	<u>\$ 2,049,978</u>	<u>\$ 7,475,581</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets
Student Activities Fund
A Nonmajor Special Revenue Fund
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and investments	<u>\$ 7,870,332</u>	<u>\$ 7,131,246</u>
Liabilities:		
Due to student organizations	\$ 872,574	\$ 886,328
Unearned revenue, local	<u>179,032</u>	<u>252,897</u>
Total liabilities	<u>1,051,606</u>	<u>1,139,225</u>
Fund balances:		
Committed to:		
Students	<u>6,818,726</u>	<u>5,992,021</u>
Total liabilities and fund balances	<u>\$ 7,870,332</u>	<u>\$ 7,131,246</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, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Student fees	\$ 3,750,000	\$ 4,084,711	\$ 334,711	\$ 3,356,421
Vending commissions	200,000	142,343	(57,657)	207,564
Other	3,990,000	2,779,106	(1,210,894)	2,366,523
Interest	60,000	54,035	(5,965)	63,333
Total revenues	<u>8,000,000</u>	<u>7,060,195</u>	<u>(939,805)</u>	<u>5,993,841</u>
Expenditures:				
Current:				
Purchased services	2,300,000	2,138,454	161,546	1,447,141
Supplies and materials	4,700,000	3,636,068	1,063,932	3,766,069
Property and equipment	300,000	231,622	68,378	185,857
Other	700,000	227,346	472,654	322,669
Total expenditures	<u>8,000,000</u>	<u>6,233,490</u>	<u>1,766,510</u>	<u>5,721,736</u>
Excess of revenues over expenditures/ net change in fund balances	-	826,705	826,705	272,105
Fund balances - beginning	<u>5,992,021</u>	<u>5,992,021</u>	-	<u>5,719,916</u>
Fund balances - ending	<u>\$ 5,992,021</u>	<u>\$ 6,818,726</u>	<u>\$ 826,705</u>	<u>\$ 5,992,021</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets
Non K-12 Programs Fund
A Nonmajor Special Revenue Fund
June 30, 2016 and 2015

	2016	2015
Assets:		
Cash and investments	\$ 3,313,885	\$ 2,714,442
Accounts receivable:		
Property taxes	1,337,440	1,020,643
Other local	-	27,290
State of Utah	12,400	638,713
Federal government	669,639	238,235
Total assets	<u>\$ 5,333,364</u>	<u>\$ 4,639,323</u>
Liabilities:		
Accounts payable	\$ 19,325	\$ 21,179
Unearned revenue:		
Local	92,518	159,245
State of Utah	1,661,264	1,476,398
Total liabilities	<u>1,773,107</u>	<u>1,656,822</u>
Deferred Inflows of Resources:		
Unavailable property tax revenue	16,040	40,009
Property taxes levied for future year	1,324,018	969,009
Total deferred inflows of resources	<u>1,340,058</u>	<u>1,009,018</u>
Fund balances:		
Committed for:		
Students	2,220,199	1,973,483
Total fund balances	<u>2,220,199</u>	<u>1,973,483</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 5,333,364</u>	<u>\$ 4,639,323</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, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 1,044,000	\$ 1,071,180	\$ 27,180	\$ 2,098,909
Tuitions, sales, and other	827,486	725,934	(101,552)	473,484
Interest	10,000	34,081	24,081	20,500
Total local sources	1,881,486	1,831,195	(50,291)	2,592,893
State sources:				
Special education - preschool	3,064,203	2,473,004	(591,199)	2,028,278
Adult high school completion	395,095	288,941	(106,154)	268,854
Other	63,467	1,110,218	1,046,751	1,120,177
Total state sources	3,522,765	3,872,163	349,398	3,417,309
Federal sources:				
Special education - preschool	380,952	406,744	25,792	217,346
Adult education	132,094	132,094	-	130,594
Special education - infants with disabilities	2,686,041	1,577,364	(1,108,677)	1,435,385
Other	278,192	243,064	(35,128)	187,219
Total federal sources	3,477,279	2,359,266	(1,118,013)	1,970,544
Total revenues	8,881,530	8,062,624	(818,906)	7,980,746
Expenditures:				
Current:				
Salaries	5,882,308	5,197,005	685,303	4,537,054
Employee benefits	2,049,153	1,802,850	246,303	1,627,169
Purchased services	396,930	179,789	217,141	194,997
Supplies and materials	522,007	305,880	216,127	306,499
Property	217,732	187,775	29,957	94,177
Other	154,901	142,609	12,292	134,427
Total expenditures	9,223,031	7,815,908	1,407,123	6,894,323
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(341,501)	246,716	588,217	1,086,423
Fund balances - beginning	1,973,483	1,973,483	-	887,060
Fund balances - ending	<u>\$ 1,631,982</u>	<u>\$ 2,220,199</u>	<u>\$ 588,217</u>	<u>\$ 1,973,483</u>

JORDAN SCHOOL DISTRICT

Comparative Balance Sheets
Tax Increment Financing Fund
A Nonmajor Special Revenue Fund
June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Accounts receivable:		
Property taxes	<u>\$ 12,675,305</u>	<u>\$ 12,686,747</u>
Deferred inflows of resources:		
Unavailable property tax revenue	\$ 175,305	\$ 186,747
Property taxes levied for future year	<u>12,500,000</u>	<u>12,500,000</u>
Total deferred inflows of resources	<u>12,675,305</u>	<u>12,686,747</u>
Fund balances:	<u>-</u>	<u>-</u>
Total deferred inflows of resources and fund balances	<u>\$ 12,675,305</u>	<u>\$ 12,686,747</u>

JORDAN SCHOOL DISTRICT

**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Tax Increment Financing Fund**

A Nonmajor Special Revenue Fund

Year Ended June 30, 2016

With Comparative Totals for 2015

	2016			2015
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 12,000,000	\$ 11,752,288	\$ (247,712)	\$ 10,231,395
Expenditures:				
Current:				
Property taxes paid to other entities	12,000,000	11,752,288	247,712	10,231,395
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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Cash and investments	\$ 1,008,680	\$ 973,817
Accounts receivable:		
State of Utah	7,000	17,073
Total assets	<u>\$ 1,015,680</u>	<u>\$ 990,890</u>
Liabilities:		
Accounts payable	<u>\$ 2,362</u>	<u>\$ 20,165</u>
Fund balances:		
Restricted for:		
Donated purposes	905,986	887,346
Committed to:		
Students	<u>107,332</u>	<u>83,379</u>
Total fund balances	<u>1,013,318</u>	<u>970,725</u>
Total liabilities and fund balances	<u>\$ 1,015,680</u>	<u>\$ 990,890</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Revenues:		
Local sources:		
Contributions	\$ 581,099	\$ 519,314
Interest	1,484	2,456
Total local sources	<u>582,583</u>	<u>521,770</u>
State sources:	<u>7,000</u>	<u>34,998</u>
Total revenues	<u>589,583</u>	<u>556,768</u>
Expenditures:		
Current:		
Administration	171,461	165,437
Supplies and materials donated to schools	546,990	492,134
Total expenditures	<u>718,451</u>	<u>657,571</u>
Deficiency of revenues under expenditures	(128,868)	(100,803)
Other financing sources:		
Transfer in	<u>171,461</u>	<u>165,437</u>
Net change in fund balances	42,593	64,634
Fund balances - beginning	<u>970,725</u>	<u>906,091</u>
Fund balances - ending	<u>\$ 1,013,318</u>	<u>\$ 970,725</u>

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Proprietary Fund (Internal Service Fund) June 30, 2016

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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Current assets:		
Cash and investments	\$ 32,135,171	\$ 28,798,678
Liabilities:		
Current liabilities:		
Accounts payable	76,806	19,236
Accrued medical claims	8,926,027	9,541,719
Accrued workers compensation claims	<u>444,915</u>	<u>255,370</u>
Total liabilities	<u>9,447,748</u>	<u>9,816,325</u>
Net position:		
Unrestricted	<u>\$ 22,687,423</u>	<u>\$ 18,982,353</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, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Operating revenues:		
Insurance premiums	\$ 36,649,128	\$ 35,085,986
Operating expenses:		
Medical claims	23,302,586	23,802,814
Prescription claims	5,580,133	7,462,954
Workers compensation claims	888,245	663,440
Insurance premiums	1,762,050	1,631,871
Administration and other	1,598,998	1,525,780
Total operating expenses	<u>33,132,012</u>	<u>35,086,859</u>
Operating income (loss)	3,517,116	(873)
Nonoperating revenues:		
Interest	<u>187,954</u>	<u>121,380</u>
Change in net position	3,705,070	120,507
Net position - beginning	<u>18,982,353</u>	<u>18,861,846</u>
Net position - ending	<u><u>\$ 22,687,423</u></u>	<u><u>\$ 18,982,353</u></u>

JORDAN SCHOOL DISTRICT

Comparative Statements of Fund Cash Flows

Self-Insurance Fund

A Proprietary - Internal Service Fund

Years Ended June 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Receipts from interfund services provided	\$ 36,649,128	\$ 35,085,986
Payments to suppliers	(1,541,428)	(1,506,544)
Payments for medical fees and insurance claims	(31,260,461)	(34,415,645)
Payments for workers compensation claims	(698,700)	(1,030,683)
Net cash provided (used) by operating activities	<u>3,148,539</u>	<u>(1,866,886)</u>
Cash flows from investing activities:		
Interest received	<u>187,954</u>	<u>121,380</u>
Net increase (decrease) in cash and cash equivalents	3,336,493	(1,745,506)
Cash and cash equivalents - beginning	<u>28,798,678</u>	<u>30,544,184</u>
Cash and cash equivalents - ending	<u>\$ 32,135,171</u>	<u>\$ 28,798,678</u>
(Displayed on statements of fund net position as Cash and investments)		
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 3,517,116	\$ (873)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Increase in accounts payable	57,570	19,236
Decrease in accrued medical claims	(615,692)	(1,518,006)
Increase (decrease) in workers compensation claims	189,545	(367,243)
Total adjustments	<u>(368,577)</u>	<u>(1,866,013)</u>
Net cash provided (used) by operating activities	<u>\$ 3,148,539</u>	<u>\$ (1,866,886)</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.	84 - 89
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	90 - 95
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.	96 - 102
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.	103 - 104
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.	105 - 117
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.	118 - 125

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, 2007 through 2016
(accrual basis of accounting)**

<u>As of June 30,</u>	<u>Net Investment in Capital Assets</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>Total Net Position</u>
2007	\$ 535,792,219	\$ 112,212,338	\$ 123,529,192	\$ 771,533,749
2008	596,489,658	132,965,500	176,957,608	906,412,766
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	81,475,187	862,887,481

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.

Source: District records.

JORDAN SCHOOL DISTRICT

**Fund Balances, Governmental Funds
Last Ten Fiscal Years
June 30, 2007 through 2016
(modified accrual basis of accounting)**

As of June 30,	General Fund					Total
	Nonspendable	Restricted	Committed	Assigned	Unassigned	
2007	\$ 2,194,478	\$ 5,798,327	\$ 54,417,128	\$ 17,469,147	\$ 49,725,747	\$ 129,604,827
2008	2,854,710	4,297,061	97,315,159	18,022,579	35,513,110	158,002,619
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

As of June 30,	All Other Governmental Funds				Total
	Nonspendable	Restricted	Committed	Assigned	
2007	\$ 1,396,406	\$ 108,976,760	\$ 72,159	\$ -	\$ 110,445,325
2008	1,272,407	262,583,733	7,154,898	-	271,011,038
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

Restricted fund balances are restricted by external requirements and laws.

The Student Activities Agency Fund was reclassified from a fiduciary fund to a special revenue fund as of July 1, 2007.

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, 2007 through 2016
(accrual basis of accounting)**

	2016	2015	2014	2013
Expenses:				
Instruction	\$ 237,250,386	\$ 223,482,113	\$ 221,375,212	\$ 216,678,950
Support services:				
Students	10,897,619	9,905,879	9,797,636	9,181,590
Instructional staff	13,115,186	13,787,866	14,898,522	14,079,749
General district administration	2,772,694	2,571,116	2,873,120	2,431,750
School administration	21,821,609	20,676,005	21,251,838	19,456,278
Business	3,187,542	3,616,563	3,269,050	3,290,353
Operation and maintenance of facilities	35,207,469	33,748,406	34,732,993	32,395,830
Student transportation	13,200,129	12,664,262	12,326,338	12,114,894
Personnel, planning, and data processing	7,141,141	6,608,398	6,333,665	5,876,522
Community services	11,752,288	10,231,395	-	-
Nutrition services	19,397,611	18,507,363	18,382,982	18,820,821
Interest on long-term liabilities	2,367,310	3,260,584	3,649,802	4,070,330
Total expenses	<u>378,110,984</u>	<u>359,059,950</u>	<u>348,891,158</u>	<u>338,397,067</u>
Program revenues:				
Charges for services:				
Instruction	10,620,352	8,892,457	9,612,236	8,270,429
Supporting services	1,642,641	1,582,522	1,330,799	1,291,701
Nutrition services	7,659,012	7,543,203	7,781,207	7,573,508
Operating grants and contributions	101,236,370	95,317,508	94,736,105	91,183,988
Capital grants and contributions	423,696	329,713	538,573	1,446,531
Total program revenues	<u>121,582,071</u>	<u>113,665,403</u>	<u>113,998,920</u>	<u>109,766,157</u>
Net (expense)/revenue	(256,528,913)	(245,394,547)	(234,892,238)	(228,630,910)
General revenues:				
Taxes	135,742,418	125,613,972	112,392,732	114,968,170
Federal and state revenue not restricted to specific purposes	151,682,696	147,359,905	147,618,952	135,503,748
Interest	2,403,498	1,567,780	1,497,162	1,956,591
Miscellaneous	5,357,440	2,304,626	3,349,672	2,690,129
Total general revenues	<u>295,186,052</u>	<u>276,846,283</u>	<u>264,858,518</u>	<u>255,118,638</u>
Change in net position	38,657,139	31,451,736	29,966,280	26,487,728
Net position - beginning	824,230,342	792,778,606	895,347,482	868,859,754
Allocated to other local educational agency	-	-	-	-
Effect of prior period adjustment	-	-	(132,535,156)	-
Net position - ending	<u>\$ 862,887,481</u>	<u>\$ 824,230,342</u>	<u>\$ 792,778,606</u>	<u>\$ 895,347,482</u>

The difference between the ending net position of \$771,533,749 for FYE June 30, 2007 and the beginning net position of \$779,795,004 for FYE June 30, 2008 is \$8,261,255. This difference is the result of the reclassification of an agency fund to a special revenue fund. Unlike agency funds, special revenue funds are included in the Statement of Net Position.

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.

Source: District records.

Year Ended June 30,

2012	2011	2010	2009	2008	2007
\$ 208,059,353	\$ 206,381,848	\$ 205,022,608	\$ 344,684,165	\$ 326,636,572	\$ 275,887,539
8,604,231	8,162,223	8,058,956	14,109,746	12,979,248	10,941,928
11,432,367	8,415,237	10,558,768	29,361,639	27,994,080	24,159,283
2,181,980	2,127,735	2,188,867	9,594,516	4,039,939	3,738,408
18,284,640	17,814,452	17,086,368	31,763,047	29,326,194	26,448,900
3,311,578	3,341,320	2,834,312	4,076,310	3,836,379	3,487,971
30,720,915	30,165,798	29,428,025	49,729,539	44,899,845	42,132,737
11,342,784	10,847,297	10,287,412	17,587,388	16,990,943	14,669,746
5,792,733	5,546,526	6,075,772	7,541,427	6,960,305	6,224,026
-	-	-	-	-	-
18,208,474	16,722,126	15,948,916	28,160,378	25,806,148	23,746,694
4,621,153	4,954,416	5,095,788	13,327,562	11,823,190	7,692,800
322,560,208	314,478,978	312,585,792	549,935,717	511,292,843	439,130,032
8,967,922	7,838,790	9,963,905	11,279,083	6,317,652	3,977,468
1,208,611	1,187,566	1,791,670	2,009,470	3,431,902	1,691,571
7,887,326	7,992,817	8,096,315	12,850,146	12,690,722	12,214,360
88,830,808	100,235,395	94,925,213	182,665,306	143,155,797	108,544,594
2,568,288	7,973,106	1,637,902	1,842,837	6,209,288	5,028,512
109,462,955	125,227,674	116,415,005	210,646,842	171,805,361	131,456,505
(213,097,253)	(189,251,304)	(196,170,787)	(339,288,875)	(339,487,482)	(307,673,527)
117,886,707	107,835,403	116,863,519	213,794,420	213,252,276	184,717,109
125,731,773	120,092,675	126,139,854	197,624,547	220,189,129	208,993,908
2,070,310	1,608,453	2,215,269	11,158,292	22,344,972	17,027,321
5,461,827	1,293,134	2,863,240	5,098,406	10,318,867	7,632,101
251,150,617	230,829,665	248,081,882	427,675,665	466,105,244	418,370,439
38,053,364	41,578,361	51,911,095	88,386,790	126,617,762	110,696,912
831,631,508	808,764,103	994,799,556	906,412,766	779,795,004	660,836,837
(825,118)	(18,710,956)	(237,946,548)	-	-	-
-	-	-	-	-	-
\$ 868,859,754	\$ 831,631,508	\$ 808,764,103	\$ 994,799,556	\$ 906,412,766	\$ 771,533,749

JORDAN SCHOOL DISTRICT

**Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
June 30, 2007 through 2016
(modified accrual basis of accounting)**

	Year Ended June 30,					
	2016	2015	2014	2013	2012	2011
Revenues:						
Taxes	\$ 132,151,019	\$ 115,186,619	\$ 112,043,677	\$ 116,427,466	\$ 119,232,629	\$ 110,747,080
Other local sources	29,820,255	33,608,039	23,678,016	22,091,745	23,436,601	20,813,321
State of Utah	225,420,612	215,061,984	216,683,039	202,569,189	189,860,581	186,104,125
Federal government	27,922,150	27,945,142	26,210,591	25,565,078	27,270,288	42,197,051
Total revenues	<u>415,314,036</u>	<u>391,801,784</u>	<u>378,615,323</u>	<u>366,653,478</u>	<u>359,800,099</u>	<u>359,861,577</u>
Expenditures:						
Instruction	214,738,501	204,739,446	190,962,206	187,103,820	184,383,681	185,940,644
Supporting services:						
Students	11,296,375	10,584,305	9,650,162	9,134,482	8,802,077	8,211,422
Instructional staff	13,246,639	14,387,077	14,962,336	13,867,708	12,144,431	8,628,780
General district administration	2,121,286	1,969,069	1,941,013	1,752,719	1,666,396	1,744,436
School administration	21,317,489	20,508,229	19,978,546	18,375,400	17,697,566	17,089,948
Business	3,246,676	3,715,867	3,215,500	3,258,511	3,356,112	3,352,327
Operation and maintenance of facilities	32,543,189	31,394,721	31,389,725	29,335,972	28,374,180	27,680,069
Student transportation	11,307,750	10,955,155	10,265,761	10,208,390	9,930,729	9,374,220
Personnel, planning, and data processing	7,265,266	6,888,450	6,242,453	5,820,063	5,906,535	5,584,001
Nutrition services	19,679,844	18,693,045	18,130,572	18,372,308	18,118,182	16,864,319
Community services	12,470,739	10,888,966	6,798,654	6,571,644	6,585,085	7,057,051
Capital outlay	32,924,853	33,510,646	56,428,977	41,731,482	50,456,219	48,971,732
Debt Service:						
Principal	11,497,000	15,737,700	9,027,900	11,532,771	13,589,373	13,077,889
Interest and fees	3,044,645	3,940,019	3,671,205	4,110,659	4,681,592	5,015,981
Issuance cost	-	-	213,373	-	-	-
Total expenditures	<u>396,700,252</u>	<u>387,912,695</u>	<u>382,878,383</u>	<u>361,175,929</u>	<u>365,692,158</u>	<u>358,592,819</u>
Excess (deficiency) of revenues over (under) expenditures	18,613,784	3,889,089	(4,263,060)	5,477,549	(5,892,059)	1,268,758
Other financing sources (uses):						
Capital lease / note payable	-	5,000,000	-	-	-	-
Refunding bonds issued	-	-	44,695,000	-	-	-
School building bonds issued	-	-	-	-	-	9,000,000
Bond premium	-	-	6,800,029	-	-	-
Payment to refunded bonds escrow agent	-	-	(51,281,656)	-	-	-
Proceeds from the sale of capital assets	8,940,603	142,741	213,533	230,380	3,410,564	252,274
Total other financing sources (uses)	<u>8,940,603</u>	<u>5,142,741</u>	<u>426,906</u>	<u>230,380</u>	<u>3,410,564</u>	<u>9,252,274</u>
Net change in fund balance	27,554,387	9,031,830	(3,836,154)	5,707,929	(2,481,495)	10,521,032
Fund balances - Beginning	223,526,543	214,494,713	218,330,867	212,622,938	215,541,770	223,731,694
Allocated to other local educational agency	-	-	-	-	(437,337)	(18,710,956)
Fund balances - ending	<u>\$ 251,080,930</u>	<u>\$ 223,526,543</u>	<u>\$ 214,494,713</u>	<u>\$ 218,330,867</u>	<u>\$ 212,622,938</u>	<u>\$ 215,541,770</u>
Debt service as a percentage of noncapital expenditures	3.94%	5.58%	3.95%	4.92%	5.83%	5.89%

The difference between the ending fund balance of \$240,050,152 for FYE June 30, 2007 and the beginning fund balance of \$248,311,407 for FYE June 30, 2008 is \$8,261,255. This difference is the result of the reclassification of an agency fund to a special revenue fund. Unlike agency funds, special revenue funds are considered governmental funds.

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.

2010	2009	2008	2007
\$ 115,168,602	\$ 209,948,120	\$ 211,001,396	\$ 184,400,511
25,286,648	44,708,343	54,897,798	42,484,679
187,441,829	315,049,005	332,935,975	287,659,747
35,261,140	67,083,685	36,618,239	34,907,267
<u>363,158,219</u>	<u>636,789,153</u>	<u>635,453,408</u>	<u>549,452,204</u>
191,178,476	320,954,751	303,673,438	254,146,668
8,282,075	14,201,747	13,287,880	11,274,599
11,221,387	29,683,407	28,314,002	24,667,976
1,909,051	8,888,750	2,831,132	2,526,175
16,779,740	30,734,534	28,930,976	25,958,381
2,876,640	4,084,095	3,895,620	3,533,483
27,910,722	46,508,859	42,895,609	40,033,402
9,159,509	15,242,767	14,757,822	12,713,062
6,256,669	7,726,949	7,074,912	6,328,948
16,369,156	29,512,014	25,802,419	23,712,470
6,574,027	14,041,371	12,871,124	11,802,578
84,759,423	139,011,487	125,273,553	67,922,380
13,872,817	29,680,000	32,590,000	27,630,000
5,172,246	13,434,955	11,640,200	7,565,570
-	-	454,356	133,444
<u>402,321,938</u>	<u>703,705,686</u>	<u>654,293,043</u>	<u>519,949,136</u>
(39,163,719)	(66,916,533)	(18,839,635)	29,503,068
-	3,569,150	-	-
-	-	-	-
-	-	196,000,000	15,000,000
-	-	3,309,467	115,400
-	-	-	-
<u>706,532</u>	<u>208,492</u>	<u>232,418</u>	<u>179,946</u>
<u>706,532</u>	<u>3,777,642</u>	<u>199,541,885</u>	<u>15,295,346</u>
(38,457,187)	(63,138,891)	180,702,250	44,798,414
365,874,766	429,013,657	248,311,407	195,251,738
(103,685,885)	-	-	-
<u>\$ 223,731,694</u>	<u>\$ 365,874,766</u>	<u>\$ 429,013,657</u>	<u>\$ 240,050,152</u>

6.01% 7.69% 8.51% 7.85%

JORDAN SCHOOL DISTRICT

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Tax Years
December 31, 2006 through 2015**

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
2006	\$ 16,347,667,876	\$ 7,097,387,411	\$ 91,337,670	\$ 2,128,324,103	\$ 25,664,717,060	0.007347	\$ 37,866,840,667	67.78%
2007	21,418,493,829	8,957,304,566	70,315,710	2,148,950,373	32,595,064,478	0.006617	48,569,689,093	67.11%
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%

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, 2006 through 2015
(rate per \$1 of assessed value)**

	Tax Rates for the Tax Year Ended December 31,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Jordan District direct rates:										
Basic School Program (1)	0.001736	0.001419	0.001535	0.001651	0.001591	0.001495	0.001433	0.001250	0.001311	0.001515
Voted Local Levy (2)	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001200	0.001200	0.001200
Board Local Levy (3)	0.000758	0.000872	0.001035	0.000954	0.000400	0.000400	0.000400	0.000400	0.000400	0.000400
Reading Achievement (4)	(b)	(b)	(b)	(b)	0.000121	0.000000	0.000121	0.000121	0.000087	0.000106
Special Transportation (5)	(b)	(b)	(b)	(b)	0.000088	0.000081	0.000001	0.000001	0.000001	0.000140
Tort Liability (6)	(b)	(b)	(b)	(b)	0.000029	0.000027	0.000001	0.000001	0.000004	0.000010
Recreation (7)	(b)	(b)	(b)	(b)	0.000089	0.000096	0.000070	0.000051	0.000020	0.000020
Capital Local Levy (8)	0.001924	0.001924	0.002115	0.002190	0.002201	0.001641	0.002214	0.001978	0.002070	0.002400
10% of Basic - Other (9)	(b)	(b)	(b)	(b)	0.000109	0.000050	0.000140	0.000006	0.000151	0.000236
Debt Service (10)	0.000854	0.000885	0.000847	0.000965	0.001091	0.001095	0.001400	0.001142	0.001373	0.001320
Total direct rate	0.006872	0.006700	0.007132	0.007360	0.007319	0.006485	0.007380	0.006150	0.006617	0.007347
Overlapping rates:										
Salt Lake County	0.002819	0.003036	0.004101	0.003622	0.003251	0.003125	0.002756	0.002382	0.002468	0.002909
Alta Town	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.000930	0.000885	0.001280
Bluffdale City	0.001309	0.001419	0.001523	0.001630	0.001570	0.001357	0.001247	0.001010	0.001160	0.001400
Cottonwood Heights City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.002098	0.002220	0.002624
Draper City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.001528	0.001616	0.001274
Herriman City	0.000361	0.000384	0.000418	0.000435	0.000418	0.000376	0.000371	0.000296	0.000302	0.001882
Midvale City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.001938	0.001757	0.002118
Riverton City	-	-	-	-	0.000880	0.000839	0.000816	0.000691	0.000237	0.000300
Sandy City	(a)	(a)	(a)	(a)	(a)	(a)	(a)	0.001175	0.001252	0.001514
South Jordan City	0.002082	0.002210	0.002440	0.002376	0.002332	0.002072	0.002028	0.001699	0.001708	0.001874
West Jordan City	0.002251	0.002368	0.002562	0.002674	0.002069	0.002128	0.002080	0.001810	0.001856	0.002259
Central Utah Water Project	0.000405	0.000422	0.000446	0.000455	0.000436	0.000421	0.000400	0.000286	0.000302	0.000357
Other special district - low	0.000019	0.000020	0.000021	0.000021	0.000052	0.000000	0.000000	0.000000	0.000000	0.000000
Other special district - high	0.002042	0.002145	0.002230	0.002079	0.002028	0.001972	0.001972	0.002073	0.001997	0.002389

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
- (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 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, 2015 and 2006

Taxpayer	December 31, 2015		December 31, 2006	
	Taxable Value	Percent of District's Total Taxable Value (1)	Taxable Value	Percent of District's Total Taxable Value (1)
Kennecott Utah Copper	\$ 1,650,306,626	9.06%	\$ 667,402,347	2.83%
PacifiCorp.	319,718,721	1.76%	217,973,756	0.93%
Ebay	242,491,934	1.33%	-	-
Dannon Company	156,508,855	0.86%	-	-
Verizon Wireless	153,966,460	0.85%	-	-
Oracle America Inc	125,441,924	0.69%	-	-
Jordan Landing LLC	120,868,200	0.66%	128,591,800	0.55%
Boeing Company	113,795,125	0.62%	-	-
Wal-Mart Real Estate Business	108,256,651	0.59%	-	-
The District LC	100,750,400	0.55%	-	-
Qwest Communications	-	-	87,361,986	0.37%
South Town Investors	-	-	110,300,200	0.47%
BD Medical	-	-	88,070,238	0.37%
Jordan Commons LLC	-	-	68,011,310	0.29%
Snowbird LTD	-	-	67,902,278	0.29%
Questar Gas	-	-	69,403,436	0.29%
Miller Family Real Estate LC	-	-	57,445,000	0.24%
Totals	<u>\$ 3,092,104,896</u>	<u>16.97%</u>	<u>\$ 1,562,462,351</u>	<u>6.63%</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, 2006 through 2015**

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
2006	\$ 184,780,541	\$ 178,968,241	96.85%	\$ 5,350,960	\$ 184,319,201	99.75%
2007	213,413,357	205,658,638	96.37%	6,357,720	212,016,358	99.35%
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%	2,205,496	116,863,851	99.86%
2012	113,723,982	111,946,515	98.44%	1,608,026	113,554,541	99.85%
2013	110,813,687	108,973,936	98.34%	1,471,855	110,445,791	99.67%
2014	116,151,496	114,411,721	98.50%	1,417,410	115,829,131	99.72%
2015	122,162,802	120,582,191	98.71%	-	120,582,191	98.71%

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, 2006 through 2015

Row #	Description	Formula	2015	2014	2013	2012
1	Estimated Fair Market Value		\$ 26,721,526,904	\$ 24,386,912,087	\$ 21,659,225,705	\$ 21,240,514,417
2	Assessed Value *		18,216,313,665	16,636,196,304	14,776,038,105	14,901,655,581
3	Assessed Value as % of Fair Market Value	2/1	68.17%	68.22%	68.22%	70.16%
4	Tax Rate		0.006872	0.006700	0.007132	0.007360
5	Taxes Levied **		133,798,639	125,986,373	120,027,619	122,704,708
6	Taxes Paid to RDA **		11,635,837	9,834,877	9,213,932	8,980,726
7	Waived as % of Assessed Value	6/5	8.70%	7.81%	7.68%	7.32%
8	Taxes Levied less RDA	5-6	122,162,802	116,151,496	110,813,687	113,723,982
9	Collected In Calendar Year of the Levy **		120,582,191	114,411,721	108,973,936	111,946,515
10	Collected In Calendar Year of Levy as % of Taxes Levied That Year	9/8	98.71%	98.50%	98.34%	98.44%
11	Uncollected In Year of the Levy **	8-9	1,580,611	1,739,775	1,839,751	1,777,467
12	Prior Years Uncollected Collected in this Year **		2,375,547	1,656,369	2,499,369	2,972,384
13	Total Collections in this Year **	9+12	122,957,738	116,068,090	111,473,305	114,918,899
14	Total Collections as % of Taxes Levied	13/8	100.65%	99.93%	100.60%	101.05%
15	Total Collections as % of Taxes Assessed	13/5	91.90%	92.13%	92.87%	93.65%
16	Taxes Levied this Year and Collected in Subsequent Years		-	1,417,410	1,471,855	1,608,026
17	Total Collections on This Year's Levy	16+9	120,582,191	115,829,131	110,445,791	113,554,541
18	Total Collections on This Year's Levy as % Of Taxes Levied	17/8	98.71%	99.72%	99.67%	99.85%

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.

Property Tax Year Ended December 31,

2011	2010	2009	2008	2007	2006
\$ 22,081,703,060	\$ 23,522,478,560	\$ 20,976,453,673	\$ 53,062,957,737	\$ 48,569,689,093	\$ 37,866,840,667
15,562,640,312	16,807,659,757	14,313,048,491	36,069,292,281	32,595,064,478	25,664,717,060
70.48%	71.45%	68.23%	67.97%	67.11%	67.78%
0.007319	0.006485	0.007380	0.006150	0.006617	0.007347
125,424,708	115,183,991	118,695,053	227,968,415	223,895,992	193,092,120
8,401,556	6,897,061	5,705,750	11,601,404	10,482,635	8,311,579
6.70%	5.99%	4.81%	5.09%	4.68%	4.30%
117,023,152	108,286,930	112,989,303	216,367,011	213,413,357	184,780,541
114,658,355	105,524,141	108,427,344	205,389,096	205,658,638	178,968,241
97.98%	97.45%	95.96%	94.93%	96.37%	96.85%
2,364,797	2,762,789	4,561,959	10,977,915	7,754,719	5,812,300
3,518,194	3,844,288	4,502,077	5,809,182	5,499,442	5,605,509
118,176,549	109,368,429	112,929,421	211,198,278	211,158,080	184,573,750
100.99%	101.00%	99.95%	97.61%	98.94%	99.89%
94.22%	94.95%	95.14%	92.64%	94.31%	95.59%
2,205,496	2,927,483	3,312,736	6,158,271	6,357,720	5,350,960
116,863,851	108,451,624	111,740,080	211,547,367	212,016,358	184,319,201
99.86%	100.15%	98.89%	97.77%	99.35%	99.75%

* 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, 2007 through 2016**

	Year Ended June 30,			
	2016	2015	2014	2013
Ratios of General Bonded Debt Outstanding:				
General Obligation Bonds	\$ 40,619,000	\$ 52,116,000	\$ 62,853,700	\$ 74,562,600
Plus Bond Issuance Premiums	4,626,018	5,855,252	7,088,376	1,039,063
Net General Bonded Debt	<u>\$ 45,245,018</u>	<u>\$ 57,971,252</u>	<u>\$ 69,942,076</u>	<u>\$ 75,601,663</u>
Net General Bonded Debt as Percentage of Taxable Value	9.74%	0.35%	0.47%	0.51%
Net General Bonded Debt Per Capita	<u>\$ 177</u>	<u>\$ 227</u>	<u>\$ 280</u>	<u>\$ 309</u>
Net General Bonded Debt Per Student	<u>\$ 863</u>	<u>\$ 1,118</u>	<u>\$ 1,320</u>	<u>\$ 1,453</u>

Ratios of Outstanding Debt by Type:

General Obligation Bonds	\$ 40,619,000	\$ 52,116,000	\$ 62,853,700	\$ 74,562,600
Bond Premiums	4,626,018	5,855,252	7,088,376	1,039,063
Note Payable	-	-	-	-
Qualified School Construction Bonds	9,000,000	9,000,000	9,000,000	9,000,000
Total Outstanding Debt	<u>\$ 54,245,018</u>	<u>\$ 66,971,252</u>	<u>\$ 78,942,076</u>	<u>\$ 84,601,663</u>
Total Debt as Percentage of Taxable Value	11.67%	0.40%	0.53%	0.57%
Total Debt Per Capita	<u>\$ 26,921</u>	<u>\$ 263</u>	<u>\$ 316</u>	<u>\$ 345</u>
Total Debt Per Student	<u>\$ 1,035</u>	<u>\$ 1,291</u>	<u>\$ 1,490</u>	<u>\$ 1,626</u>

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

Source: District records.

2012	2011	2010	2009	2008	2007
\$ 85,182,300	\$ 97,872,600	\$ 110,065,200	\$ 293,015,000	\$ 322,695,000	\$ 159,285,000
1,187,124	1,484,563	1,782,001	4,980,672	5,718,485	3,146,829
<u>\$ 86,369,424</u>	<u>\$ 99,357,163</u>	<u>\$ 111,847,201</u>	<u>\$ 297,995,672</u>	<u>\$ 328,413,485</u>	<u>\$ 162,431,829</u>
0.55%	0.59%	0.78%	0.83%	1.01%	0.63%
<u>\$ 353</u>	<u>\$ 414</u>	<u>\$ 466</u>	<u>\$ 693</u>	<u>\$ 788</u>	<u>\$ 412</u>
<u>\$ 1,700</u>	<u>\$ 1,987</u>	<u>\$ 2,310</u>	<u>\$ 3,686</u>	<u>\$ 4,102</u>	<u>\$ 2,067</u>
\$ 85,182,300	\$ 97,872,600	\$ 110,065,200	\$ 293,015,000	\$ 322,695,000	\$ 159,285,000
1,187,124	1,484,563	1,782,001	4,980,672	5,718,485	3,146,829
913,071	1,812,144	2,697,433	3,569,150	-	-
9,000,000	9,000,000	-	-	-	-
<u>\$ 96,282,495</u>	<u>\$ 110,169,307</u>	<u>\$ 114,544,634</u>	<u>\$ 301,564,822</u>	<u>\$ 328,413,485</u>	<u>\$ 162,431,829</u>
0.62%	0.66%	0.80%	0.84%	1.01%	0.63%
<u>\$ 393</u>	<u>\$ 459</u>	<u>\$ 477</u>	<u>\$ 701</u>	<u>\$ 788</u>	<u>\$ 412</u>
<u>\$ 1,896</u>	<u>\$ 2,203</u>	<u>\$ 2,366</u>	<u>\$ 3,730</u>	<u>\$ 4,102</u>	<u>\$ 2,067</u>

JORDAN SCHOOL DISTRICT

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JORDAN SCHOOL DISTRICT

Direct and Overlapping Governmental Activities Debt As of June 30, 2016

Governmental Unit Taxing Entity (1)	2015 Taxable Value (2)	Jordan School District's Portion of Taxable Value	District's Per- centage	Debt Outstanding	District's Portion of Overlapping Debt
Overlapping:					
CUWCD (3)	\$ 131,011,302,965	\$ 17,708,569,495	13.5%	\$ 229,525,000	\$ 30,985,875
Salt Lake County	83,918,363,066	17,708,569,495	21.1%	174,815,000	36,885,965
City of West Jordan	5,940,903,775	5,940,903,775	100.0%	6,045,000	<u>6,045,000</u>
Total overlapping debt					<u>73,916,840</u>
Direct:					
General obligation debt					40,619,000
Unamortized bond premiums					4,626,018
Qualified School Construction Bonds					<u>9,000,000</u>
Total direct debt					<u>54,245,018</u>
Total direct and overlapping debt					<u>\$ 128,161,858</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, 2016

		Year Ending June 30,				
		2017	2018	2019	2020	2021
Series 2007*	Principal	\$ 13,700,000	\$ - *	\$ - *	\$ - *	\$ - *
\$ 196,000,000	Interest	582,250	- *	- *	- *	- *
Series 2014**	Principal	9,520,000	23,820,000	23,970,000	13,385,000	9,650,000
\$ 104,665,000	Interest	4,485,000	4,009,000	2,818,000	1,619,500	950,250
Total		\$ 28,287,250	\$ 27,829,000	\$ 26,788,000	\$ 15,004,500	\$ 10,600,250
Total Principal		\$ 23,220,000	\$ 23,820,000	\$ 23,970,000	\$ 13,385,000	\$ 9,650,000
Total Interest		5,067,250	4,009,000	2,818,000	1,619,500	950,250
Total		\$ 28,287,250	\$ 27,829,000	\$ 26,788,000	\$ 15,004,500	\$ 10,600,250
*Canyons SD Principal		\$ 11,211,000	\$ 11,255,000	\$ 10,775,000	\$ 10,535,000	\$ 9,650,000
*Canyons SD Interest		3,079,455	2,578,500	2,015,750	1,477,000	950,250
*Jordan SD Principal		12,009,000	12,565,000	13,195,000	2,850,000	-
*Jordan SD Interest		1,987,795	1,430,500	802,250	142,500	-
Total		\$ 28,287,250	\$ 27,829,000	\$ 26,788,000	\$ 15,004,500	\$ 10,600,250

* These bonds payable are obligations of the District prior to dividing. Accordingly, Canyons School District is responsible for 58 percent of the outstanding debt, and Jordan School District is responsible for 42 percent.

** The Series 2014 bonds refunded most of the previous bonds. 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 retire its portion earlier in order to reduce its interest payments even further. Therefore, Series 2014 is not an equal split of 58 percent Canyons School District and 42 percent Jordan School District.

Source: District records.

2022	Total
\$ -	\$ 13,700,000
-	582,250
9,355,000	89,700,000
467,750	14,349,500
<u>\$ 9,822,750</u>	<u>\$ 118,331,750</u>
\$ 9,355,000	\$ 103,400,000
467,750	14,931,750
<u>\$ 9,822,750</u>	<u>\$ 118,331,750</u>
\$ 9,355,000	\$ 62,781,000
467,750	10,568,705
-	40,619,000
-	4,363,045
<u>\$ 9,822,750</u>	<u>\$ 118,331,750</u>

JORDAN SCHOOL DISTRICT

**Legal Debt Margin Information
Last Ten Fiscal Years
June 30, 2007 through 2016**

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
2007	\$ 37,866,840,667	\$ 1,514,673,627	\$ 159,285,000	\$ 3,146,829	\$ 1,352,241,798	10.72%
2008	48,569,689,093	1,942,787,564	322,695,000	5,718,485	1,614,374,079	16.90%
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%

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, 2007 through 2016

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
2007	394,000	1,018,904	\$ 36,366,721,568	\$ 35,692	2.70%	\$ 1,119,259,235	12.93%
2008	417,000	1,022,651	37,480,159,150	36,650	3.50%	961,726,071	14.16%
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	na	na	3.30%	668,263,112	17.47%
2016	265,000	na	na	na	na	949,597,413	17.62%

* 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, 2016 and 2007

Employer	June 30, 2016		June 30, 2007	
	Number of Employees	Percent of District's Total Estimated Population	Number of Employees	Percent of District's Total Estimated Population
Jordan School District	5,000-6,000	2.08%	2,000-4,500	0.82%
Merit Medical	1,500-3,000	0.85%	500-1,000	0.19%
Wal-Mart	1,500-3,000	0.85%	1,000-2,000	0.38%
Ultradent Products	1,500-3,000	0.85%	500-1,000	0.19%
Intermountain Healthcare	1,500-3,000	0.85%	-	-
Extend Health, Inc.	1,500-3,000	0.85%	-	-
Kennecott Utah Copper / Rio Tinto	1,500-3,000	0.85%	-	-
Jordan Valley Medical Center	1,000-2,000	0.28%	-	-
LDS Church	1,000-2,000	0.57%	-	-
Mountain America Credit Union	500-1,000	0.28%	-	-
Discover Financial Services	-	-	1,000-2,000	0.38%
Utah State Prison	-	-	1,500-2,000	0.44%
Intel Corporation	-	-	500-1,000	0.19%
1-800 Contacts	-	-	500-1,000	0.19%
ACS Business Process Solutions	-	-	2,000-4,500	0.82%
Ballard Medical	-	-	500-1,000	0.19%
BD Medical	-	-	500-1,000	0.19%
Totals	<u>20,000-25,000</u>	<u>8.31%</u>	<u>15,000-20,000</u>	<u>4.01%</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, 2007 through 2016**

	As of June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	2,625.36	2,703.02	2,795.03	2,748.64	2,695.20	2,683.43	2,771.12	4,700.70	4,481.08	4,322.09
Supporting services:										
Students	150.60	129.39	126.01	123.28	116.99	109.16	112.62	192.67	193.17	176.07
Instructional staff	128.42	157.39	156.53	148.77	142.44	104.46	106.65	174.96	172.40	171.16
General district administration	10.00	10.00	10.00	9.00	9.00	7.96	10.00	14.00	16.00	18.00
School administration	325.55	294.05	290.89	246.54	240.25	236.06	240.41	424.15	430.67	402.01
Business	23.36	28.79	28.79	27.86	30.43	30.18	28.81	33.43	36.36	34.61
Operation and maintenance of facilities	279.20	286.49	279.18	269.56	262.90	261.28	285.04	439.66	416.03	402.71
Student transportation	133.12	135.83	142.07	136.11	143.59	124.54	139.03	214.08	222.50	219.15
Personnel, planning, and data processing	72.51	54.07	71.50	69.88	70.01	69.99	77.85	64.30	77.73	76.66
Nutrition services	265.55	262.26	268.24	266.43	268.96	266.44	258.67	443.59	437.33	419.35
Foundation	2.06	1.85	1.85	1.85	1.85	1.85	1.85	3.00	3.00	3.00
Non K-12 programs	101.38	84.42	84.00	77.33	81.22	81.28	88.73	136.48	149.18	140.68
Capital projects	6.00	6.00	6.00	4.00	6.00	6.00	6.00	6.00	6.00	7.00
Total	<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>	<u>6,641.45</u>	<u>6,392.49</u>
Licensed (teachers)	2,397.84	2,513.04	2,657.80	2,568.70	2,504.87	2,476.72	2,486.94	4,190.61	4,057.57	3,912.91
Classified (support)	<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>	<u>2,583.88</u>	<u>2,479.58</u>
Total	<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>	<u>6,641.45</u>	<u>6,392.49</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, 2007 through 2016**

Function	Year Ended June 30,					
	2016	2015	2014	2013	2012	2011
Instruction	\$ 237,250,386 62.75%	\$ 223,482,113 62.24%	\$ 221,375,212 63.45%	\$ 216,678,950 64.03%	\$ 208,059,353 64.50%	\$ 206,381,848 65.63%
Support Services:						
Students	10,897,619 2.88%	9,905,879 2.76%	9,797,636 2.81%	9,181,590 2.71%	8,604,231 2.67%	8,162,223 2.60%
Instructional staff	13,115,186 3.47%	13,787,866 3.84%	14,898,522 4.27%	14,079,749 4.16%	11,432,367 3.54%	8,415,237 2.68%
General district administration	2,772,694 0.73%	2,571,116 0.72%	2,873,120 0.82%	2,431,750 0.72%	2,181,980 0.68%	2,127,735 0.68%
School administration	21,821,609 5.77%	20,676,005 5.76%	21,251,838 6.09%	19,456,278 5.75%	18,284,640 5.67%	17,814,452 5.66%
Business	3,187,542 0.84%	3,616,563 1.01%	3,269,050 0.94%	3,290,353 0.97%	3,311,578 1.03%	3,341,320 1.06%
Operation and maintenance of facilities	35,207,469 9.31%	33,748,406 9.40%	34,732,993 9.96%	32,395,830 9.57%	30,720,915 9.52%	30,165,798 9.59%
Student transportation	13,200,129 3.49%	12,664,262 3.53%	12,326,338 3.53%	12,114,894 3.58%	11,342,784 3.52%	10,847,297 3.45%
Personnel, planning, and data processing	7,141,141 1.89%	6,608,398 1.84%	6,333,665 1.82%	5,876,522 1.74%	5,792,733 1.80%	5,546,526 1.76%
Community services	11,752,288 3.11%	10,231,395 2.85%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Nutrition services	19,397,611 5.13%	18,507,363 5.15%	18,382,982 5.27%	18,820,821 5.56%	18,208,474 5.64%	16,722,126 5.32%
Interest on long-term liabilities	2,367,310 0.63%	3,260,584 0.91%	3,649,802 1.05%	4,070,330 1.20%	4,621,153 1.43%	4,954,416 1.58%
Total	\$ 378,110,984	\$ 359,059,950	\$ 348,891,158	\$ 338,397,067	\$ 322,560,208	\$ 314,478,978
Average Daily Membership	52,420	51,867	52,969	52,027	50,794	50,008
Average Expenses Per Pupil	\$ 7,213	\$ 6,923	\$ 6,587	\$ 6,504	\$ 6,350	\$ 6,289

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.

2010	2009	2008	2007
\$ 205,022,608 65.59%	\$ 344,684,165 62.68%	\$ 326,636,572 63.88%	\$ 275,887,539 62.83%
8,058,956 2.58%	14,109,746 2.57%	12,979,248 2.54%	10,941,928 2.49%
10,558,768 3.38%	29,361,639 5.34%	27,994,080 5.48%	24,159,283 5.50%
2,188,867 0.70%	9,594,516 1.74%	4,039,939 0.79%	3,738,408 0.85%
17,086,368 5.47%	31,763,047 5.78%	29,326,194 5.74%	26,448,900 6.02%
2,834,312 0.91%	4,076,310 0.74%	3,836,379 0.75%	3,487,971 0.79%
29,428,025 9.41%	49,729,539 9.04%	44,899,845 8.78%	42,132,737 9.59%
10,287,412 3.29%	17,587,388 3.20%	16,990,943 3.32%	14,669,746 3.34%
6,075,772 1.94%	7,541,427 1.37%	6,960,305 1.36%	6,224,026 1.42%
- 0.00%	- 0.00%	- 0.00%	- 0.00%
15,948,916 5.10%	28,160,378 5.12%	25,806,148 5.05%	23,746,694 5.41%
5,095,788 1.63%	13,327,562 2.42%	11,823,190 2.31%	7,692,800 1.75%
<u>\$ 312,585,792</u>	<u>\$ 549,935,717</u>	<u>\$ 511,292,843</u>	<u>\$ 439,130,032</u>
48,412	80,838	80,065	78,576
\$ 6,457	\$ 6,803	\$ 6,386	\$ 5,589

JORDAN SCHOOL DISTRICT

Expenditures by Function - General Fund Last Ten Fiscal Years June 30, 2007 through 2016

Function	Year Ended June 30,					
	2016	2015	2014	2013	2012	2011
Instruction	\$ 200,689,103 66.23%	\$ 192,123,387 65.68%	\$ 184,974,229 65.45%	\$ 182,210,131 66.51%	\$ 178,810,504 67.05%	\$ 181,424,425 68.96%
Support Services:						
Students	11,296,375 3.73%	10,584,305 3.62%	9,650,162 3.41%	9,134,482 3.33%	8,802,077 3.30%	8,211,422 3.12%
Instructional staff	13,246,639 4.37%	14,387,077 4.92%	14,962,336 5.29%	13,867,708 5.06%	12,144,431 4.55%	8,628,780 3.28%
General district administration	2,121,286 0.70%	1,969,069 0.67%	1,941,013 0.69%	1,752,719 0.64%	1,666,396 0.62%	1,744,436 0.66%
School administration	21,317,489 7.03%	20,508,229 7.01%	19,978,546 7.07%	18,375,400 6.71%	17,697,566 6.64%	17,089,948 6.50%
Business	3,246,676 1.07%	3,715,867 1.27%	3,215,500 1.14%	3,258,511 1.19%	3,356,112 1.26%	3,352,327 1.27%
Operation and maintenance of facilities	32,543,189 10.74%	31,394,721 10.73%	31,389,725 11.11%	29,335,972 10.71%	28,374,180 10.64%	27,680,069 10.52%
Student transportation	11,307,750 3.73%	10,955,155 3.75%	10,265,761 3.63%	10,208,390 3.73%	9,930,729 3.72%	9,374,220 3.56%
Personnel, planning, and data processing	7,265,266 2.40%	6,888,450 2.35%	6,242,453 2.21%	5,820,063 2.12%	5,906,535 2.21%	5,584,001 2.12%
Total	<u>\$ 303,033,773</u>	<u>\$ 292,526,260</u>	<u>\$ 282,619,725</u>	<u>\$ 273,963,376</u>	<u>\$ 266,688,530</u>	<u>\$ 263,089,628</u>
Average Daily Membership	52,420	51,867	52,969	52,027	50,794	50,008
Average Expenditures Per Pupil	\$ 5,781	\$ 5,640	\$ 5,336	\$ 5,266	\$ 5,250	\$ 5,261

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.

2010	2009	2008	2007
\$ 185,877,494 68.77%	\$ 311,921,008 66.51%	\$ 292,597,454 67.33%	\$ 254,146,668 66.67%
8,282,075 3.06%	14,201,747 3.03%	13,287,880 3.06%	11,274,599 2.96%
11,221,387 4.15%	29,683,407 6.33%	28,314,002 6.52%	24,667,976 6.47%
1,909,051 0.71%	8,888,750 1.90%	2,831,132 0.65%	2,526,175 0.66%
16,779,740 6.21%	30,734,534 6.55%	28,930,976 6.66%	25,958,381 6.81%
2,876,640 1.06%	4,084,095 0.87%	3,895,620 0.90%	3,533,483 0.93%
27,910,722 10.33%	46,508,859 9.92%	42,895,609 9.87%	40,033,402 10.50%
9,159,509 3.39%	15,242,767 3.25%	14,757,822 3.40%	12,713,062 3.34%
6,256,669 2.31%	7,726,949 1.65%	7,074,912 1.63%	6,328,948 1.66%
<u>\$ 270,273,287</u>	<u>\$ 468,992,116</u>	<u>\$ 434,585,407</u>	<u>\$ 381,182,694</u>
48,412	80,838	80,065	78,576
\$ 5,583	\$ 5,802	\$ 5,428	\$ 4,851

JORDAN SCHOOL DISTRICT

**Expenses by Function Per Pupil - Statement of Activities
Last Ten Fiscal Years
June 30, 2007 through 2016**

Function	Year Ended June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	\$ 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%	\$ 4,080 63.88%	\$ 3,512 62.83%
Support Services:										
Students	208 2.88%	191 2.76%	185 2.81%	176 2.71%	170 2.67%	163 2.60%	166 2.58%	174 2.57%	162 2.54%	139 2.49%
Instructional staff	250 3.47%	266 3.84%	281 4.27%	271 4.16%	225 3.54%	168 2.68%	218 3.38%	363 5.34%	350 5.48%	307 5.50%
General district administration	53 0.73%	50 0.72%	54 0.82%	47 0.72%	43 0.68%	43 0.68%	45 0.70%	119 1.74%	50 0.79%	48 0.85%
School administration	416 5.77%	399 5.76%	401 6.09%	374 5.75%	360 5.67%	356 5.66%	353 5.47%	393 5.78%	366 5.74%	337 6.02%
Business	61 0.84%	70 1.01%	62 0.94%	63 0.97%	65 1.03%	67 1.06%	59 0.91%	50 0.74%	48 0.75%	44 0.79%
Operation and maintenance of facilities	672 9.31%	651 9.40%	656 9.96%	622 9.57%	605 9.52%	603 9.59%	608 9.41%	615 9.04%	561 8.78%	536 9.59%
Student transportation	252 3.49%	244 3.53%	233 3.53%	233 3.58%	223 3.52%	217 3.45%	212 3.29%	218 3.20%	212 3.32%	187 3.34%
Personnel, planning, and data processing	136 1.89%	127 1.84%	120 1.82%	113 1.74%	114 1.80%	111 1.76%	126 1.94%	93 1.37%	87 1.36%	79 1.42%
Community services	224.19 3.11%	197.26 2.85%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%	- 0.00%
Nutrition services	370 5.13%	357 5.15%	347 5.27%	362 5.56%	358 5.64%	335 5.32%	330 5.10%	349 5.12%	322 5.05%	302 5.41%
Interest on long- term liabilities	45 0.63%	63 0.91%	69 1.05%	78 1.20%	91 1.43%	99 1.58%	105 1.63%	165 2.42%	148 2.31%	98 1.75%
Total	<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>	<u>\$ 6,386</u>	<u>\$ 5,589</u>
Average Daily Membership	52,420	51,867	52,969	52,027	50,794	50,008	48,412	80,838	80,065	78,576

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, 2007 through 2016**

Function	Year Ended June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction	\$ 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%	\$ 3,655 67.33%	\$ 3,234 66.67%
Support Services:										
Students	215 3.73%	204 3.62%	182 3.41%	175 3.33%	173 3.30%	164 3.12%	171 3.06%	176 3.03%	166 3.06%	144 2.96%
Instructional staff	253 4.37%	277 4.92%	282 5.29%	267 5.06%	239 4.55%	173 3.28%	232 4.15%	367 6.33%	354 6.52%	314 6.47%
General district administration	40 0.70%	38 0.67%	37 0.69%	34 0.64%	33 0.62%	35 0.66%	40 0.71%	110 1.90%	35 0.65%	32 0.66%
School administration	407 7.03%	395 7.01%	377 7.07%	353 6.71%	349 6.64%	342 6.50%	347 6.21%	380 6.55%	361 6.66%	330 6.81%
Business	62 1.07%	72 1.27%	61 1.14%	63 1.19%	66 1.26%	67 1.27%	59 1.06%	50 0.87%	49 0.90%	45 0.93%
Operation and maintenance of facilities	621 10.74%	605 10.73%	593 11.11%	564 10.71%	559 10.64%	553 10.52%	577 10.33%	575 9.92%	536 9.87%	509 10.50%
Student transportation	216 3.73%	211 3.75%	194 3.63%	196 3.73%	195 3.72%	187 3.56%	189 3.39%	189 3.25%	184 3.40%	162 3.34%
Personnel, planning, and data processing	139 2.40%	133 2.35%	118 2.21%	112 2.12%	116 2.21%	112 2.12%	129 2.31%	96 1.65%	88 1.63%	81 1.66%
Total	<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>	<u>\$ 5,428</u>	<u>\$ 4,851</u>
Average Daily Membership	52,420	51,867	52,969	52,027	50,794	50,008	48,412	80,838	80,065	78,576

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, 2007 through 2016**

	Year Ended June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Number of schools participating in:										
Lunch - regular schedule	40	32	32	33	33	32	24	60	58	57
Lunch - year round	15	22	21	19	19	20	27	32	30	30
Breakfast program	39	38	38	35	34	29	27	47	39	37
Student lunches served:										
Free	1,162,916	1,237,752	1,225,128	1,288,364	1,369,851	1,275,991	1,132,690	1,709,507	1,506,346	1,452,626
Reduced	435,978	399,242	427,945	394,388	429,681	431,984	413,522	594,092	602,789	625,417
Fully paid	3,448,060	3,361,722	3,375,814	3,356,024	3,435,700	3,529,678	3,541,016	6,219,193	6,207,960	5,947,017
Total	<u>5,046,954</u>	<u>4,998,716</u>	<u>5,028,887</u>	<u>5,038,776</u>	<u>5,235,232</u>	<u>5,237,653</u>	<u>5,087,228</u>	<u>8,522,792</u>	<u>8,317,095</u>	<u>8,025,060</u>
Adult lunches served	68,211	71,672	72,272	78,740	86,638	86,508	94,067	192,234	180,159	170,801
Student breakfasts served:										
Free	270,215	291,975	291,362	303,542	300,964	266,682	227,164	407,325	347,704	332,887
Reduced	62,311	51,176	52,308	46,886	48,386	44,968	40,819	69,966	62,802	62,388
Fully paid	168,983	156,752	165,547	160,311	153,520	133,325	116,268	253,707	220,414	211,765
Total	<u>501,509</u>	<u>499,903</u>	<u>509,217</u>	<u>510,739</u>	<u>502,870</u>	<u>444,975</u>	<u>384,251</u>	<u>730,998</u>	<u>630,920</u>	<u>607,040</u>
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	190.36	196.96	196.42	194.90	194.90	195.85	202.94	194.04	193.70	193.90
Average daily participation:										
Student lunch	26,512	25,379	25,603	25,853	26,861	26,744	25,068	43,922	42,937	41,388
Adult lunch	358	364	368	404	445	442	464	991	930	881
Student breakfast	2,634	2,538	2,593	2,620	2,580	2,272	1,893	3,767	3,257	3,131
Average daily membership (kindergarten not included)	48,583	48,073	48,796	47,804	46,667	46,048	44,520	74,413	73,686	72,224
Percentage of students eating school lunch	54.57%	52.79%	52.47%	54.08%	57.56%	58.08%	56.31%	59.02%	58.27%	57.31%
Number of students on										
Free lunch	9,877	9,720	9,663	10,278	11,056	11,484	9,093	13,507	11,713	11,120
Reduced lunch	3,536	3,141	3,452	3,070	3,377	4,423	3,497	4,633	4,776	4,958
Percentage of students on:										
Free lunch	20.33%	20.22%	19.80%	21.50%	23.69%	24.94%	20.42%	18.15%	15.90%	15.40%
Reduced lunch	7.28%	6.53%	7.07%	6.42%	7.24%	9.61%	7.85%	6.23%	6.48%	6.86%
Total	<u>27.61%</u>	<u>26.75%</u>	<u>26.88%</u>	<u>27.92%</u>	<u>30.93%</u>	<u>34.54%</u>	<u>28.28%</u>	<u>24.38%</u>	<u>22.38%</u>	<u>22.26%</u>

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, 2007 through 2016

<u>Year Ended June 30,</u>	<u>Average Daily Membership</u>	<u>Average Daily Attendance</u>	<u>Attendance Percentage</u>	<u>Official State October 1 Enrollment Count</u>
2007	78,576	74,768	95.15%	78,708
2008	80,065	76,352	95.36%	80,187
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

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 2006-07 through 2015-16

	<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>	<u>2007-08</u>	<u>2006-07</u>
Alta	(a)	(a)	(a)	(a)	(a)	(a)	(a)	753	716	711
Bingham	754	676	750	738	681	673	744	711	720	703
Brighton	(a)	(a)	(a)	(a)	(a)	(a)	(a)	645	622	581
Copper Hills	793	748	665	680	721	565	625	546	553	478
Herriman	730	671	710	506	476	311	-	-	-	-
Hillcrest	(a)	(a)	(a)	(a)	(a)	(a)	(a)	386	405	399
Itineris	(b)	(b)	(b)	(b)	(b)	106	86	106	73	42
Jordan	(a)	(a)	(a)	(a)	(a)	(a)	(a)	527	523	539
Riverton	644	622	679	601	582	625	855	764	778	714
West Jordan	428	434	457	431	432	500	470	472	398	443
Valley	<u>296</u>	<u>292</u>	<u>286</u>	<u>289</u>	<u>378</u>	<u>377</u>	<u>433</u>	<u>355</u>	<u>320</u>	<u>269</u>
Total	<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>	<u><u>5,108</u></u>	<u><u>4,879</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 is no longer part of the District.

Source: District records.

JORDAN SCHOOL DISTRICT

**Number of Students Per Teacher
Last Ten School Years
School Years 2006-07 through 2015-16**

<u>Grade</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>	<u>2007-08</u>	<u>2006-07</u>
Kindergarten	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	46.20
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	22.30
3	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	23.00	23.80
4	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.40
5	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.40
6	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.40
7	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.80	26.80
8	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.00	26.80	26.80
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, 2007 through 2016

Year Ended June 30,	Bachelor Degree Beginning Teacher Wage	Doctorate Degree Veteran Teacher Wage	District Median* Teacher Wage	District Median* Teacher Benefits**	Total District Median* Teacher Compensation	State Median* Teacher Compensation
2007	\$ 27,859	\$ 56,175	\$ 39,933	\$ 19,809	\$ 59,742	\$ 62,223
2008	30,139	58,794	42,299	20,256	62,555	66,397
2009	34,168	65,457	44,921	21,713	66,634	69,757
2010	32,889	63,088	44,437	22,147	66,584	69,531
2011	32,889	63,088	44,709	22,359	67,068	69,785
2012	32,889	63,088	43,834	22,199	66,033	70,883
2013	32,889	63,088	45,429	24,303	69,732	71,099
2014	32,889	63,088	44,678	24,504	69,182	74,028
2015	33,248	63,809	45,678	26,867	72,545	76,664
2016	33,829	64,977	na	na	na	na

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

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

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, 2007 through 2016**

	Year Ended June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Buildings:										
Elementary Schools										
Number	34	34	33	33	33	32	32	62	60	59
Square feet	2,250,698	2,250,698	2,164,348	2,164,348	2,164,348	2,080,012	2,080,012	3,882,123	3,722,870	3,656,370
Capacity	26,125	26,150	25,200	23,268	23,268	22,362	22,362	40,494	38,756	37,992
Enrollment	27,918	28,065	29,291	29,003	28,374	27,922	27,340	45,073	44,436	43,320
Percent of Capacity	106.86%	107.32%	116.23%	124.65%	121.94%	124.86%	122.26%	111.31%	114.66%	114.02%
Average Age	21.56	20.56	20.15	19.15	18.15	17.69	16.69	27.66	27.90	27.36
Middle Schools										
Number	10	10	10	9	9	9	9	17	17	17
Square feet	1,586,375	1,586,375	1,586,375	1,386,311	1,386,311	1,386,311	1,386,311	2,654,114	2,654,114	2,654,114
Capacity	13,350	13,350	13,350	11,708	11,708	11,708	11,708	22,161	22,161	22,161
Enrollment	11,868	11,689	11,798	11,483	11,017	11,059	10,670	17,935	17,649	17,422
Percent of Capacity	88.90%	87.56%	88.37%	98.08%	94.10%	94.46%	91.13%	80.93%	79.64%	78.62%
Average Age	23.80	22.80	21.80	23.11	22.11	21.11	20.11	28.12	27.12	26.12
High Schools ****										
Number	8	7	7	7	7	8	7	13	12	12
Square feet	2,064,749	2,008,984	2,008,984	2,008,984	2,008,984	2,008,984	1,623,820	3,073,517	2,989,647	2,989,647
Capacity **	15,400	13,900	13,900	13,761	13,761	13,761	11,261	21,152	19,952	19,952
Enrollment	12,200	11,705	11,437	11,204	10,863	10,410	10,045	17,413	17,554	17,471
Percent of Capacity	79.22%	84.21%	82.28%	81.42%	78.94%	75.65%	89.20%	82.32%	87.98%	87.57%
Average Age	17.88	19.29	18.29	17.29	16.29	14.13	15.00	25.85	26.92	25.92
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	168,447	168,447	135,875	135,875	135,875
Capacity **	800	800	800	800	800	800	800	600	600	600
Enrollment	338	347	329	353	327	338	356	596	548	495
Percent of Capacity	42.25%	43.38%	41.13%	44.13%	40.88%	42.25%	44.50%	99.33%	91.33%	82.50%
Average Age	8.33	7.33	6.33	5.33	4.33	31.33	30.33	40.67	39.67	38.67
Other Buildings										
Number	4	4	4	4	4	4	4	6	6	6
Square feet	230,315	230,315	230,315	230,315	230,315	230,315	230,315	256,896	256,896	256,896
Average Age	17.75	16.75	15.75	14.75	13.75	12.75	11.75	34.00	33.00	32.00
Total Buildings										
Number *	59	58	57	56	56	56	55	101	98	97
Square feet	6,315,111	6,259,346	6,172,996	5,972,932	5,972,932	5,874,069	5,488,905	10,002,525	9,759,402	9,692,902
Capacity	55,675	54,200	53,250	49,537	49,537	48,631	46,131	84,407	81,469	80,705
Enrollment	52,324	51,806	52,855	52,043	50,581	49,729	48,411	81,017	80,187	78,708
Percent of Capacity	93.98%	95.58%	99.26%	105.06%	102.11%	102.26%	104.94%	95.98%	98.43%	97.53%
Average Age	20.51	19.84	19.18	18.50	17.50	18.11	17.42	28.27	28.32	27.60
Number of Portables ***	250	250	249	237	234	230	235	284	284	238
Acres of Land	1,305.27	1,388.46	1,378.96	1,300.05	1,300.33	1,305.31	1,305.13	1,944.86	1,896.34	1,789.04
Number of Vehicles	429	483	475	452	451	451	413	650	679	636

* 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 is no longer part of the District.

Source: District records.

JORDAN SCHOOL DISTRICT

**Statements of Net Position
Governmental Activities
Last Ten Fiscal Years
June 30, 2007 through 2016
(accrual basis of accounting)**

	As of June 30,					
	2016	2015	2014	2013	2012	2011
Assets:						
Cash and investments	\$ 328,832,339	\$ 299,720,313	\$ 289,382,198	\$ 293,175,210	\$ 285,075,405	\$ 280,518,781
Investments restricted for debt service	3,027,671	2,459,954	1,900,693	1,328,483	562,548	-
Accounts receivable:						
Property taxes	144,413,033	128,941,803	104,006,042	106,826,465	111,536,801	116,253,138
Other local	317,213	150,715	194,873	215,575	494,114	627,770
State of Utah	1,805,217	2,083,904	2,009,047	1,640,993	4,480,806	1,334,968
Federal government	9,767,647	6,520,696	6,301,926	5,372,501	6,186,652	8,872,646
Inventories	2,292,505	1,841,813	1,754,576	1,854,864	2,102,705	1,790,558
Net pension asset	9,185	137,439	8,421	-	-	-
Net retirement asset	31,328,549	30,104,573	28,724,816	26,689,789	24,053,316	22,488,120
Capital assets:						
Sites and construction in progress	92,415,399	90,612,797	105,364,439	108,985,648	91,222,028	92,072,747
Other capital assets, net of accumulated depreciation	637,000,668	647,872,700	634,271,798	607,646,113	615,068,081	592,852,633
Total assets	<u>1,251,209,426</u>	<u>1,210,446,707</u>	<u>1,173,918,829</u>	<u>1,153,735,641</u>	<u>1,140,782,456</u>	<u>1,116,811,361</u>
Deferred outflows of resources:						
Deferred charge on refunding	2,292,358	2,865,447	3,438,536	271,072	406,608	673,184
Related to pensions	60,976,688	19,643,471	15,895,884	-	-	-
Total deferred outflows of resources	<u>63,269,046</u>	<u>22,508,918</u>	<u>19,334,420</u>	<u>271,072</u>	<u>406,608</u>	<u>673,184</u>
Liabilities:						
Accounts and contracts payable	6,688,839	8,733,647	9,998,568	11,065,411	8,503,323	8,080,034
Accrued payroll and related benefits	31,461,241	29,350,387	27,824,193	23,402,064	25,944,250	22,571,296
Accrued interest	86,609	107,799	127,199	136,078	163,882	193,458
Unearned revenue:						
Local	820,046	884,766	655,810	582,414	513,059	860,136
State of Utah	22,566,409	20,725,553	18,158,320	17,825,962	17,610,587	17,266,417
Federal government	1,545,859	1,152,726	400,909	29,116	297,459	362,646
Noncurrent liabilities:						
Due within one year	24,121,320	23,890,207	24,896,674	20,836,399	21,810,367	24,858,404
Due after one year	205,859,430	185,254,294	217,080,890	80,273,982	89,622,899	101,322,713
Total liabilities	<u>293,149,753</u>	<u>270,099,379</u>	<u>299,142,563</u>	<u>154,151,426</u>	<u>164,465,826</u>	<u>175,515,104</u>
Deferred inflows of resources:						
Related to pensions	16,059,297	12,232,142	-	-	-	-
Property taxes levied for future year	142,381,941	126,393,762	101,332,080	104,507,805	107,863,484	110,337,933
Total deferred inflows of resources	<u>158,441,238</u>	<u>138,625,904</u>	<u>101,332,080</u>	<u>104,507,805</u>	<u>107,863,484</u>	<u>110,337,933</u>
Net position:						
Net investment in capital assets	677,463,407	674,379,692	664,132,697	632,301,170	611,327,293	577,241,401
Restricted for:						
Debt service	3,191,698	2,214,683	2,193,800	2,163,821	2,448,285	2,879,305
Capital projects	86,056,703	71,545,939	64,687,349	79,377,683	79,137,884	82,776,949
Nutrition services	7,751,305	7,475,581	7,021,064	5,945,889	5,673,159	5,253,724
Other purposes	7,033,511	4,735,037	6,088,433	4,494,945	4,039,997	2,144,625
Unrestricted	81,390,857	63,879,410	48,655,263	171,063,974	166,233,136	161,335,504
Total net position	<u>\$ 862,887,481</u>	<u>\$ 824,230,342</u>	<u>\$ 792,778,606</u>	<u>\$ 895,347,482</u>	<u>\$ 868,859,754</u>	<u>\$ 831,631,508</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.

Source: Information taken from the District's audited financial statements. This summary itself has not been audited.

2010	2009	2008	2007
\$ 298,594,959	\$ 487,696,115	\$ 533,833,981	\$ 314,450,409
-	-	-	-
116,210,810	111,306,095	215,865,206	208,149,199
176,938	292,985	162,930	479,012
766,927	2,146,336	1,597,051	1,540,488
8,480,481	9,793,433	7,881,096	7,110,456
1,402,882	2,953,840	4,127,117	3,590,884
-	-	-	-
20,521,601	14,806,760	3,689,112	2,746,491
146,074,427	151,596,136	138,545,251	65,866,768
513,871,976	742,274,277	650,655,122	629,430,123
1,106,101,001	1,522,865,977	1,556,356,866	1,233,363,830
939,760	2,872,229	3,506,933	4,141,637
-	-	-	-
939,760	2,872,229	3,506,933	4,141,637
9,604,396	20,102,302	15,032,642	8,904,290
24,444,820	45,203,063	36,539,456	31,895,593
224,161	547,561	551,845	265,748
1,445,607	1,175,206	1,010,124	701,675
23,812,796	33,001,859	33,078,146	23,165,716
173,306	1,318,477	950,566	1,369,393
24,555,316	53,407,314	49,043,895	39,670,385
106,896,136	275,892,829	308,129,182	156,132,219
191,156,538	430,648,611	444,335,856	262,105,019
-	-	-	-
107,120,120	100,290,039	209,115,177	203,866,699
107,120,120	100,290,039	209,115,177	203,866,699
548,548,661	646,323,294	596,489,658	535,792,219
2,518,981	3,813,239	6,779,465	6,079,198
88,465,583	140,489,012	116,494,949	95,607,064
4,188,684	5,834,581	8,075,355	7,474,032
711,951	866,097	1,615,731	3,052,044
164,330,243	197,473,333	176,957,608	123,529,192
\$ 808,764,103	\$ 994,799,556	\$ 906,412,766	\$ 771,533,749

JORDAN SCHOOL DISTRICT

**General Fund
Comparative Balance Sheets
Last Ten Fiscal Years
June 30, 2007 through 2016
(modified accrual basis of accounting)**

	As of June 30,				
	2016	2015	2014	2013	2012
Assets:					
Cash and investments	\$ 189,986,810	\$ 178,551,089	\$ 174,963,001	\$ 160,963,113	\$ 157,611,185
Accounts receivable:					
Property taxes	71,842,584	66,448,394	57,248,072	58,268,415	60,514,131
Other local	308,246	106,877	110,568	175,884	156,175
State of Utah	286,217	406,038	470,794	191,074	216,344
Federal government	8,882,124	5,950,007	5,304,576	4,675,069	5,462,877
Inventories	1,062,366	1,154,094	1,040,095	1,182,484	1,629,309
Total assets	<u>\$ 272,368,347</u>	<u>\$ 252,616,499</u>	<u>\$ 239,137,106</u>	<u>\$ 225,456,039</u>	<u>\$ 225,590,021</u>
Liabilities:					
Accounts payable	\$ 1,986,813	\$ 2,456,377	\$ 3,300,805	\$ 2,738,975	\$ 2,089,717
Accrued payroll and related benefits	31,461,241	29,350,387	27,824,193	23,402,064	25,944,250
Unearned revenue:					
Local	121,829	66,207	62,558	65,525	55,918
State of Utah	20,905,145	19,249,155	16,737,749	16,635,624	16,613,010
Federal government	1,545,859	1,152,726	400,909	29,116	297,459
Total liabilities	<u>56,020,887</u>	<u>52,274,852</u>	<u>48,326,214</u>	<u>42,871,304</u>	<u>45,000,354</u>
Deferred inflows of resources:					
Unavailable property tax revenue	984,251	1,113,136	1,238,366	1,010,897	1,700,695
Property taxes levied for future year	70,743,037	65,149,719	55,731,286	57,031,152	58,647,907
Total deferred inflows of resources	<u>71,727,288</u>	<u>66,262,855</u>	<u>56,969,652</u>	<u>58,042,049</u>	<u>60,348,602</u>
Fund balances:					
Nonspendable:					
Inventories	1,062,366	1,154,094	1,040,095	1,182,484	1,629,309
Restricted for:					
Property tax programs	6,010,166	3,712,550	5,179,127	3,701,583	2,303,098
Committed to:					
Contractual obligations	1,842,647	894,790	1,236,323	1,486,882	2,243,061
Economic stabilization	16,700,000	16,000,000	15,450,000	15,000,000	14,450,000
Compensated absences	3,225,151	3,054,256	2,913,689	7,215,051	7,347,469
Retiree benefits	52,528,487	57,115,248	63,406,198	64,140,080	62,996,451
Assigned to:					
Educational programs	6,797,029	5,381,488	5,162,665	3,565,976	5,050,342
Personnel	19,950,186	24,294,623	28,750,811	10,544,331	10,751,752
Unassigned	36,504,140	22,471,743	10,702,332	17,706,299	13,469,583
Total fund balances	<u>144,620,172</u>	<u>134,078,792</u>	<u>133,841,240</u>	<u>124,542,686</u>	<u>120,241,065</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 272,368,347</u>	<u>\$ 252,616,499</u>	<u>\$ 239,137,106</u>	<u>\$ 225,456,039</u>	<u>\$ 225,590,021</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.

2011	2010	2009	2008	2007
\$ 153,776,372	\$ 169,236,869	\$ 237,585,628	\$ 221,869,858	\$ 179,275,436
62,040,018	59,273,967	53,624,064	104,088,438	94,483,124
621,058	169,673	278,339	109,105	363,632
370,355	287,698	1,067,171	444,975	478,914
5,822,312	6,771,789	8,609,837	7,128,349	6,456,534
1,186,028	961,670	1,705,607	2,854,710	2,194,478
<u>\$ 223,816,143</u>	<u>\$ 236,701,666</u>	<u>\$ 302,870,646</u>	<u>\$ 336,495,435</u>	<u>\$ 283,252,118</u>
\$ 1,856,373	\$ 2,120,746	\$ 7,647,601	\$ 5,064,777	\$ 4,111,988
22,571,296	24,444,820	45,203,063	36,539,456	31,895,593
487,006	174,028	209,077	258,442	317,155
16,426,411	23,252,798	32,027,764	31,864,034	21,698,443
362,646	173,306	1,289,036	950,566	1,369,393
<u>41,703,732</u>	<u>50,165,698</u>	<u>86,376,541</u>	<u>74,677,275</u>	<u>59,392,572</u>
2,553,903	3,617,878	4,763,274	2,726,204	1,723,451
<u>58,694,740</u>	<u>55,181,095</u>	<u>48,324,035</u>	<u>101,089,337</u>	<u>92,531,268</u>
<u>61,248,643</u>	<u>58,798,973</u>	<u>53,087,309</u>	<u>103,815,541</u>	<u>94,254,719</u>
1,186,028	961,670	1,705,607	2,854,710	2,194,478
811,491	2,330,244	2,709,731	4,297,061	5,798,327
1,303,221	682,265	849,359	3,012,859	2,148,987
14,450,000	14,219,000	24,100,000	24,100,000	21,300,000
7,364,958	9,002,065	9,143,980	9,610,923	10,240,313
68,751,110	70,000,000	70,000,000	60,000,000	19,786,935
4,653,334	20,127,825	6,280,267	8,613,956	9,060,040
10,420,279	8,000,000	10,000,000	10,000,000	9,350,000
11,232,381	2,413,926	38,617,852	35,513,110	49,725,747
<u>120,172,802</u>	<u>127,736,995</u>	<u>163,406,796</u>	<u>158,002,619</u>	<u>129,604,827</u>
<u>\$ 223,125,177</u>	<u>\$ 236,701,666</u>	<u>\$ 302,870,646</u>	<u>\$ 336,495,435</u>	<u>\$ 283,252,118</u>

JORDAN SCHOOL DISTRICT

**General Fund
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances
Last Ten Fiscal Years
June 30, 2007 through 2016
(modified accrual basis of accounting)**

	Proposed Budget				
	2017	2016	2015	2014	2013
Revenues:					
Property taxes	\$ 70,015,400	\$ 70,443,092	\$ 59,369,132	\$ 58,565,960	\$ 59,779,018
Interest	680,000	1,527,182	969,874	937,064	1,201,179
Other local sources	7,340,712	7,713,261	7,258,440	6,723,379	6,026,033
State of Utah	220,629,037	217,432,316	207,909,276	210,081,172	195,942,899
Federal government	15,661,420	16,630,763	17,422,527	15,765,974	15,467,995
Total revenues	<u>314,326,569</u>	<u>313,746,614</u>	<u>292,929,249</u>	<u>292,073,549</u>	<u>278,417,124</u>
Expenditures:					
Instruction	226,306,294	200,689,103	192,123,387	184,974,229	182,210,131
Support services:					
Students	10,944,261	11,296,375	10,584,305	9,650,162	9,134,482
Instructional staff	15,492,787	13,246,639	14,387,077	14,962,336	13,867,708
General district administration	2,328,170	2,121,286	1,969,069	1,941,013	1,752,719
School administration	22,497,708	21,317,489	20,508,229	19,978,546	18,375,400
Business	3,343,702	3,246,676	3,715,867	3,215,500	3,258,511
Operation and maintenance of facilities	35,827,526	32,543,189	31,394,721	31,389,725	29,335,972
Student transportation	12,297,987	11,307,750	10,955,155	10,265,761	10,208,390
Personnel, planning, and data processing	8,190,762	7,265,266	6,888,450	6,242,453	5,820,063
Total expenditures	<u>337,229,197</u>	<u>303,033,773</u>	<u>292,526,260</u>	<u>282,619,725</u>	<u>273,963,376</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,902,628)</u>	<u>10,712,841</u>	<u>402,989</u>	<u>9,453,824</u>	<u>4,453,748</u>
Other financing sources (uses):					
Transfers	<u>(173,764)</u>	<u>(171,461)</u>	<u>(165,437)</u>	<u>(155,270)</u>	<u>(152,127)</u>
Net change in fund balance	<u>(23,076,392)</u>	<u>10,541,380</u>	<u>237,552</u>	<u>9,298,554</u>	<u>4,301,621</u>
Fund balances - beginning	<u>111,293,025</u>	<u>134,078,792</u>	<u>133,841,240</u>	<u>124,542,686</u>	<u>120,241,065</u>
Allocated to other local educational agency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - ending	<u>\$ 88,216,633</u>	<u>\$ 144,620,172</u>	<u>\$ 134,078,792</u>	<u>\$ 133,841,240</u>	<u>\$ 124,542,686</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.

Year Ended June 30,

2012	2011	2010	2009	2008	2007
\$ 59,278,100	\$ 58,962,274	\$ 52,073,341	\$ 101,288,392	\$ 95,893,761	\$ 84,328,409
1,230,990	941,664	1,244,025	5,535,482	11,179,695	10,794,125
5,948,869	4,462,548	8,573,213	11,003,986	10,224,212	9,820,728
183,725,226	180,831,881	181,770,229	301,272,289	314,994,011	275,766,135
16,475,745	25,770,444	25,945,683	55,182,294	26,044,601	24,220,492
<u>266,658,930</u>	<u>270,968,811</u>	<u>269,606,491</u>	<u>474,282,443</u>	<u>458,336,280</u>	<u>404,929,889</u>
178,810,504	181,424,425	185,877,494	311,921,008	292,597,454	254,146,668
8,802,077	8,211,422	8,282,075	14,201,747	13,287,880	11,274,599
12,144,431	8,628,780	11,221,387	29,683,407	28,314,002	24,667,976
1,666,396	1,744,436	1,909,051	8,888,750	2,831,132	2,526,175
17,697,566	17,089,948	16,779,740	30,734,534	28,930,976	25,958,381
3,356,112	3,352,327	2,876,640	4,084,095	3,895,620	3,533,483
28,374,180	27,680,069	27,910,722	46,508,859	42,895,609	40,033,402
9,930,729	9,374,220	9,159,509	15,242,767	14,757,822	12,713,062
5,906,535	5,584,001	6,256,669	7,726,949	7,074,912	6,328,948
<u>266,688,530</u>	<u>263,089,628</u>	<u>270,273,287</u>	<u>468,992,116</u>	<u>434,585,407</u>	<u>381,182,694</u>
(29,600)	7,879,183	(666,796)	5,290,327	23,750,873	23,747,195
(155,766)	(142,375)	(158,907)	113,850	4,646,919	6,088,759
(185,366)	7,736,808	(825,703)	5,404,177	28,397,792	29,835,954
120,863,768	127,736,995	163,406,796	158,002,619	129,604,827	99,768,873
(437,337)	(14,610,035)	(34,844,098)	-	-	-
<u>\$ 120,241,065</u>	<u>\$ 120,863,768</u>	<u>\$ 127,736,995</u>	<u>\$ 163,406,796</u>	<u>\$ 158,002,619</u>	<u>\$ 129,604,827</u>

JORDAN SCHOOL DISTRICT

**Historical Summaries of Taxable Values of Property
Last Ten Tax Years
December 31, 2006 through 2015**

	2015		2014		2013		2012	
	Assessed Value	% of A.V.	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value
<i>Set by State Tax Commission- Centrally Assessed</i>	\$ 2,291,176,345	12.6	\$ 2,030,409,084	\$ 1,546,327,116	\$ 2,543,340,183			
<i>Set by County Assessor- Locally Assessed:</i>								
Real Property:								
Residential real estate-primary use	10,391,969,914	57.0	9,469,690,654	8,409,254,008	7,743,838,311			
Residential real estate-not primary use	550,053,980	3.0	482,753,030	481,741,520	486,127,630			
Commercial and industrial real estate	3,306,146,990	18.1	3,040,499,520	2,888,362,000	2,824,028,240			
Agricultural - FAA	4,097,730	0.0	3,781,540	4,136,270	4,093,440			
Unimproved non FAA	37,820,680	0.2	49,187,600	43,876,720	39,290,080			
Total real property	14,290,089,294	78.4	13,045,912,344	11,827,370,518	11,097,377,701			
Personal Property:								
Fee in lieu property	507,744,169	2.8	459,762,713	453,495,266	456,577,479			
Mobile homes-primary residential use	3,290,712	0.0	3,406,415	3,530,837	3,655,822			
Mobile homes-other use	1,080,574	0.0	1,522,518	1,676,289	1,014,226			
Commercial and industrial property	1,122,932,571	6.2	1,095,183,230	943,638,079	799,690,170			
Total personal property	1,635,048,026	9.0	1,559,874,876	1,402,340,471	1,260,937,697			
Total locally assessed	15,925,137,320	87.4	14,605,787,220	13,229,710,989	12,358,315,398			
Total taxable property	\$ 18,216,313,665	100.0	\$ 16,636,196,304	\$ 14,776,038,105	\$ 14,901,655,581			

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

Source: Property Tax Division, Utah State Tax Commission.

Tax Year Ended December 31,

2011	2010	2009	2008	2007	2006
Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Assessed Value
<u>\$ 2,945,054,548</u>	<u>\$ 3,278,465,698</u>	<u>\$ 699,997,754</u>	<u>\$ 2,096,596,600</u>	<u>\$ 1,555,125,963</u>	<u>\$ 1,114,377,524</u>
7,963,989,054	8,203,104,049	8,139,960,977	20,757,012,865	19,511,493,299	14,900,287,225
571,115,620	746,958,820	916,742,120	2,416,292,180	1,907,000,530	1,447,380,651
2,853,891,710	2,877,617,610	2,807,281,700	7,352,045,200	6,324,713,880	5,101,897,590
4,156,900	4,495,190	4,689,990	12,000,203	8,625,670	10,763,160
39,018,200	45,342,280	46,922,790	62,181,255	61,690,040	80,574,510
<u>11,432,171,484</u>	<u>11,877,517,949</u>	<u>11,915,597,577</u>	<u>30,599,531,703</u>	<u>27,813,523,419</u>	<u>21,540,903,136</u>
476,391,784	988,241,612	987,314,964	2,123,008,068	2,134,401,810	2,113,185,442
3,754,304	3,896,710	4,200,911	13,022,692	13,047,897	13,419,406
1,772,475	1,760,410	1,752,550	1,980,838	1,500,666	1,719,255
703,495,717	657,777,378	704,184,735	1,235,152,380	1,077,464,723	881,112,297
<u>1,185,414,280</u>	<u>1,651,676,110</u>	<u>1,697,453,160</u>	<u>3,373,163,978</u>	<u>3,226,415,096</u>	<u>3,009,436,400</u>
<u>12,617,585,764</u>	<u>13,529,194,059</u>	<u>13,613,050,737</u>	<u>33,972,695,681</u>	<u>31,039,938,515</u>	<u>24,550,339,536</u>
<u>\$ 15,562,640,312</u>	<u>\$ 16,807,659,757</u>	<u>\$ 14,313,048,491</u>	<u>\$ 36,069,292,281</u>	<u>\$ 32,595,064,478</u>	<u>\$ 25,664,717,060</u>

JORDAN SCHOOL DISTRICT

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The 2017 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 2017 Bonds. We are of the opinion that such proceedings show lawful authority for the issuance of the 2017 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 2017 Bonds and find the same in due form of law. In our opinion, the 2017 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 2017 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 2017 Bonds may also be subject to the exercise of judicial discretion in appropriate cases.

The guaranty of timely payment of the 2017 Bonds provided by the Utah School Bond Guaranty Act 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 2017 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 and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Board covenants could cause interest on the 2017 Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2017 Bonds. Ownership of the 2017 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 2017 Bonds.

It is further our opinion that under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2017 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 2017 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 2017 Bonds.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the 2017 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

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 \$ _____ General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2017 (the “*Bonds*”). The Bonds are being issued pursuant to a Resolution of the Issuer adopted on December 13, 2016 (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

The Final Official Statement relating to the Bonds is dated _____, 2017 (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.....
 - Debt Service Schedule Of Outstanding General Obligation Bonds By Fiscal Year
 - Other Financial Considerations; Local Building Authority Of Jordan School District, Utah
 - 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, 2017. 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 2017 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2017 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2017 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 2017 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 2017 Bonds, except in the event that use of the book-entry system for the 2017 Bonds is discontinued.

To facilitate subsequent transfers, all 2017 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 2017 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 2017 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2017 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 2017 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2017 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2017 Bond documents. For example, Beneficial Owners of 2017 Bonds may wish to ascertain that the nominee holding the 2017 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 of the 2017 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 2017 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 2017 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 2017 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 2017 Bonds at any time by giving reasonable notice to the Board or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, 2017 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, 2017 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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JORDAN
SCHOOL DISTRICT

