This Preliminary Official Statement and the information contained herein are subject to completion or amendment. 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 the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 10, 2018

NEW ISSUE **Ratings: Moody's "Aaa," Fitch "AAA" (State of Utah Guaranty)**
Issued in Book-Entry Form Only **Moody's "Aaa," Fitch "AAA" (Underlying)**
See "STATE OF UTAH GUARANTY" and "BOND RATINGS" herein.

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Board, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" herein.

$75,000,000*
BOARD OF EDUCATION OF CANYONS SCHOOL DISTRICT, UTAH

GENERAL OBLIGATION BONDS (UTAH SCHOOL BOND GUARANTY PROGRAM), SERIES 2018B

Dated: Date of Delivery **Due: June 15, as shown below**

The $75,000,000* General Obligation Bonds (Utah School Bond Guaranty Program), Series 2018B (the "Bonds") are issuable by the Board of Education of Canyons School District, Utah (the "Board") as fully registered bonds and, when initially issued, will be in book-entry form only, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, NY ("DTC"). DTC will act as securities depository for the Bonds.

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

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

The 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 Canyons School District, Utah, fully sufficient to pay the Bonds as to both principal and interest.

Payment of the principal of and interest on the 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 (the "Guaranty Act"). See "STATE OF UTAH GUARANTY" herein.

The Bonds will be awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on Tuesday, October 23, 2018, as set forth in the Official Notice of Bond Sale, dated October 10, 2018.

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

Due (June 15)	Principal Amount*	Interest Rate	Yield	CUSIP† (139078)	Due (June 15)	Principal Amount*	Interest Rate	Yield	CUSIP† (139078)
2020	$2,400,000				2030	$4,200,000			
2021	2,975,000				2031	4,325,000			
2022	1,900,000				2032	4,450,000			
2023	3,040,000				2033	4,600,000			
2024	3,200,000				2034	4,750,000			
2025	3,355,000				2035	4,900,000			
2026	3,520,000				2036	5,075,000			
2027	3,700,000				2037	5,240,000			
2028	3,880,000				2038	5,415,000			
2029	4,075,000								

† *None of the Board, the District, or the Paying Agent are responsible for the use of CUSIP numbers, nor is any representation made as to the accuracy of the CUSIP numbers. The CUSIP numbers are contained herein solely for the convenience of readers of this Official Statement.*

George K. Baum & Company is acting as Municipal Advisor to the Board.

The Bonds are offered when, as and if issued and received by the successful bidder(s) (the "Purchaser"), subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Board by Daniel Harper, General Counsel to the Board. It is expected that the Bonds in definitive form will be available for delivery to the Purchaser through the facilities of DTC or its agent on or about November 27, 2018.

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 October _____, 2018, and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

The information contained in this Official Statement has been furnished by the Board, DTC, and other sources that are believed to be reliable. No dealer, broker, salesperson or any other person has been authorized by the Board or the Purchaser to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon as having been authorized by the Board or the Purchaser.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the Board or in any other information contained herein, since the date of this Official Statement.

The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the Bonds in accordance with applicable provisions of the securities laws of the states in which the Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

IN CONNECTION WITH THIS OFFERING, THE PURCHASER MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICES OF THE BONDS. SUCH TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

This Official Statement contains "forward-looking statements" within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.

$75,000,000*
BOARD OF EDUCATION OF
CANYONS SCHOOL DISTRICT, UTAH

GENERAL OBLIGATION BONDS
(UTAH SCHOOL BOND GUARANTY PROGRAM), SERIES 2018

9361 South 300 East
Sandy, Utah 84070
(801) 826-5000

BOARD OF EDUCATION

Sherril Taylor	President
Nancy Tingey	First Vice-President
Amber Shill	Second Vice-President
Clareen Arnold	Board Member
Chad Iverson	Board Member
Mont Millerberg	Board Member
Steve Wrigley	Board Member

ADMINISTRATION

James Briscoe, PhD.	Superintendent
Leon Wilcox, CPA	Business Administrator
Robert Dowdle, PhD	Assistant Superintendent/School Performance
Kathryn McCarrie, PhD	Assistant Superintendent/Curriculum and Instruction
Charles Evans	Assistant Superintendent/External Affairs
Daniel Harper, JD	General Counsel
Gary Warwood, CPA	Director of Accounting, Auditing, and Budgeting

PAYING AGENT & REGISTRAR

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133
(801) 844-7529

BOND COUNSEL

Gilmore & Bell, P.C.
15 West South Temple, Suite 1450
Salt Lake City, Utah 84101
(801) 364-5080

MUNICIPAL ADVISOR

George K. Baum & Company
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(801) 538-0351

COUNSEL TO DISTRICT

Burbidge & White, L.L.C.
102 South 200 East, Suite 600
Salt Lake City, Utah 84101
(801) 359-7600

* Preliminary; subject to change.

TABLE OF CONTENTS

OFFICIAL STATEMENT RELATED TO

$75,000,000*
BOARD OF EDUCATION OF
CANYONS SCHOOL DISTRICT, UTAH

GENERAL OBLIGATION BONDS
(UTAH SCHOOL BOND GUARANTY PROGRAM), SERIES 2018B

INTRODUCTION

This introduction is only a brief description of the Bonds, as hereinafter defined, the security and source of payment for the Bonds, and certain information regarding the Board of Education of Canyons School District (the "Board") and the Canyons School District, Utah (the "District"). The information contained herein is expressly qualified by reference to the entire Official Statement. 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—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017," "APPENDIX B—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING SALT LAKE COUNTY," APPENDIX C—FORM OF OPINION OF BOND COUNSEL," "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING," and "APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

The District

The District is located in southeast Salt Lake County (the "County"), Utah. The District covers approximately 192 square miles and includes the municipalities of Cottonwood Heights, Sandy, Draper, Midvale, the Town of Alta, and certain unincorporated areas of the County. The District operates 29 elementary schools, 8 middle schools, 5 high schools, and 5 special program schools. Student enrollment in the District for the 2018-2019 school year is estimated to be 34,143.

The 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 $75,000,000* General Obligation Bonds (Utah School Bond Guaranty Program), Series 2018B (the "Bonds").

Security

The 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 Bonds as to both principal and interest. See "THE BONDS—Security and Sources of Payment" and "FINANCIAL INFORMATION REGARDING CANYONS SCHOOL DISTRICT—Ad Valorem Tax System" herein.

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

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* Preliminary; subject to change.

Authority and Purpose

The Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code (the "Act"); (ii) a resolution of the Board adopted on September 4, 2018 (the "Bond Resolution"), which provides for the issuance of the Bonds; and (iii) other applicable provisions of law.

The Bonds are being issued for the purpose of (i) financing all or a portion of the costs of land acquisition, acquisition, construction and furnishing of new school facilities, and renovating and improving existing facilities (collectively, the "Project"); and (ii) paying authorization and issuance expenses incurred in connection with the Bonds.

The Bonds were authorized at a bond election held for that purpose on November 7, 2017 (the "2017 Bond Election"). The proposition submitted to the voters of the District was as follows:

> Shall the Board of Education (the "Board") of Canyons School District, Utah (the "District"), be authorized to issue general obligation bonds (the "Bonds") in an amount not to exceed $283,000,000 and to mature in no more than twenty-one (21) years from the date or dates of issuance of such Bonds for the purpose of raising money for acquiring land, constructing and acquiring buildings and furnishings, and remodeling and updating existing school property under the charge of the Board of Education?

At the election, there were 27,178 votes cast in favor of the issuance of bonds and 19,817 votes cast against the issuance of bonds, for a total vote count of 46,995, with approximately 57.8% being in favor of the issuance of bonds.

On January 30, 2018, the Board issued its $49,000,000 General Obligation Bonds (Utah School Bond Guaranty Program), Series 2018 (the "Series 2018 Bonds"). The Bonds represent the second block of bonds to be issued under the authority of the 2017 Bond Election. Upon issuance of the Bonds, the Board will have $159,000,000* of bond authorization remaining under the 2017 Bond Election.

Redemption Provisions

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

Registration, Denominations, Manner of Payment

The 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, NY ("DTC"). DTC will act as securities depository of the Bonds. Purchases of 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 Participants. Beneficial Owners of the 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 Bonds.

Principal of and interest on the Bonds (interest payable June 15 and December 15 of each year, commencing June 15, 2019) are payable by Zions Bancorporation, National Association, as Paying Agent, to the registered owners of the Bonds. So long as DTC is the registered owner, it is, in turn, to remit such principal and interest to its Participants, for subsequent disbursements to the Beneficial Owners of the Bonds, as described under the caption "THE BONDS—Book-Entry Only System" and "APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM" herein.

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* Preliminary; subject to change.

Tax-Exempt Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Board, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Bonds.

Public Sale/Electronic Bid

The Bonds will be awarded pursuant to competitive bidding received by means of the PARITY® electronic bid submission system on Tuesday, October 23, 2018, as set forth in the Official Notice of Bonds Sale, dated October 10, 2018.

Conditions of Delivery, Anticipated Date, Manner, and Place of Delivery

The Bonds are offered, subject to prior sale, when, as and if issued and received by the Purchaser, subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Board, and certain other conditions. Certain legal matters will be passed on for the Board by Burbidge & White L.L.C., outside General Counsel to the Board. It is expected that the Bonds, in book-entry form only, will be available for delivery in Salt Lake City, Utah for deposit with a "fast agent" of DTC (ZB, National Association) on or about November 27, 2018.

Continuing Disclosure Undertaking

The Board will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board (the "MSRB") pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934. The form of the Undertaking is set forth under "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING" herein.

A failure by the Board to comply with the Undertaking will not constitute a default under the Bond Resolution and beneficial owners of the Bonds are limited to the remedies described in the Undertaking. A failure by the Board to comply with the 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 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

The State has entered into a Master Continuing Disclosure Undertaking (the "Master Undertaking") for the benefit of the beneficial owners of the bonds, including the Bonds, guaranteed by the State pursuant to the Guaranty Act. See "STATE OF UTAH GUARANTY" herein. In the Master Undertaking, the State has undertaken to send certain information annually and to provide notice of certain events to the MSRB 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" herein. The Board is responsible for continuing disclosure under the Rule for all other matters relating to the Bonds.

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

Basic Documentation

The "basic documentation," which includes the Bond Resolution, the closing documents, and other documentation authorizing the issuance of the 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 herein.

Contact Persons

As of the date of this Official Statement, the chief contact person for the Board concerning the Bonds is:

Leon Wilcox, CPA
Business Administrator
Canyons School District
9361 South 300 East
Sandy, Utah 84010
Phone (801) 826-5040
Leon.Wilcox@canyonsdistrict.org

As of the date of this Official Statement, the chief contact person for the State concerning the State guaranty for the Bonds is:

David Damschen
Utah State Treasurer
350 North State Street, Suite C–180
(PO Box 142315)
Salt Lake City, Utah 84114-2315
Phone (801) 538-1042

As of the date of this OFFICIAL STATEMENT, additional requests for information may be directed to the Municipal Advisor:

Preston Kirk, Senior Vice President
Matt Dugdale, Senior Vice President
George K. Baum & Company
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
Phone (801) 538-0351
kirk@gkbaum.com; dugdale@gkbaum.com

STATE OF UTAH GUARANTY

Guaranty Provisions

Payment of the principal of and interest on the 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 Utah School Bond Guaranty Act (the "Guaranty Act"). The Guaranty Act establishes the Utah School Bond Default Avoidance Program (the "Program"). The State's guaranty is contained in the Guaranty Act, Section 53A-28-201(2)(a) 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 the Bonds that the State will not alter, impair, or limit the rights vested by the Program with respect to the Bonds until the 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 of the 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 Utah Refunding Bond Act will no longer be secured by the State's guaranty subsequent to such provision for payment. This is likely to occur only if the Bonds are refunded in advance of their maturity. In such an event, the 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 is required to transfer moneys sufficient for scheduled debt service on the Bonds to the Paying Agent at least 15 days before any principal or interest payment date on the Bonds. If the Business Administrator is unable to transfer the scheduled debt service payment to the Paying Agent in a timely manner, the Business Administrator must immediately notify the Paying Agent and the Utah State Treasurer (the "State Treasurer") by telephone and in writing sent by facsimile transmission and by first class United States mail. In addition, if the Paying Agent has not received the scheduled debt service payment at least ten days before any scheduled debt service payment date for the Bonds, then the Paying Agent must also notify the State Treasurer by telephone and in writing sent by facsimile transmission and by 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 Bonds discharges the obligation of the Board to the bondholders for that payment, to the extent of the State's payment, and transfers the Board's obligation for that payment to the State.

In the event the State is called upon to make payment of principal of or interest on the 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 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. See "STATE OF UTAH SCHOOL FINANCE" herein. The State does not expect to have to advance moneys for any length of time should it be necessary to do so. 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.

Purpose of the Guaranty

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

The Guaranty Act also charges the State Superintendent of Public Instruction with the responsibility to monitor, evaluate and, at least annually, report his findings as to the fiscal solvency of each school district under the Program. The State Superintendent of Public Instruction 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.

Since the Guaranty Act's inception, 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 Comprehensive Annual Financial Report of the State for the fiscal year ended June 30, 2017 (the "CAFR"), official statements for the State's general obligation and lease revenue bond debt and the Master Undertaking are currently on file with the MSRB. The financial and operating information with respect to the State contained in the CAFR, such official statements and continuing disclosure information, and the Master Undertaking are hereby included by reference in this Official Statement.

The CAFR and the most current continuing disclosure information may be obtained on the Internet at the State Division of Finance's home page. Such information contained on the Internet shall not be considered to be a part of this Official Statement and is not provided in connection with the offering of the Bonds. The State's most recent official statements for its general obligation and lease revenue bonds may be found on the Internet. Such information contained on the Internet shall not be considered to be a part of this Official Statement and is not provided in connection with the offering of the Bonds. The Board references such electronic and other financial information for convenience only and accepts no responsibility for the accuracy or updating of such information.

As of the date of this Official Statement, the outstanding general obligation bonds of the State are rated "AAA" by Fitch Ratings ("Fitch") and "Aaa" by Moody's Investors Service ("Moody's") and "AAA" by S&P Global Ratings ("S&P").

THE BONDS

General

The Bonds are dated the date of their initial delivery and will mature on June 15 of the years and in the amounts as set forth on the cover page of this Official Statement.

The Bonds shall bear interest from their Dated Date at the rates set forth on the cover page of this Official Statement. Interest on the Bonds is payable semiannually on each June 15 and December 15, commencing June 15, 2019. Interest on the Bonds shall be computed on the basis of a 360-day year comprised of twelve 30-day months. Zions Bancorporation, National Association, Salt Lake City, Utah, is the Bond Registrar and Paying Agent for the Bonds under the Resolution (in such respective capacities, the "Bond Registrar" and "Paying Agent").

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

The Bonds are being issued within the constitutional debt limit imposed on school districts in the State. See "DEBT STRUCTURE OF CANYONS SCHOOL DISTRICT—General Obligation Legal Debt Limit and Additional Debt Incurring Capacity" herein.

Security and Sources of Payment

The 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 bonds as to both principal and interest.

See “FINANCIAL INFORMATION REGARDING CANYONS SCHOOL DISTRICT—Ad Valorem Tax System” and “STATE OF UTAH SCHOOL FINANCE” herein.

Payment of the principal of and interest on the 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” herein.

Redemption Provisions

Optional Redemption. The Bonds maturing on or prior to June 15, 2028, are not subject to redemption prior to maturity. The Bonds maturing on or after June 15, 2029, are subject to redemption prior to maturity at the option of the Board in whole or in part on any date on and after June 15, 2028, and if in part, in such order of maturity as may be directed by the Board at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the date of redemption.

Selection for Redemption. If fewer than all of the Bonds of any maturity are to be so redeemed, the particular Bonds or portion of Bonds of such maturity to be redeemed shall be selected by lot by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate, each $5,000 of principal amount of the Bonds being counted as one Bond for this purpose.

Notice and Effect of Redemption. Notice of redemption shall be given by the Bond Registrar by first class mail, postage pre-paid, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner thereof (the “Bondowner”), as of the Record Date (described below) of each Bond that is subject to redemption, at the address of such Bondowner as it appears in 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 Bondowner on or prior to the Record Date. Each notice of redemption shall state the Record Date, the principal amount, the redemption date, the place of redemption, the redemption price and, if less than all of the Bonds are to be redeemed, the distinctive numbers of the Bonds or portion of Bonds to be redeemed and that the interest on the Bonds in such notice designated for redemption shall cease to accrue from and after such redemption date and that on the redemption date there will become due and payable on each of such Bonds the principal thereof and interest accrued thereon to the redemption date. Each notice of optional redemption may further state that such redemption shall be conditional upon the receipt by the Paying Agent, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the board shall not be required to redeem such bonds. In the event that such notice of redemption contains such a condition and such moneys are not so received, the redemption shall not be made and the Bond Registrar shall 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 mailed as described above shall 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 Bond shall not affect the validity of the proceedings for redemption with respect to any other Bond.

In addition to the foregoing notice, further notice of redemption shall be given by the Bond Registrar to certain registered national securities depositories and national information services as provided in the Resolution, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner affect the validity of a call for redemption if notice thereof is given as described in the preceding paragraph.

Registration and Transfer

In the event the book-entry only system is discontinued, any 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 his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any Bond is surrendered for transfer, the Bond Registrar will certify as to registration and authenticate (if applicable) and deliver a new Bond or Bonds of the same series, designation, maturity and interest rate of other authorized denominations duly executed by the Board, for a like aggregate principal amount. Bonds may be exchanged at the principal corporate office of the Bond Registrar for a like aggregate principal amount of Bonds of the same series, designation, maturity and interest rate of other authorized denominations.

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

The Bond Registrar shall not be required to transfer or exchange any Bond after the Record Date with respect to any interest payment date (the fifteenth day next preceding such interest payment date) to and including such interest payment date or after the Record Date with respect to any redemption of such Bond. The Record Date, in the case of each redemption is the date specified by the Bond Registrar in the notice of redemption, but in any event is not less than 15 calendar days before the mailing of such notice of redemption.

The Board, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bonds for the purpose of payment of principal, premium and interest with respect to such Bond and for all other purposes whatsoever.

Book-Entry Only System

DTC will act as securities depository for the Bonds. The 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 Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent. See "APPENDIX E—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the issuance of the Bonds are estimated to be as follows:

Sources of Funds	
Par amount of Bonds	$__________
[Net] Reoffering Premium	
Total	
Uses of Funds	
Deposit to Construction Fund	$__________
Purchaser's Discount	
Costs of Issuance[(1)]	
Total	

(1) Includes municipal advisor fees, legal fees, rating agency fees, registrar and paying agent fees, and other miscellaneous costs of issuance.

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DEBT SERVICE ON THE BONDS

Year	Principal*	Interest	Total Debt Service	Fiscal Total
2020	$2,400,000			
2021	2,975,000			
2022	1,900,000			
2023	3,040,000			
2024	3,200,000			
2025	3,355,000			
2026	3,520,000			
2027	3,700,000			
2028	3,880,000			
2029	4,075,000			
2030	4,200,000			
2031	4,325,000			
2032	4,450,000			
2033	4,600,000			
2034	4,750,000			
2035	4,900,000			
2036	5,075,000			
2037	5,240,000			
2038	5,415,000			
Total	$75,000,000*			

* Preliminary; subject to change.
(Source: Municipal Advisor.)

CANYONS SCHOOL DISTRICT

General

The District, located in southeast Salt Lake County (the "County"), Utah, was established in 2007 through a referendum of the citizens of Cottonwood Heights, Sandy, Draper, Midvale, and Alta, the majority of whom voted to split the District from the existing Jordan School District. The District covers approximately 192 square miles and includes the municipalities of Cottonwood Heights, Sandy, Draper, Midvale, the Town of Alta, and certain unincorporated areas of the County. The District began operations on July 1, 2009. Also, effective as of July 1, 2009, Jordan School District allocated $237.9 million of resources, net of related obligations, to the District. For more information regarding the general area in which the District is located, see "APPENDIX B—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING SALT LAKE COUNTY" herein.

The District presently operates 29 elementary schools, 8 middle schools, 5 high schools, and 5 special program schools. The District also offers an adult and community education program for non-traditional students.

The enrollment of the District as of October 1 for the years specified below (the 2018-2019 enrollment is based on District projections and subject to the completion of the final October 1 count) is as follows:

School Year	Total Enrollment	Percent Change from Prior Year
2018-2019	34,143	0.70%
2017-2018	33,907	-0.32
2016-2017	34,017	0.35
2015-2016	33,899	0.66
2014-2015	33,676	0.00
2013-2014	33,677	0.44
2012-2013	33,528	–

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 of the seven precincts. Members serve four-year terms which are staggered to provide continuity, with no more than four members elected every two years.

The Board is independent of any other local governmental entity and empowered, among other things, to: (i) purchase and sell school sites and buildings; (ii) construct and furnish school buildings; (iii) establish and maintain several kinds of schools, including kindergartens, elementary schools, middle schools, special education schools, industrial or manual schools, and high schools; (iv) loan or sell books and supplies to students; (v) make and enforce all necessary rules and regulations for the control and management of the public schools in the District; (vi) adopt bylaws for its own procedures; (vii) 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; (viii) approve its budget; and (ix) issue bonds and levy property taxes.

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

Business Administrator. The Business Administrator of the District is appointed by the Board and reports to the Superintendent. The duties of the Business Administrator, among others, are to attend all meetings of the Board and keep a journal of the proceedings, countersign all warrants drawn upon the District treasury, keep an account and prepare and publish an annual statement of moneys received by the District and amounts paid out of the treasury, and 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 office of the Business Administrator. The Business Administrator is appointed by the Board for a two-year term.

The current members of the Board, the Superintendent and Business Administrator and their respective terms in office are as follows:

Office	Person	Years of Service	Expiration of Current Term
President	Sherril Taylor	14	December, 2018
First Vice-President	Nancy Tingey	6	December, 2020
Second Vice-President	Amber Shill	4	December, 2018
Member	Clareen Arnold	4	December, 2018
Member	Chad Iverson	6	December, 2020
Member	Mont Millerberg[(1)]	6	December, 2020
Member	Steve Wrigley	8	December, 2018
Superintendent	James Briscoe	4	June, 2020
Business Administrator	Leon Wilcox[(2)]	4	June, 2020

(1) Mr. Millerberg served on the Board from 2008 to 2012 and was re-elected in 2017.

(2) Prior to his appointment as Business Administrator, Mr. Wilcox served for five years as the District's Director of Accounting, Auditing & Budgeting.

Employee Workforce and Retirement System

The District currently employs approximately 1,850 full-time contracted certified employees, approximately 760 full-time contracted classified employees and approximately 135 full-time contracted administrative employees for a total full-time equivalent employment of approximately 2,745 employees. The District also employs many hourly and seasonal employees. The District maintains a strong relationship with its employees. The Board completes and ratifies salary and benefit negotiations before each academic year begins.

The District participates in the Utah Retirement Systems (the "System"). The System is a cost-sharing multiple-employer defined benefit pension plan.

At June 30, 2017, the District reported a net pension liability of $123,460,003 related to its participation in the System. The net pension asset and liability were measured as of December 31, 2016.

The District's total contribution to the System for defined benefit plans for the year ended June 30, 2017, was $26,676,023. See "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017—Notes to the Basic Financial Statements—7. State Retirement Plans," herein.

The District also contributes 1.5% to 10% (depending on specific plan) of annual covered salary of certain employees to defined contribution plans under Internal Revenue Code Section 401(k) to supplement retirement benefits. District costs for this plan for the fiscal year ended June 30, 2017, were $3,931,345.

Other Post-Employment Benefits

The District offers post-retirement benefits that were established by the Jordan School District. Effective June 30, 2006, Jordan School District "froze" the plan thereby capping its future liability. The tenure and salary of employees as of June 30, 2006, determines their future benefits. Per the agreement which divided assets between the Jordan School District and the District, the Jordan School District was required to keep all post-retiree accumulated benefits and obligations until June 30, 2010. At that time, an actuarial study was performed on all eligible retirees from both districts to determine how the benefits should be divided. During fiscal year 2011, the Jordan School District transferred to the District $14,610,035, or its share of the benefits.

As of September 1, 2016, the most recent actuarial valuation date, the actuarial accrued liability for cash stipend benefits was $15,220,128 and for the health-care benefits was $1,336,722 which is also the unfunded actuarial accrued liability (UAAL). The District has committed $17,384,693, which is 5% more than the actuarial accrued liability (to cover any potential actuarial understatements) of General Fund resources to help cover future obligations of these benefits; however, this commitment does not qualify as "funding."

The 2016-2017 covered payroll (annual payroll of active employees covered by the plan) was $26,569,442 for both plans. For fiscal year 2017, UAAL as a percentage of covered payroll was 57.3% for the stipends and 5.0% for the health-care benefits. For the funded status for the fiscal year ending June 30, 2017, see "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017— Required Supplemental Information."

Risk Management

The District has various insurance policies through the Utah State Risk Management Fund. Settled claims have not exceeded the District's insurance coverage for the past three years, including the fiscal year ended June 30, 2017. All District employees are covered for workers' compensation by the District's self-insured workers' compensation program. The District believes its risk management policies and coverages are normal and within acceptable coverage limits. See "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017—Notes to the Basic Financial Statements—10. Risk Management," herein. Furthermore, the District reports that it is not aware of any pending or threatened litigation with any material impact upon the District's financial position.

Investment of Funds

Investment of Operating Funds; The Utah Money Management Act. The State Money Management Act, Title 51, Chapter 7, Utah Code (the "MM Act") governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying "top credit ratings."

The Board complies with all provisions of the MM Act regarding the investment of funds.

The Utah Public Treasurers' Investment Fund ("PTIF"). The Board invests a portion of its idle funds in the PTIF, a public treasurers' investment fund, established in 1981 and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the PTIF are invested in securities authorized by the MM Act. Safekeeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

The PTIF invests primarily in money market securities including time certificates of deposit, top rated commercial paper, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the PTIF is limited to three years, except that a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually. The PTIF itself is not rated.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. Deposits are not insured or otherwise guaranteed by the State. However, it is the stated intent of the State Treasurer to manage a stable net asset value pool and maintain a net asset value that does not deviate by more than 0.5%.

Corporate Bonds. The Board also invests a portion of its idle funds in corporate bonds and U.S. government agency bonds through a certified broker. The bonds must be held in a safekeeping account and the corporate bonds must mature within three years of the date of purchase. The bonds must be rated "A" or higher by Moody's or by S&P at the time of purchase. The MM Act limits the investments of corporate obligations to five percent of the District's portfolio with a single issuer.

See "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017—Notes to the Basic Financial Statements—2. Deposits and Investments" herein.

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DEBT STRUCTURE OF CANYONS SCHOOL DISTRICT

Outstanding General Obligation Bonded Indebtedness

The year prior to the creation of the District, the debt of Jordan School District (of which the District was formerly a part) was allocated for accounting and operation purposes between the two school districts based on the created and remaining school district's portion of assessed valuation of real property in 2006 (the year before the referendum regarding creation of the District). The District and Jordan School District have levied their respective portion of the property tax based upon this accounting allocation without incident and expect such process to continue. However, bondholders of the former Jordan School District are entitled to a full faith and credit obligation of said former district. Based on this allocation, effective July 1, 2009, $169,948,700 of general obligation bonded indebtedness was assigned to the District (the "Allocated General Obligation Bond Debt"). As of August 1, 2018, the District's outstanding general obligation bonded indebtedness (including the issuance of the Bonds), is as follows:

Series	Purpose	Original Amount	Final Maturity Date	Current Principal Amount Outstanding
Issued by former Jordan School District[1]				
2014	Refunding	$59,970,000	June 15, 2022	$40,315,000
Issued by the District				
2011	School Building	$68,000,000	June 15, 2031	$49,575,000
2012	School Building	80,000,000	June 15, 2032	70,875,000
2013	School Building	60,000,000	June 15, 2033	55,835,000
2015	School Building	42,000,000	June 15, 2033	39,825,000
2018	School Building	49,000,000	June 15, 2037	47,210,000
2018A[2]	School Building	75,000,000*	June 15, 2038*	75,000,000*
	Subtotal			$338,320,000*
			Total......................	$378,635,000*

(1) The amount shown above represents the current amount allocated to the District.
(2) For purposes of this Official Statement, the Bonds are considered issued and outstanding.

* Preliminary, subject to change.

All of the Allocated General Obligation Bond Debt previously issued by the former Jordan School District was rated "AAA" by Fitch and "Aaa" by Moody's based on the guaranty provided by the Utah School Bonds Default Avoidance program. Such bonds also received an underlying rating of "AAA" by Fitch and "Aaa" by Moody's.

Debt Service Schedule of Outstanding General Obligation Bonds of the District

Year	$75,000,000*		$49,000,000		$42,000,000		$60,000,000		$80,000,000	
Ending	Series 2018B		Series 2018		Series 2015		Series 2013		Series 2012	
June 30	Principal*	Interest*	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2019	-	1,606,694	6,200,000	1,798,245	1,775,000	1,754,350	725,000	2,312,338	1,425,000	2,448,313
2020	2,400,000	2,921,263	3,425,000	1,488,245	1,860,000	1,665,600	760,000	2,290,588	1,500,000	2,426,938
2021	2,975,000	2,801,263	1,825,000	1,316,995	1,950,000	1,572,600	790,000	2,252,588	1,550,000	2,366,938
2022	1,900,000	2,652,513	-	1,225,745	2,050,000	1,475,100	835,000	2,213,088	1,650,000	2,304,938
2023	3,040,000	2,557,513	975,000	1,225,745	2,175,000	1,372,600	3,875,000	2,171,338	5,350,000	2,238,938
2024	3,200,000	2,405,513	1,865,000	1,206,245	2,275,000	1,263,850	4,040,000	1,977,588	5,625,000	2,078,438
2025	3,355,000	2,245,513	1,955,000	1,112,995	2,375,000	1,150,100	4,200,000	1,775,588	5,900,000	1,853,438
2026	3,520,000	2,077,763	2,050,000	1,015,245	2,500,000	1,031,350	4,370,000	1,639,088	6,150,000	1,676,438
2027	3,700,000	1,901,763	2,150,000	912,745	2,575,000	906,350	4,550,000	1,464,288	6,350,000	1,461,188
2028	3,880,000	1,716,763	2,260,000	805,245	2,650,000	777,600	4,735,000	1,282,288	6,600,000	1,207,188
2029	4,075,000	1,522,763	2,370,000	692,245	2,725,000	645,100	4,930,000	1,092,888	6,850,000	943,188
2030	4,200,000	1,400,513	2,465,000	636,550	2,815,000	536,100	5,150,000	895,688	7,050,000	737,688
2031	4,325,000	1,274,513	2,565,000	574,925	2,875,000	423,500	5,375,000	689,688	7,325,000	455,688
2032	4,450,000	1,144,763	2,650,000	506,953	2,975,000	322,875	5,625,000	474,688	7,550,000	235,938
2033	4,600,000	1,000,138	2,725,000	434,078	6,250,000	218,750	5,875,000	249,688	-	-
2034	4,750,000	850,638	2,800,000	355,053	-	-	-	-	-	-
2035	4,900,000	696,263	2,890,000	272,453	-	-	-	-	-	-
2036	5,075,000	530,888	2,975,000	185,753	-	-	-	-	-	-
2037	5,240,000	359,606	3,065,000	95,015	-	-	-	-	-	-
2038	5,415,000	182,756	-	-	-	-	-	-	-	-
Totals	$ 75,000,000	$ 31,849,394	$ 47,210,000	$ 15,860,473	$ 39,825,000	$ 15,115,825	$ 55,835,000	$ 22,781,413	$ 70,875,000	$ 22,435,250

Year	$68,000,000		$59,970,000		Grand Totals		
Ending	Series 2011		Series 2014 (1)		Total	Total	Total
June 30	Principal	Interest	Principal	Interest	Principal	Interest	Debt Service
2019	3,020,000	2,015,950	10,775,000	2,015,750	23,920,000	13,951,639	37,871,639
2020	3,110,000	1,925,350	10,535,000	1,477,000	23,590,000	14,194,983	37,784,983
2021	3,220,000	1,800,950	9,650,000	950,250	21,960,000	13,061,583	35,021,583
2022	3,350,000	1,672,150	9,355,000	467,750	19,140,000	12,011,283	31,151,283
2023	3,485,000	1,538,150	-	-	18,900,000	11,104,283	30,004,283
2024	3,620,000	1,398,750	-	-	20,625,000	10,330,383	30,955,383
2025	3,765,000	1,253,950	-	-	21,550,000	9,391,583	30,941,583
2026	3,920,000	1,103,350	-	-	22,510,000	8,543,233	31,053,233
2027	4,075,000	946,550	-	-	23,400,000	7,592,883	30,992,883
2028	4,240,000	783,550	-	-	24,365,000	6,572,633	30,937,633
2029	4,400,000	608,650	-	-	25,350,000	5,504,833	30,854,833
2030	4,590,000	421,650	-	-	26,270,000	4,628,188	30,898,188
2031	4,780,000	215,100	-	-	27,245,000	3,633,413	30,878,413
2032	-	-	-	-	23,250,000	2,685,215	25,935,215
2033	-	-	-	-	19,450,000	1,902,653	21,352,653
2034	-	-	-	-	7,550,000	1,205,690	8,755,690
2035	-	-	-	-	7,790,000	968,715	8,758,715
2036	-	-	-	-	8,050,000	716,640	8,766,640
2037	-	-	-	-	8,305,000	454,621	8,759,621
2038	-	-	-	-	5,415,000	182,756	5,597,756
Totals	$ 49,575,000	$ 15,684,100	$ 40,315,000	$ 4,910,750	$ 378,635,000	$ 128,637,204	$ 507,272,204

(1) The Seies 2014 Bonds were issued by the Jordan School District, but are paid by the District.

* Preliminary; subject to change.

Overlapping General Obligation Debt

Overlapping Taxing Entity	2017 Taxable Value[(1)]	District's Portion of Taxable Value[(1)]	District's Percentage	Entity's General Obligation Debt	District's Portion of Overlapping G.O. Debt
CUWCD [(2)]	$152,417,079,569	$21,310,621,452	14.0%	$218,500,000	$30,590,000
Salt Lake County	98,782,768,971	21,310,621,452	21.0	202,110,000	42,443,100
Draper City[(3)]	5,391,263,010	5,391,263,010	100.0	3,260,000	3,260,000
Midvale City	2,446,756,761	2,446,756,761	100.0	770,000	770,000
Cottonwood Heights Parks and Recreation Service Area	2,308,486,459	2,308,486,459	100.0	3,330,000	3,330,000
Sandy Suburban Improvement District	3,819,241,629	3,819,241,629	100.0	6,473,000	6,473,000
Total Overlapping General Obligation Debt (excluding State of Utah)[(4)]					86,866,100
Total Direct General Obligation Debt[(5)]					378,635,000*
Total Direct and Overlapping General Obligation Debt					$465,501,100*

(1) Based on final, 2017 calendar year taxable values. Taxable value used in this table excludes all tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. See "FINANCIAL INFORMATION REGARDING CANYONS SCHOOL DISTRICT—Taxable and Market Value of Property in District" herein.

(2) Central Utah Water Conservancy District ("CUWCD") outstanding general obligation bonds are limited ad valorem tax bonds. These bonds are the only limited ad valorem tax bonds in the State issued under the Water Conservancy Act. By law, CUWCD may levy a tax rate of up to .000400 to pay for operation and maintenance expenses and any outstanding limited ad valorem tax bonds.

(3) Does not include a small portion of this city that lies in Utah County.

(4) This table does not include the State's general obligation debt since the State does not currently levy a property tax for such debt.

(5) For purposes of this Official Statement, the Bonds are considered issued and outstanding. Direct General Obligation Debt includes the District's current portion of the Allocated General Obligation Bond Debt.

* Preliminary; subject to change.

(Source: Utah State Tax Commission as to taxable values. Amount of overlapping general obligation debt as reported in recent official statements and/or financial statements of overlapping entities.)

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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 are based on a preliminary estimated fair market value for 2018, and are calculated as follows:

Estimated 2018 "Fair Market Value" *	$35,195,700,908
Estimated 2017 Valuation from Uniform Fees(1)	531,035,244
Estimated 2018 "Fair Market Value for Debt Incurring Capacity"	$35,726,736,152
Debt Limit (4% of "Fair Market Value for Debt Incurring Capacity")	$1,429,069,446
Less: General Obligation Debt(2)	(378,635,000)*
Additional Debt Incurring Capacity(2)	$1,050,434,446

(1) For debt incurring capacity only, in computing the fair market value of taxable property in the District, the value of all motor vehicles and state-assessed commercial vehicles is included as a part of the fair market value of the taxable property in the District. Because final motor vehicle values for 2018 are not yet available, prior year values are used for purposes of this table. See "FINANCIAL INFORMATION REGARDING THE DISTRICT—Ad Valorem Tax System" below.

(2) For purposes of this Official Statement, the Bonds are considered outstanding.

* Preliminary; subject to change.

Debt Ratios

The following table sets forth the ratios of general obligation debt 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 2018 Est. Taxable Value(1)	To 2018 Est. Fair Market Value(2)	Per Capita(3)
Direct General Obligation Debt*	1.6%	1.1%	$1,769
Direct and Overlapping General Obligation Debt*	2.0%	1.3%	$2,175

(1) Based on preliminary estimate of 2018 taxable value of $23,614,374,596, which value does not include the taxable value used to determine uniform fees on motor vehicles.

(2) Based on preliminary estimate of 2018 fair market value of $35,195,700,908, which value does not include the taxable value used to determine uniform fees on motor vehicles.

(3) Based on District population estimate of 214,000.

* Preliminary; subject to change.

See "FINANCIAL INFORMATION REGARDING CANYONS SCHOOL DISTRICT—Ad Valorem Tax System—Uniform Fees" and "—Taxable and Market Value of Property in District" herein.

No Defaulted Obligations

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

Future Issuance of Debt

Upon the issuance of the Bonds, the Board will have $159,000,000* remaining authorization from the 2017 Bond Election. The Board plans to issue the remaining authorization from the 2017 Bond Election within the next three to five years.

* Preliminary; subject to change.

FINANCIAL INFORMATION REGARDING CANYONS SCHOOL DISTRICT

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—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017—Notes to the Basic Financial Statements—1. Summary of Significant Accounting Policies" herein.

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 prepares a proposed 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 budgets to have been adopted by the District 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 is to comply with the Tax Increase Disclosure Act in adopting the budget. See in this section "Public Hearing on Certain Tax Increases" herein.

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 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 overall fund level.

The General Fund, Debt Service Fund, and Capital Outlay Fund budgets 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 General Fund 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 interfund 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 is, before June 22 of each year, to 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.

Financial Summaries

The following tables set forth a summary of certain financial information regarding the District and have been extracted from the District's audited basic financial statements for the fiscal years ended June 30, 2013 through 2017. The summary itself is unaudited. A copy of the District's audited basic financial statements for fiscal year ended June 30, 2017 is appended hereto as "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2017." The District does not currently expect a material change in its overall financial condition in its audited basic financial statements for the fiscal year ended June 30, 2018.

CANYONS SCHOOL DISTRICT
STATEMENT OF NET POSITION—GOVERNMENTAL ACTIVITIES
(This summary has not been audited.)

	Fiscal year ended June 30,				
	2017	2016	2015	2014	2013
Assets:					
Cash and investments	$188,535,736	$227,774,567	$252,371,030	$237,365,773	$206,981,706
Accounts receivable:					
Property taxes	152,495,667	143,825,739	142,161,580	117,687,370	116,107,137
Other local	486,752	334,349	436,458	994,755	428,156
State of Utah	2,509,644	1,493,340	1,383,664	1,592,564	1,310,975
Federal government	4,779,142	3,771,193	3,811,301	3,894,983	3,755,600
Inventories	1,756,979	1,849,091	2,203,118	1,904,801	1,484,609
Net retirement asset	–	–	8,408,571	7,109,793	5,598,718
Net pension asset – state plans	–	7,779	121,439	–	–
Capital assets:					
Sites and construction in progress	94,413,305	66,435,889	69,638,678	36,229,224	165,200,417
Buildings and other capital assets, net of accumulated depreciation	419,175,230	410,878,061	385,749,788	390,677,195	258,524,816
Total assets	864,152,455	856,370,008	866,285,627	797,456,458	759,392,134
Deferred outflows of resources:					
Related to pensions	50,899,376	45,610,787	14,755,533	12,148,079	–
Deferred charges on refunding	2,967,793	3,561,351	4,154,909	4,748,467	374,341
Total deferred outflows of resources	53,867,169	49,172,138	18,910,442	16,896,546	374,341
Liabilities:					
Accounts and contracts payable	12,459,145	9,907,435	9,633,835	7,294,924	16,696,539
Accrued payroll and related benefits	22,339,979	22,946,107	21,966,727	22,071,478	21,745,992
Accrued interest	433,303	470,406	498,282	439,029	363,514
Unearned revenue:					
Local	584,194	526,421	449,502	271,974	418,229
State of Utah	4,829,567	4,889,980	6,443,325	7,506,696	9,371,194
Federal government	468,940	988,452	1,411,939	1,694,778	2,253,302
Long-term liabilities:					
Due or payable within one year	22,122,742	21,434,934	20,969,340	20,430,724	20,733,583
Due or payable after one year	416,442,329	435,519,277	411,452,474	395,791,677	235,258,982
Total liabilities	479,680,199	496,683,012	472,825,424	445,501,280	306,841,335
Deferred inflows of resources:					
Related to pensions	16,021,614	12,021,614	9,118,674	–	–
Property taxes levied for future year	150,651,903	141,664,361	139,175,988	114,861,119	112,955,158
Total deferred inflows of resources	166,887,012	153,685,975	148,294,662	114,861,119	112,955,158
Net Position:					
Net investment in capital assets	223,333,137	175,108,822	169,255,695	154,701,005	173,411,972
Restricted for:					
Debt service	3,082,944	1,535,261	3,552,266	6,004,885	23,788,889
Capital outlay	61,588,763	96,455,165	83,756,195	83,304,777	43,863,787
Nutrition services	1,092,536	1,440,599	2,756,886	2,825,951	2,950,219
Other purposes	132,920	–	1,009,322	1,271,649	1,267,955
Unrestricted	(17,777,887)	(19,366,688)	3,551,261	93,973,493	94,687,160
Total net position	$271,452,413	$255,173,159	$263,881,625	$243,990,605	$339,969,982

(Source: Information extracted from the District's audited basic financial statements for the fiscal years ended June 30, 2013 through June 30, 2017.)

CANYONS SCHOOL DISTRICT
BALANCE SHEET—TOTAL GOVERNMENTAL FUNDS
(This summary has not been audited.)

	Fiscal year ended June 30,				
	2017	2016	2015	2014	2013
Assets:					
Cash and investments	$182,080,821	$220,451,061	$242,945,200	$225,877,224	$194,202,627
Accounts receivable:					
Property taxes	152,495,667	143,825,739	142,161,580	117,687,370	116,107,137
Other local	336,106,	327,427	360,095	973,877	381,829
State of Utah	2,509,644	1,493,340	1,383,664	1,592,564	1,310,975
Federal government	4,779,142	3,771,193	3,811,301	3,894,983	3,755,000
Due from other funds	–	–	222,322	–	–
Inventories	1,756,979	1,849,091	2,203,118	1,904,801	1,484,609
Total assets	343,958,359	371,717,851	393,087,280	$351,930,819	$317,242,777
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities:					
Accounts and contracts payable	$12,459,145	9,907,435	9,633,835	7,294,924	16,696,539
Accrued payroll and related benefits	22,339,979	22,946,107	21,966,727	22,071,478	21,745,992
Due to other funds	–	–	222,322	–	–
Unearned revenue:					
Local	584,194	526,421	449,502	271,974	418,229
State of Utah	4,829,567	4,889,980	6,443,325	7,506,696	9,371,194
Federal government	468,940	988,452	1,411,939	1,694,778	2,253,302
Total liabilities	40,681,825	39,258,395	40,127,650	38,839,850	50,485,256
Deferred inflows of resources:					
Unavailable property tax revenue	2,191,597	2,309,105	2,746,645	3,001,233	3,364,981
Property taxes levied for future year	150,651903	141,664,361	139,175,988	114,861,119	112,955,158
Total deferred inflows of resources	152,843,500	143,973,466	141,922,633	117,862,352	116,320,139
Fund Balances:					
Nonspendable:					
Inventories	1,756,979	1,849,091	2,203,118	1,904,801	1,484,609
Restricted for:					
Reading achievement	168,963	–	970,026	1,225,228	1,048,688
Tort liability	–	–	–	–	141,687
Debt service	3,125,057	1,570,284	3,524,762	5,822,797	23,480,734
Capital outlay	62,013,877	102,746,629	123,771,740	106,239,785	43,188,385
Nutrition services	2,798,413	2,548,173	2,510,542	2,532,617	2,604,909
Non K-12 programs	–	–	–	–	1,172,442
Committed to:					
Economic stabilization	13,153,434	12,367,581	12,000,000	11,430,000	11,200,000
Employee benefit obligations	18,535,620	24,076,086	24,227,997	25,444,284	25,480,571
Contractual obligations	534,981	289,758	861,391	1,088,324	1,143,730
Schools	6,611,190	5,668,050	5,464,944	4,952,878	4,318,707
Foundation	548,659	479,262	482,584	594,260	481,642
Assigned to:					
Schools and programs	8,954,273	7,250,113	6,739,542	6,888,194	8,440,756
Self-insurance	10,000,000	9,000,000	8,000,000	8,000,000	7,000,000
Unassigned	22,231,588	20,640,963	20,280,351	19,105,449	19,250,522
Total fund balances	150,433,034	188,485,990	211,036,997	195,228,617	150,437,382
Total liabilities, deferred inflows of resources and fund balances	$343,958,359	$371,717,851	$393,087,280	$351,930,819	$317,242,777

(Source: Information extracted from the District's audited basic financial statements for the fiscal years June 30, 2013 through June 30, 2017.)

CANYONS SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES–GENERAL FUND
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2017	2016	2015	2014	2013
Revenues:					
Property taxes	$88,822,987	$85,804,556	$77,396,259	$77,051,730	$78,072,752
Interest earnings	2,072,490	1,380,037	1,319,006	1,339,529	1,360,881
Other local sources	6,261,134	7,947,454	5,688,883	6,302,642	6,886,113
State of Utah	130,201,600	128,843,478	124,341,340	121,490,503	116,576,679
Federal government	15,142,887	15,677,608	14,345,265	14,151,578	15,188,946
Total revenues	242,501,098	239,653,133	223,090,753	220,335,982	218,085,371
Expenditures:					
Current:					
Instruction	146,664,649	146,258,365	138,398,131	136,863,789	134,456,779
Supporting services:					
Students	11,511,907	10,931,039	10,099,532	9,510,956	8,925,363
Instructional staff	17,197,160	16,254,028	11,536,564	11,977,361	10,710,531
District administration	2,507,402	2,408,396	2,377,553	1,862,037	2,013,203
School administration	18,715,088	18,313,983	16,654,114	16,408,467	15,361,909
Central	13,251,568	13,510,173	12,693,640	12,069,592	11,564,452
Operation and maintenance of school buildings	24,087,814	23,770,303	23,180,718	23,711,132	22,305,809
Student transportation	8,253,809	7,702,864	7,520,312	7,506,685	7,243,946
Community services	218,011	288,934	–	–	–
Total expenditures	242,407,408	239,438,085	222,460,564	219,910,019	212,581,992
Excess (deficiency) of revenues over (under) expenditures	93,690	215,048	630,189	425,963	5,503,379
Other financing sources (uses):					
Transfer in (out)	(153,106)	(177,676)	(387,054)	(478,270)	(305,918)
Total other financing sources (uses)	(153,106)	(177,676)	(387,054)	(478,270)	(305,918)
Net change in fund balances	(59,416)	37,372	243,135	(52,307)	5,197,461
Fund balances – beginning	75,073,453	75,036,081	74,792,946	74,845,253	69,647,792
Fund balances – ending	$75,014,037	$75,073,453	$75,036,081	$74,792,946	$74,845,253

(Source: Information extracted from the District's audited basic financial statements for the fiscal years ended June 30, 2013 through June 30, 2017.)

Tax Levy and Collection

The Utah State Tax Commission (the "State Tax Commission") must assess all centrally assessed property by May 1 of each year and shall immediately notify the owners or operators of such property, and the county assessors, of such assessment. County assessors must assess all taxable property other than centrally assessed property before May 22 of each year. Before May 25, 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 final tax rate before June 22, except as described below for rates in excess of the certified tax rate. County auditors must forward to the State Tax commission a statement prepared by the governing body of each taxing entity showing the amount and purpose of each levy.

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 level permitted by law, must notify the taxing entity that the rate has been lowered, and must 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 board of equalization will meet to hear complaints. Within 30 days following the mailing of the notice, taxpayers owning property assessed by a county assessor may file an application 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 no later than October 1, (with extensions requiring State Tax Commission approval). Such decision may be appealed to the State Tax Commission, which must decide all appeals by March 1 of the following year. Owners of centrally assessed property, or any county with a showing of reasonable cause, may apply to the State Tax Commission on or before June 1 for a hearing to contest the assessment of centrally assessed property. The State Tax Commission must render a written decision within 120 days following completion of the hearing and submission of all post-hearing briefs. The county auditors must make a record of all changes, corrections and orders and, before November 1, must deliver the corrected assessment rolls to their respective county treasurers. By November 1, the county treasurers are to furnish to 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 or, if a Saturday, Sunday, or holiday, the following 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 the State and each taxing entity within the county its proportionate share of the taxes, on the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or $10.00 whichever is greater. However, if the delinquent taxes and penalty are paid on or before January 31 of the following year, the penalty is only 1% of the amount of the delinquent taxes or $10, whichever is greater. The amount of delinquent taxes and penalty bears interest at the federal discount rate in effect on January 1, plus 6% from January 1 until paid, but can be no less than 7% and no more than 10%. If after four years from the date the taxes become delinquent and taxes have not been paid, the affected county may advertise and sell the property at a tax sale.

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 public hearing. Generally, the "certified tax rate" is the rate necessary to generate the same property tax revenue that the taxing entity budgeted for the prior year, exclusive of collections from redemptions, interest and penalties. 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 or any other adjustments. 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 collective levies are the actual levies imposed for such purposes.

On or before July 22 of the year in which such an increase is proposed, notice of the public hearing must be mailed to all property owners and, in most cases, must be advertised by publication. The notice of the hearing must state, among other things, the value of the property, the date, time and place of the public hearing, and the tax impact of the proposed increase.

Ad Valorem Tax System

The Property Tax Act, Chapter 2, Title 59, Utah Code (the "Property Tax Act"), provides that all taxable property within the taxing entity is required to be assessed and taxed at a uniform and equal rate on the basis of 100% 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." Determinations of "fair market value" shall take into account the current zoning laws applicable to the property in question. Section 3 of Article XIII of the State Constitution (the "State Constitution") provides that the State Legislature may by law exempt from taxation up to 45% of the fair market value of residential property as defined by law. Pursuant to this provision, the State Legislature has provided that the "fair market value" of primary residential property shall be reduced by 45%. No more than one acre of land per residential unit may qualify for the residential exemption.

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 properties and (v) mines, mining claims and appurtenant machinery, furnishings and improvements, including oil and gas properties. 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. Each county assessor 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.

Many areas within the State have agricultural farmland devoted to the raising of useful plants and animals. For general property tax purposes, agricultural land is assessed based on statutory requirements and the value which the land has for agricultural use or on its agricultural value.

<u>Uniform Fees</u>. An annual statewide uniform fee is levied on tangible personal property in lieu of the ad valorem tax, which uniform fee is based on the value or age of motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. The current uniform fee is equal to 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 (e.g., aircraft, and property subject to the fixed age-based fee). Motor vehicles weighing 12,000 pounds or less are subject to an "age-based" fee which is due each time the vehicle is registered. The age-based fee is for passenger-type vehicles and ranges from $10 to $150 based on the age of the vehicle. The revenues collected from the various uniform fees are distributed by the County to each taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

<u>Property Tax Valuation Agency Fund</u>. The Property Tax Valuation Agency Fund (the "PTVAF") is funded by a statewide "multi-county assessing and collecting levy" not to exceed .0002 per dollar of taxable value of taxable property. Distribution of funds in PTVAF to each county is based on statutory qualification and requirements. A county receiving PTVAF funds must levy an additional "county assessing and collecting levy" of at least .0003 per dollar of taxable value. The purpose of the multicounty assessing and collecting levy and the county assessing and collecting levy is to promote the: (i) accurate valuation of property; (ii) establishment and maintenance of uniform

assessment levels within and among counties; and (iii) efficient administration of the property tax system, including the costs of assessment, collection, and distribution of property taxes.

A county may levy an additional tax to fund state mandated actions to meet legislative mandates or judicial or administrative orders which relate to promoting the accurate valuation of property, the establishment and maintenance of uniform assessment levels within and among counties, and the administration of the property tax system.

Historical Tax Rates of the District

	Tax Year 2014	Tax Year 2015	Tax Year 2016	Tax Year 2017	Tax Year 2018
General fund:					
Basic state supported program[(1)]	0.001419	0.001736	0.001675	0.001568	0.001666
Voted leeway program [(2)]	0.001600	0.001600	0.001600	0.001600	0.001600
Board Local Levy [(3)]	0.001614	0.001477	0.001249	0.001480	0.001196
Total general fund	0.004633	0.004813	0.004524	0.004648	0.004462
Capital projects fund:					
Capital outlay [(4)]	0.000971	0.000827	0.000538	0.000951	0.000895
County-wide equalization [(5)]	0.000600	0.000600	0.000600	–	–
Total capital projects fund	0.001571	0.001427	0.001138	0.000951	0.000895
Debt Service:					
Debt Service Allocated General Obligation Debt [(6)]	0.000951	0.000862	0.000764	0.000737	0.001005
Debt service District debt [(7)]	0.000668	0.000757	0.000801	0.000678	0.000560
Total debt service fund	0.001619	0.001619	0.001565	0.001415	0.001565
Total direct rate	0.007823	0.007859	0.007227	0.007014	0.006922

(1) Established annually by the State legislation for the District's portion of the State Minimum School Program.

(2) The maximum tax rate for the Voted Leeway Program is 0.001600.

(3) Effective January 1, 2012, the State legislature consolidated certain property tax levies into a new "Board Local Levy." The maximum rate is 0.002500.

(4) The maximum rate for the Capital Outlay levy is 0.003000.

(5) This levy was established by State law for school districts located in first-class counties (having a population of 700,000 or more) and was terminated effective December 31, 2016.

(6) Proceeds used for debt service on Allocated General Obligation Debt. See "DEBT STRUCTURE OF CANYONS SCHOOL DISTRICT–Outstanding General Obligation Bonded Indebtedness" herein.

(7) Proceeds used for debt service on the District's general obligation bonds, including the Bonds.

(Source: The District.)

Taxable and Market Value of Property in the District (Excluding Motor Vehicle Value Estimate)

Year	Taxable Value	Percent Change from Prior Year	Fair Market Value[(1)]	Percent Change from Prior Year
2018*	$23,614,374,596*	10.81%	$35,195,700,908*	10.67%
2017	21,310,621,452	8.28	31,800,570,819	8.16
2016	19,680,215,452	9.94	29,401,330,642	9.44
2015	17,901,637,318	6.63	26,864,126,888	6.56
2014	16,787,989,818	5.59	25,210,142,121	6.19
2013	15,898,882,419	5.02	23,741,463,445	5.10

(1) Fair market values are estimated based on reported taxable values (which values represent a reduction of fair market value of primary residential property by 45%).
* Preliminary estimates, subject to change.
(Source: Utah State Tax Commission, Property Tax Division.)

Taxable and Market Value of Property in the District (Including Motor Vehicle Value Estimate)

Year	Taxable Value	Percent Change from Prior Year	Fair Market Value[(1)]	Percent Change from Prior Year
2018*	$24,145,409,840*	10.54%	$35,726,736,152*	10.50%
2017	21,841,656,696	8.22	32,331,606,063	8.12
2016	20,182,968,457	9.72	29,904,083,647	9.31
2015	18,394,799,944	6.65	27,357,289,514	6.57
2014	17,248,248,243	5.51	25,670,400,546	6.12
2013	16,347,371,686	3.59	24,189,952,712	3.33

(1) Fair market values are estimated based on reported taxable values (which values represent a reduction of fair market value of primary residential property by 45%).
* Preliminary estimates, subject to change.
(Source: Utah State Tax Commission, Property Tax Division.)

Assessed Valuation for Certified Tax Rate

The District's certified tax rate is calculated on the assessed valuation of property within the District after certain adjustments (See "Public Hearing on Certain Tax Increases" above). Below is a five-year history of the adjusted property valuation of the District, which is the basis for setting the certified tax rate.

	2014	2015	2016	2017	2018
Adjusted Rate Valuation	$15,049,691,416	$15,928,744,096	$17,455,738,530	$18,842,256,793	$21,188,401,495
Percent Change From Previous Year	6.27%	5.84%	9.59%	7.94%	12.45%

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Taxable Value in the District by Property Type

	Year				
	2017	2016	2015	2014	2013
Set by State Tax Commission:					
Centrally Assessed	$491,198,523	$461,862,621	$418,908,292	$372,125,766	$402,956,177
Set by County Assessor					
Locally Assessed:					
Real Property – Land					
Primary Residential	$4,892,873,969	$4,645,301,764	$4,732,924,444	$4,542,656,932	$4,214,451,209
Secondary Residential	602,664,180	595,484,790	582,517,920	568,828,180	580,057,610
Commercial and Industrial	2,187,047,790	2,075,263,430	1,986,329,090	1,962,789,080	1,940,717,060
Unimproved Non-FAA – Vacant	9,137,820	8,694,740	9,197,390	9,318,870	7,890,400
Total Real Property – Land	**7,691,723,759**	**7,324,744,724**	**7,310,968,844**	**7,083,593,062**	**6,743,116,279**
Real Property – Buildings					
Primary Residential	7,921,566,919	7,229,353,848	6,214,303,431	5,743,905,926	5,363,523,807
Secondary Residential	306,304,890	299,275,780	292,899,270	299,803,630	295,563,840
Commercial and Industrial	3,987,188,070	3,530,315,690	2,856,671,500	2,475,198,090	2,334,024,840
Agricultural	757,820	987,390	1,380,670	1,287,570	1,360,590
Total Real Property – Buildings	**12,215,817,699**	**11,059,932,708**	**9,365,254,871**	**8,520,195,216**	**7,994,473,077**
Total Real Property – Land & Buildings	19,907,541,458	18,384,677,432	16,676,223,710	15,603,788,278	14,737,589,356
Personal Property:					
Primary Mobile Homes	6,608,338	6,707,398	6,926,044	7,178,846	7,401,793
Secondary Mobile Homes	553,334	530,083	352,816	281,757	529,984
Other Business Personal Property	904,636,247	826,437,918	799,226,452	804,615,171	750,405,109[(1)]
Total Personal Property	**911,797,919**	**833,675,399**	**806,505,312**	**812,075,774**	**758,336,886**
Motor Vehicles:					
Motor Vehicle Value Estimate	531,035,244	502,753,005	493,162,625	460,258,425	448,489,267
Total Locally Assessed without Motor Vehicles	$20,819,339,377	$19,218,352,831	$17,482,729,027	$16,415,864,052	$15,495,926,242
Total Locally Assessed with Motor Vehicles	$21,350,374,621	$19,721,105,836	$17,975,891,652	$16,876,122,477	$15,944,415,509
Total Taxable Value without Motor Vehicle Values	$21,310,621,452	$19,680,215,452	$17,901,637,319	$16,787,989,818	$15,898,882,419
Total Taxable Value with Motor Vehicle Values	$21,841,656,696	$20,182,968,457	$18,394,799,944	$17,248,248,243	$16,347,371,686

(1) Includes semiconductor manufacturing equipment ("SCME") value.
(Source: Utah State Tax Commission.)

Tax Collection Record for the District

Calendar Year	Total Taxes Levied	Current Collections(1)	Delinquent, Personal Property and Miscellaneous Collections(2)	Total Collections	Percent of Total Collections to Total Taxes Levied
2017	$149,762,610	$146,570,701	–	$146,570,701	97.87%
2016	142,687,429	139,459,762	$1,570,120	141,029,882	98.84
2015	140,421,316	137,095,865	2,008,505	139,104,369	99.06
2014	131,224,676	127,676,803	2,415,231	130,092,034	99.14
2013	128,474,716	124,669,505	2,776,989	127,446,494	99.20
2012	126,809,112	122,743,569	3,104,749	125,848,318	99.24
2011	125,220,579	120,535,487	3,663,634	124,199,121	99.18

(1) As of December 31, of respective year.
(Source: The District.)

Some of the Largest Property Taxpayers

Taxpayer	2017 Taxable Value	Percent of the District's 2017 Taxable Value(1)
Boyer-Gardner Companies	$195,947,300	0.92%
Old Mill Corporate Center	169,828,800	0.80
Larry H. Miller Companies	168,551,900	0.79
ST Mall Owner LLC	145,248,473	0.68
Rocky Mountain Power (Pacificorp)	143,912,718	0.68
HGREIT II Cottonwood Center LLC	133,859,600	0.63
Becton Dickinson	127,434,593	0.60
Coca Cola Bottling Corp.	120,586,000	0.57
Questar Gas	103,097,896	0.48
Excel Ft. Union LLC	95,628,820	0.45
Total	$1,404,096,100	6.60%

(1) Taxable Value used in this table excludes all tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State.
(Source: The District.)

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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 and other local funding sources ("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 2017, approximately 40% of the District's funding was provided by State Funding, approximately 54% from Local District Funding and approximately 6% from Federal Funding. See "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017."

Local District Funding

School districts are authorized by the 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 CANYONS SCHOOL DISTRICT—Historical Tax Rates" herein.

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's Uniform School Fund. The Uniform School Fund is funded primarily from personal income taxes and corporate franchise taxes.

Federal Funding

Federal Funding is provided for various school programs including child nutrition, "No Child Left Behind," and special education.

Summary of State and Federal Funds

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

	Fiscal Year Ended June 30,				
	2017	2016	2015	2014	2013
State Funds					
General Fund	$130,201,600	$128,843,478	$124,341,340	$121,490,503	$116,576,679
Capital Projects	957,273	59,680,	18,349	480,557	235,687
Other Governmental Funds	2,176,140	2,115,732	5,912,496	5,941,742	6,093,957
Total	$133,335,013	$131,018,890	130,272,185	$127,912,802	$122,906,323
% change over prior year	1.67%	0.57%	1.84%	4.07%	–
Federal Funds					
General Fund	$15,142,887	$15,677,608	$14,345,265	14,151,578	15,188,946
Other Governmental Funds	6,708,636	$6,351,281	7,319,210	6,875,858	6,743,591
Total	$21,851,523	22,028,889	$21,664,475	$21,027,436	$21,932,537
% change over prior year	(0.81%)	1.68%	3.03%	(4.13)%	–

(Source: The District's audited financial statements for the years indicated.)

LEGAL MATTERS

Absence of Litigation

General Counsel for the Board, Burbidge & White L.L.C., has officially advised that, to the best of its 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 Bonds or have a material impact on the payment of the Bonds.

General

The authorization and issuance of the Bonds are subject to the approval of Gilmore & Bell, P.C., Bond Counsel to the Board. Certain legal matters will be passed upon for the Board by its outside counsel, Burbidge & White L.L.C. The approving opinion of Bond Counsel will be delivered with the Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in "APPENDIX C—FORM OF OPINION OF BOND COUNSEL" of this Official Statement will be made available upon request from the contact person as indicated under "INTRODUCTION—Contact Persons" herein.

The employment of Bond Counsel is limited to the review of the transcripts of legal proceedings authorizing the issuance of the Bonds and the legality of the source of payment of the Bonds, and to the issuance of the legal opinion, in conventional form, relating solely to the validity of the Bonds pursuant to such authority and the excludability of interest on the Bonds for income tax purposes as described above. Except for said legal matters, which will be specifically covered in its opinion, Bond Counsel has assumed no responsibility for the accuracy or completeness of any information furnished to any person in connection with or any offer or sale of the bonds in the Official Statement or otherwise.

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

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Board, under the law currently existing as of the issue date of the Bonds:

Federal Tax Exemption. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel's opinions are provided as of the date of the original issue of the Bonds, subject to the condition that the Board comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Board has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

State of Utah Tax Exemption. The interest on the Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Bonds but has reviewed the discussion under the heading "TAX MATTERS."

Other Tax Consequences

[***Original Issue Discount***. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

[***Original Issue Premium***. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

Sale, Exchange or Retirement of Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Bonds, and to the proceeds paid on the sale of the Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Bonds, including the possible application of state, local, foreign and other tax laws.

BOND RATINGS

As of the date of this Official Statement, the Bonds have been rated "Aaa" and "AAA," by Moody's and Fitch, respectively, based upon the State Guaranty Act. Additionally, as of the date of this Official Statement, Moody's has given the Bonds an underlying rating of "Aaa" and Fitch has given the Bonds an underlying rating of "AAA." An explanation of such ratings may be obtained from Moody's and Fitch.

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 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 Bonds.

CONTINUING DISCLOSURE UNDERTAKING

The Board, for the benefit of the beneficial owners of the Bonds, will execute a continuing disclosure undertaking (the "Disclosure Undertaking") pursuant to which the Board will send certain information annually and provide notice of certain events to the MSRB pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission. See "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING" attached hereto and incorporated herein by reference for a form of the Disclosure Undertaking that will be executed and delivered by the Board.

A failure by the Board to comply with the Disclosure Undertaking will not constitute a default under the Resolution and beneficial owners of the Bonds are limited to the remedies described in the Disclosure Undertaking. See APPENDIX D. 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 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

MISCELLANEOUS

Municipal Advisor

The Board has entered into an agreement with George K. Baum & Company, Salt Lake City, Utah (the "Municipal Advisor") whereunder the Municipal Advisor provides financial recommendations and guidance to the Board with respect to preparation for sale of the Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the Bonds. The Municipal Advisor has read and participated in the drafting of certain portions of this Official Statement. 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 matters related to the Official Statement.

Independent Accountants

The financial statements as of June 30, 2017 and for the year then ended, included in this Official Statement, have been audited by Squire & Company, PC, Orem, Utah ("Orem"), as stated in the report in "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017" to this Official Statement. Squire has not been asked to consent to the use of its name, audited financial statements and report in this Official Statement.

Certification Concerning the Official Statement

The closing documents will include a certificate confirming, to the best knowledge, information and belief of the Board that the description and statements contained in this Official Statement are true, correct and complete in all material respects and do not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein in order to make the statements, in light of circumstances under which they are made, not misleading. In the event this Official Statement is supplemented or amended, the foregoing confirmation will also encompass such supplements of amendments.

Additional Information

All quotations contained herein from and summaries and explanations of the State Constitution, statues, programs and laws of the State, court decision and the Resolution, do not purport to be complete, and the 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" by the Board for the purposes of Rule 15c2-12 of the Securities and Exchange Commission.

This Official Statement and its distribution and use has been duly authorized by the Board.

BOARD OF EDUCATION OF CANYONS SCHOOL DISTRICT, UTAH

APPENDIX A

AUDITED BASIC FINANCIAL STATEMENTS OF THE DISTRICT FOR FISCAL YEAR ENDED JUNE 30, 2017

CANYONS SCHOOL DISTRICT

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

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2017

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

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

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

November 30, 2017

To the Honorable Board of Education and Patrons of Canyons School District:

State of Utah law requires that school districts publish within five months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

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

Squire & Company, PC, a firm of licensed certified public accountants, has issued an unmodified ("clean") opinion on Canyons School District's financial statements for the year ended June 30, 2017. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the District

Residents of the District voted to separate from the Jordan School District on November 6, 2007, thus forming their own district. The District officially began operations on July 1, 2009. Located in the southeast corner of Salt Lake County, Utah, the District covers approximately 192 square miles and includes the cities of Midvale, Cottonwood Heights, Sandy, and Draper and the town of Alta.

The District is a legally separate entity enjoying all rights and privileges accorded political subdivisions in the State of Utah. The District is fiscally independent. Policymaking and legislative authority are vested in the Board of Education (the Board) consisting of seven members who are elected from among the District's seven precincts. Board members serve four-year staggered terms with no more than four Board members elected every two years. The Board has the power to determine its own budget, incur bonded debt, levy taxes and also can sue or be sued without recourse to any other body of government.

The major purpose of the District is to provide public education. In its eighth year of operations, the District's student population stood at 34,017. To accomplish its purpose the District operates 29 elementary schools, 8 middle schools, 5 accredited high schools, and 5 special program schools. In addition, the District offers an adult and community education program for non-traditional students. The District is an equal opportunity employer and actively recruits teachers from universities throughout the nation.

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

Local Economy

The economic condition of the District is largely dependent upon two major factors. First, the broader state economy that is increasingly tied to the national and global economies and second, the views of the governor's office and state legislature toward funding public education with the resources generated by the state. State funding for education is always a significant issue in Utah because children represent such a large percentage of the population. When compared to other states, there are two factors that put the state in a difficult situation when it comes to generating tax revenue to fund public education. First, Utah is near the middle in terms of household income. Second, Utah has larger households. The result is less income available per child. Utah is near the top when measuring the share of income devoted to education and yet is currently the state with the lowest per-pupil funding.

Utah has a highly diversified economy that includes many industries such as construction, tourism, exports, defense, energy and minerals, agriculture and others. The growth of the state's economy has led to recent increases in education funding. The Weighted Pupil Unit (WPU) is the state's primary funding source to equalize funding throughout all Utah school districts. The legislature increased the value of the WPU from $3,092 to $3,184 for the fiscal year ended June 30, 2017. The WPU will increase to $3,311 (or by 4.0%) for the fiscal year ending June 30, 2018. The economic outlook calls for continued expansion in 2018 with the hope for additional growth in 2019 and beyond. The unemployment rate for Salt Lake County was 2.9% at December 31, 2016 which is consistent with the prior year's rate. Assessed valuation of taxable property increased by 7.9% during the past calendar year and a similar increase is anticipated for the upcoming year. This is welcomed news; however, further increases in assessed valuation are needed in order to provide financial stability for future budgets.

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

Major Initiatives

The mission of the District is that all students will graduate from the Canyons School District college- and career- ready. The three major goals to achieve this mission are:

- Promote school and community engagement that supports students in becoming college- and career- ready.
- Implement a comprehensive educational system that aligns high quality curriculum, instruction, and assessment resulting in students becoming college- and career- ready.
- Recruit, develop, support, and retain quality educators and support staffs that are committed to preparing students for college and careers.

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

- Three District high schools ranked in Utah's top ten for Advanced Placement participation or pass rates: Brighton, Corner Canyon and Hillcrest
- 22 students were Sterling Scholar finalists with one winning their respective category.
- High school ACT scores exceeded the state average in all categories. Furthermore, state SAGE (student assessment of growth and excellence) scores for grades 3, 5, 8 also were well-above the state average.
- Due to enrollment growth, the District was a recipient of $7.2 million in the final year of the Salt Lake County Capital Equalization program. The District will continue to receive these property taxes on-going. The taxes will now be recorded in the General Fund and be used to grant an unprecedented salary increase to its dedicated teachers.

Another high priority for the Board is the construction, renovation, and replacement of school buildings. The Board proposed a $250 million bond election, which was approved by the citizens in June 2010. The latest completed projects, the rebuilds of Midvale Middle School and Alta View Elementary School, were finished and opened to students in August 2017.

The 2010 bond funded thirteen scheduled projects, twelve of which have been completed. The remaining bond project will be a complete renovation of Indian Hills Middle School. It will re-open to students in August 2018.

On November 7, 2017, the Board placed a $283 million bond referendum before the District's patrons. The referendum was approved by 57% of the voters. The bonds will be issued in future years and the proceeds will be used to fund needed capital improvements.

Long-term financial planning

Although the State's population is projected to grow from 2.8 million in 2010 to 3.7 million by 2020, the District's student population is expected to remain stable. A stable population is a benefit for the District as it will not be pressured to add new school buildings and incur related annual operational and facility expenses. However, the District has many aging schools. The average age of the 42 traditional school buildings is 36 years. The District conducts ongoing assessments of all buildings. Information from these assessments is analyzed to determine which buildings need to be replaced or renovated and if future bonding is necessary.

In an uncertain economic environment, other unforeseen events can have a dramatic impact on available resources. Nevertheless, the District has been able to strengthen its unassigned general fund balance from $11.2 million in 2010 to $22.2 million in 2017. The District has maintained resources set aside for economic stabilization at $13.2 million (the 5% maximum allowed per State statute) and increased its assigned general fund balance from $2.7 million in 2010 to $19.0 million in 2017. Also, the Board has committed general fund resources at 105% of the total District retirement liability and the total OPEB obligation measured from the most recent actuarial studies for those plans.

Relevant Financial Policies

For accounting purposes, the District is not treated as a single entity. Instead, it is treated as a collection of smaller, separate accounting entities known as funds. Funds are created to segregate and keep track of specific activities or to attain certain objectives in accordance with special regulations, restrictions, or limitations. Utah law requires the District to have a balanced budget for its funds and requires that all annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance commitment or assignment.

In the months preceding each year, the District Superintendent submits to the Board a proposed operating budget for the next fiscal year commencing July 1. This budget includes proposed expenditures and the means of financing them. Included is a final budget for the current year ending June 30. If the proposed budget does not include a tax increase, a public hearing is held before the beginning of the next fiscal year according to Utah law at which time the budget is legally adopted by the Board after obtaining taxpayer input. If the proposed budget does include a tax increase, the Board accepts a tentative budget to begin the year and within a few months holds a public hearing on the tax increase at which time the budget is legally adopted by the Board after obtaining taxpayer input. Once adopted, the budget acts as the financial operating plan for the entire year. The Board, upon recommendation of the Superintendent, can reduce the budget during the year. To increase the budget, however, the Board must conduct another public hearing prior to approving the increase.

The level at which expenditures may not exceed appropriations has been interpreted by the State Superintendent of Public Instruction to be the total budgeted expenditures of a given fund. Therefore, as a matter of practicality, the budget of the District is usually amended only once each year when the Board also takes action on the new fiscal year budget.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Canyons School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. This was the seventh year the District submitted for and received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. Such reports must satisfy both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District also received the Association of School Business Officials (ASBO) International's Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. This was the seventh year the District submitted for and received this award. This award certifies that the report substantially conforms to the principles and standards of financial reporting as recommended by the Association of School Business Officials International. The award is granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials and is also valid for a period of one year.

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

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

Respectfully submitted,

James Briscoe, Ph.D.	Leon Wilcox, CPA
Superintendent of Schools	Business Administrator

CANYONS SCHOOL DISTRICT
List of Elected and Appointed Officials
June 30, 2017

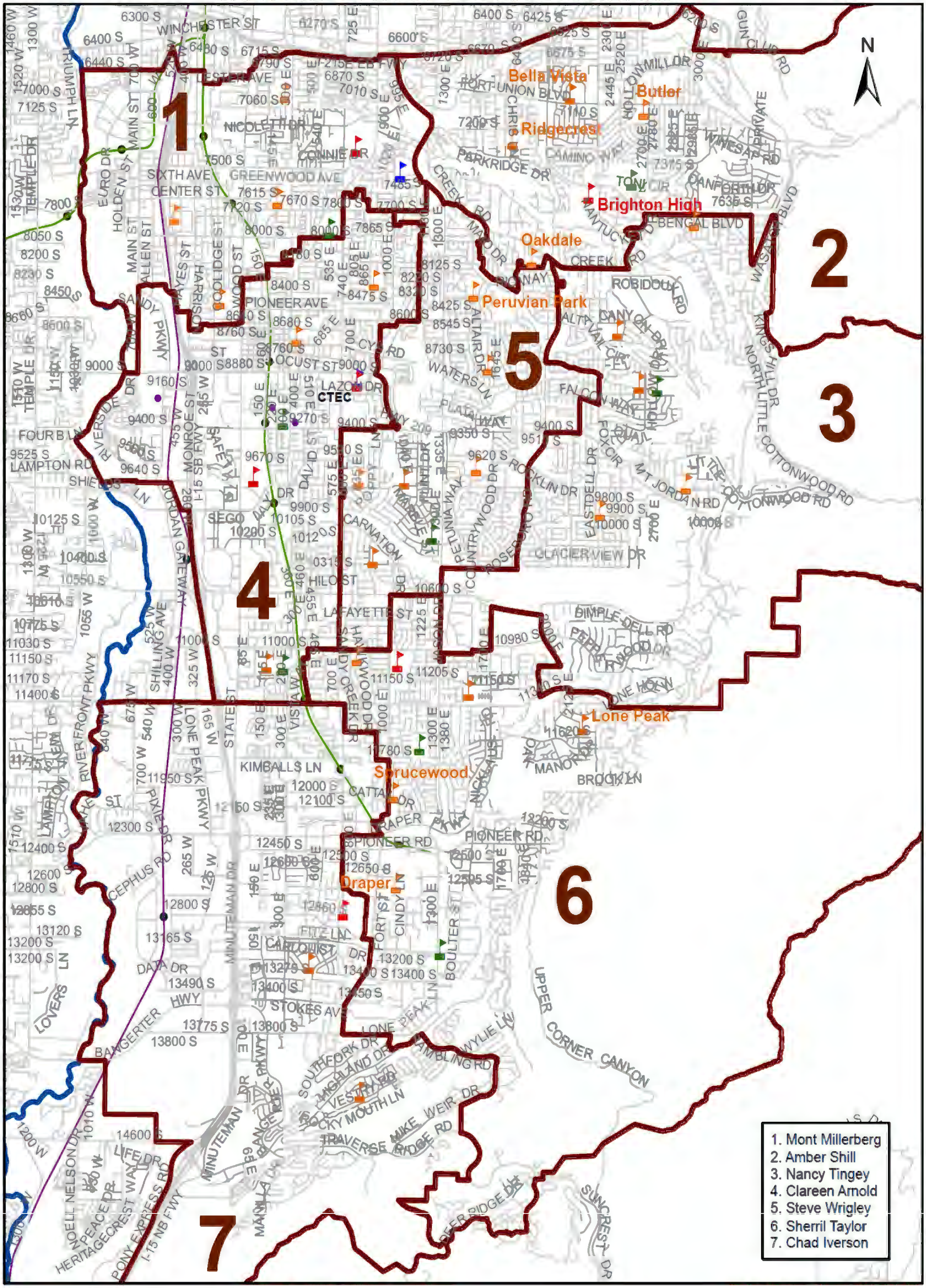
Elected Officials

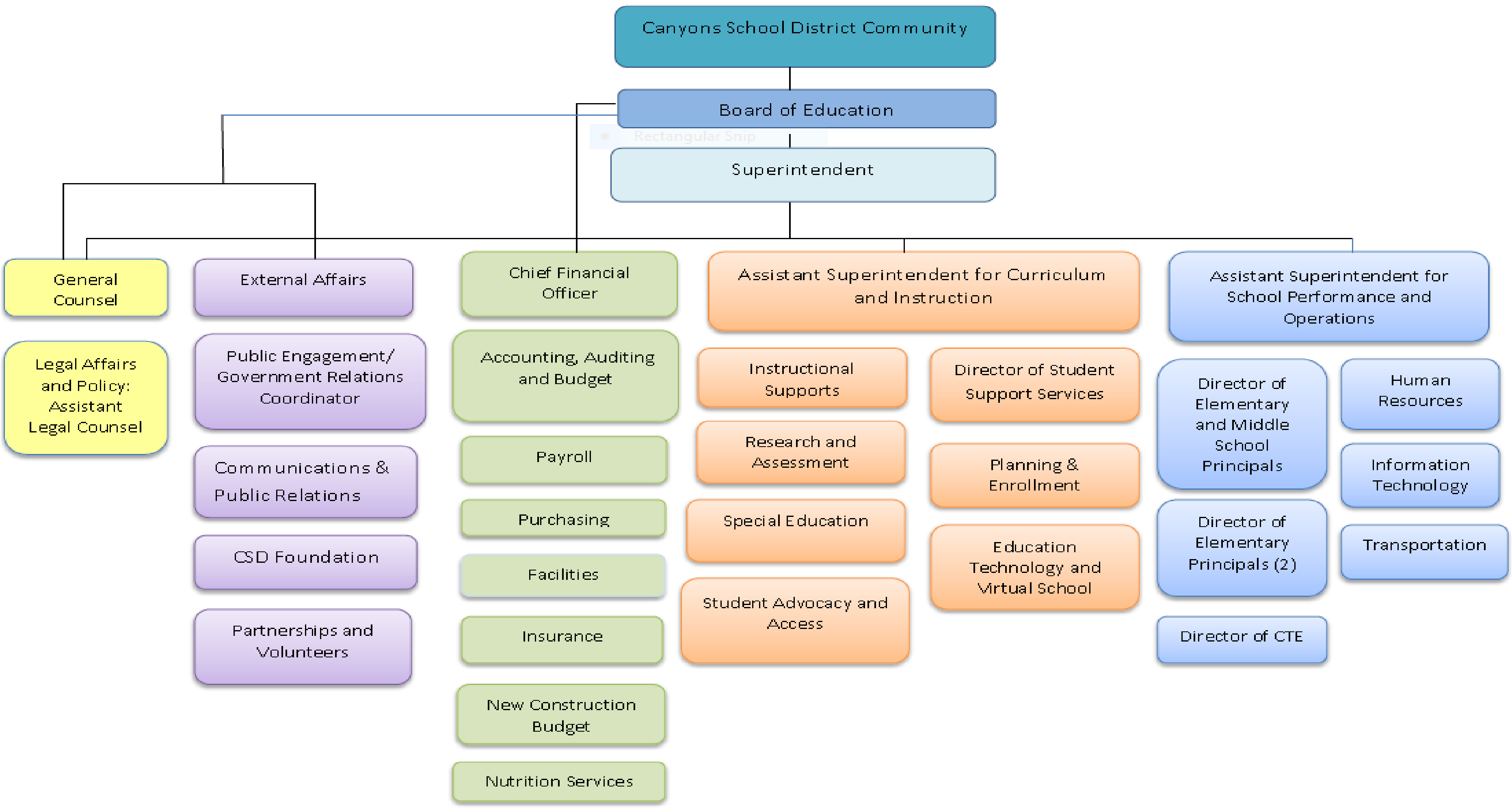
	Initial Appointment	Present Term Began	Present Term Expires
Sherril Taylor, President Precinct VI	January, 2005	January, 2015	December, 2018
Nancy Tingey, First Vice-President Precinct III	January, 2013	January, 2017	December, 2020
Amber Shill, Second Vice-President Precinct II	January, 2015	January, 2015	December, 2018
Mont Millerberg Precinct I	January, 2017	January, 2017	December, 2020
Clareen Arnold Precinct IV	January, 2015	January, 2015	December, 2018
Steve Wrigley Precinct V	January, 2011	January, 2015	December, 2018
Chad Iverson Precinct VII	January, 2013	January, 2017	December, 2020

Appointed Officials

	Initial Appointment	Present Term Began	Present Term Expires
Dr. James Briscoe, Superintendent	July, 2014	July, 2016	June, 2018
Leon Wilcox, Business Administrator	September, 2013	July, 2016	June, 2018

CANYONS SCHOOL BOARD BOUNDARIES





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

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Canyons School District

Utah

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Canyons School District

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Anthony N. Dragona, Ed.D., RSBA
President

John D. Musso, CAE
Executive Director

SQUIRE
HIGHER PERSPECTIVE

Independent Auditor's Report

Board of Education
Canyons School District

Report on the Basic Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Canyons School District (the District) as of and for the year ended June 30, 2017, 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.

o 1329 South 800 East, Orem, UT 84097 // p 801.225.6900 // w squire.com

Squire is a dba registered to Squire & Company, PC, a certified public accounting firm.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Canyons School District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 14 to the basic financial statements, in 2017, the District adopted Government Accounting Standards Board Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* and Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions on the basic financial statements are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of the District's proportionate share of the net pension liability (asset) – Utah Retirement Systems, the schedules of District contributions – Utah Retirement Systems, the schedule of Changes in the District's Total Retirement Liability and Related Ratios, the Schedule of Changes in the District's Total OPEB Obligation and Related Ratios, 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 30, 2017, 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.

Squire & Company, PC

Orem, Utah
November 30, 2017

Management's Discussion and Analysis

As management of the Canyons School District (the District), we offer readers of the District's financial statements this narrative discussion, overview, and analysis of the financial activities of the District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 through 5 of this report.

FINANCIAL HIGHLIGHTS

- Canyons School District (located in southeast Salt Lake County, Utah) was formed by the will of the people in Cottonwood Heights, Sandy, Draper, Midvale, and Alta in a November 2007 referendum vote and began operations on July 1, 2009. The fiscal year ended June 30, 2017 was the District's eighth fiscal year. The District has 34,017 students and operates 42 traditional schools and 5 special program schools.
- The District retired $16.9 million of general obligation school building bonds during 2017.
- As of the close of the current year, the District's governmental funds reported combined ending fund balances of $150.4 million, a decrease of $38.1 million. The entire decrease is in the Capital Outlay Fund due to disbursements for planned construction projects. The construction projects are the rebuild of Midvale Middle School and Alta View Elementary School and the renovation of Indian Hills Middle School.
- At the end of the current year, unassigned fund balance for the General Fund was $22.2 million or 9.2% of General Fund expenditures.
- Actual revenues were $2.3 million less than budgeted for the General Fund and actual expenditures were $7.0 million less than the amount budgeted for the fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

The *statement of net position* presents information on all the District's assets, liabilities, and deferred inflows/outflows of resources, with the 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 unpaid compensated absences).

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

The government-wide financial statements can be found on pages 26 and 27 of this report.

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

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

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

  The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Debt Service Fund, and the Capital Outlay Fund, each of which are considered to be major funds. Individual fund data for all major funds is provided in the form of *individual fund statements and schedules* found on pages 68 through 73 of this report. Data from the other four 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* and can be found on pages 76 through 85 of this report.

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

  The basic governmental fund financial statements can be found on pages 28 through 32 of this report.

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

  The basic proprietary fund financial statements can be found on pages 33 through 35 of this report.

Notes to the basic financial statements – The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 36 through 59 of this report.

Additional information – In addition to the basic financial statements and related notes, this report also presents *required supplementary information* concerning the District's progress in funding its obligation to provide benefits to its retirees and the District's proportionate share of the net pension liability. Required supplementary information can be found on pages 60 through 64 of this report.

The combining statements and individual fund statements and schedules referred to earlier in connection with governmental and proprietary funds are presented on pages 67 to 89 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $271.5 million at the close of the most recent fiscal year, which is an increase of $16.3 million from the prior year.

Canyons School District's Net Position
June 30, 2017 and 2016
(in millions of dollars)

	Governmental Activities		
			Change
	2017	2016	2017-2016
Current and other assets	$ 350.6	$ 379.1	$ (28.5)
Capital assets	513.6	477.3	36.3
Total assets	864.2	856.4	7.8
Total deferred outflows of resources	53.9	49.2	4.7
Other liabilities	41.1	39.7	1.4
Long-term liabilities outstanding	438.6	457.0	(18.4)
Total liabilities	479.7	496.7	(17.0)
Total deferred inflows of resources	166.9	153.7	13.2
Net position:			
Net investment in capital assets	223.3	175.1	48.2
Restricted	66.0	99.4	(33.4)
Unrestricted	(17.8)	(19.3)	1.5
Total net position	$ 271.5	$ 255.2	$ 16.3

The largest portion of the District's net position (82.2%) reflects its investment in capital assets (e.g., sites, construction in progress, site improvements, buildings, equipment, and vehicles, net of accumulated depreciation), less any related debt (general obligation bonds payable less unspent bond proceeds) used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position (24.3%) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for capital outlay. The remaining net position balance is a negative unrestricted amount (-6.5%).

Net investment in capital assets increased by $48.2 million during the year ended June 30, 2017, due to the construction of Midvale Middle School and Alta View Elementary School as well as the renovation at Indian Hills Middle School.

Restricted net position decreased by $33.4 million during the year ended June 30, 2017. The decrease is due to using resources accumulated in the Capital Outlay Fund to pay for the construction costs of the above mentioned schools.

The remaining net position is a negative unrestricted amount. This balance includes the District's proportionate share of the unfunded obligation of the defined benefit pension plans administered by the Utah Retirement Systems (URS) and the District's total retirement liability and total OPEB obligation. In 2017, the District adopted new accounting and reporting standards resulting in a decrease to beginning net position of $28.4 million.

Governmental activities – The key elements of the increase of the District's net position for the year ended June 30, 2017 are as follows:

- Revenues totaled $334.7 million for the fiscal year ended June 30, 2017, which was an increase of $6.4 million from the prior year. Most of the increase was a result of the District receiving a greater share of the county-wide equalization program. Also, total expenses were $318.5 million during the same period, which was an increase of $7.2 million over last year. Increases in salaries and benefits are the main reasons expenses increased. The increase in the District's net position for the year ended June 30, 2017 was $16.3 million, which is a result of using resources received for debt service and capital outlay to retire certain general obligation bonds and to finance the acquisition of certain capital assets.

- Property taxes comprise 44.3% of the District's revenue. The District's tax rate for the 2016 calendar year of 0.007227 was applied to taxable value of property totaling $20.2 billion.

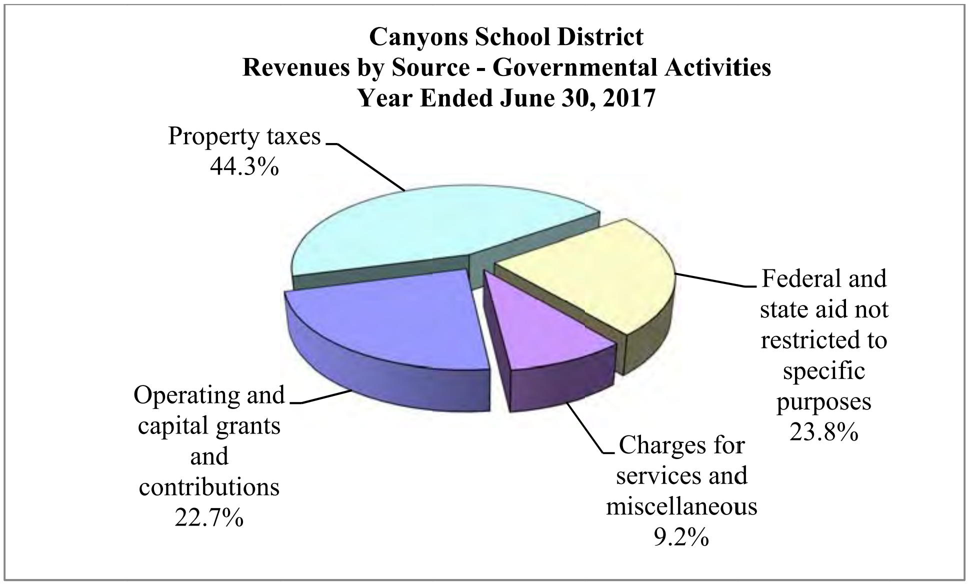
- Revenues from the state of Utah comprise 39.8% of the District's revenue. State revenue is based primarily on weighted pupil units (WPUs) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. Certain students with special needs receive a WPU greater than one. The state guarantees that if local taxes do not provide revenue equal to the amount generated by the WPU, the state will make up the difference with additional state funding. The value of one WPU was $3,184 for 2017. Student enrollment based on the October 1, 2016 count was 34,017.

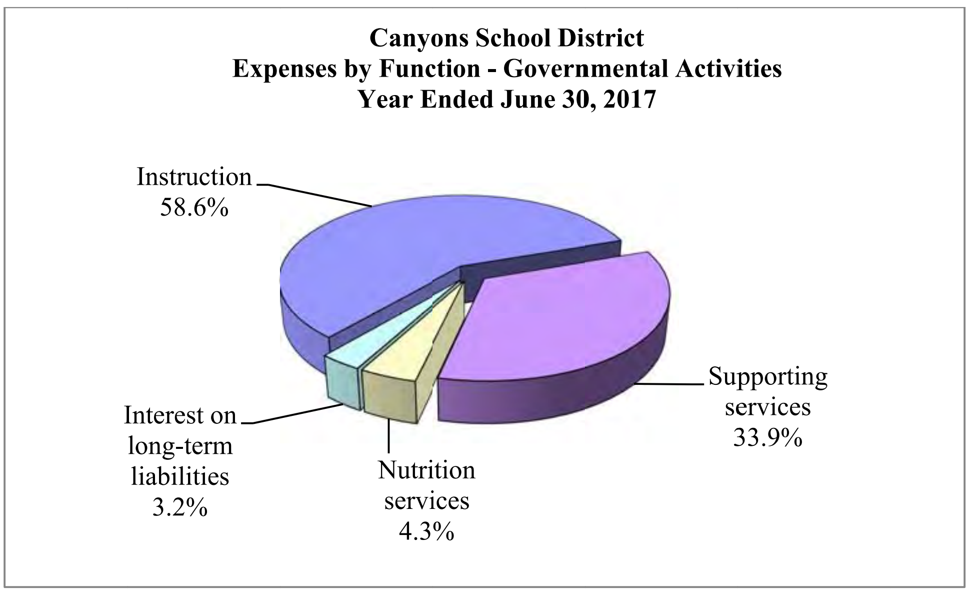
- Revenues from federal awards comprise 6.5% of the District's revenue. Federal awards are primarily restricted for instruction and other purposes, such as, special education, disadvantaged (Title I), and child nutrition.

- Instruction services represent 58.6% of District expenses for the year.

Canyons School District's Changes in Net Position
Fiscal Years Ended June 30, 2017 and 2016
(in millions of dollars)

	Governmental Activities		
	2017	**2016**	**Change 2017-2016**
Revenues:			
Program revenues:			
Charges for services	$ 17.3	$ 17.3	$ 0.0
Operating grants and contributions	76.1	75.0	1.1
Capital grants and contributions	0.1	1.5	(1.4)
General revenues:			
Property taxes	148.2	149.0	(0.8)
Federal and state revenue not restricted to specific purposes	79.4	78.3	1.1
Interest	3.8	2.6	1.2
Miscellaneous	9.8	4.6	5.2
Total revenues	334.7	328.3	6.4
Expenses:			
Instruction	186.5	181.4	5.1
Supporting services:			
Students	11.8	11.0	0.8
Instructional staff	17.5	16.2	1.3
General district administration	2.7	2.5	0.2
School administration	19.3	18.5	0.8
Central	13.3	13.4	(0.1)
Operation and maintenance of school buildings	25.3	24.5	0.8
Student transportation	9.6	9.0	0.6
Nutrition services	13.7	13.3	0.4
Contributions to other governments	8.3	10.0	(1.7)
Community services	0.2	0.3	(0.1)
Interest on long-term liabilities	10.2	11.2	(1.0)
Total expenses	318.5	311.3	7.2
Excess of revenues over expenditures before special item	16.3	17.0	(0.7)
Special item-gain on sale of land	-	2.7	(2.7)
Increase in net position	16.3	19.7	(3.4)
Net position - beginning	255.2	263.9	(8.7)
Net effect of prior period restatement	-	(28.4)	28.4
Net position - ending, as restated	$ 271.5	$ 255.2	$ 16.3





FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds – The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the District itself, or an individual that has been delegated authority to assign resources for use for particular purposes by the District's Board of Education.

At June 30, 2017, the District's governmental funds reported a combined fund balance of $150.4 million, or $38.1 million less than the previous year. About $22.2 million or 14.8% of the combined fund balance amount constitutes *unassigned* fund balance which is available for spending at the District's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not spendable in form ($1.8 million or 1.2 %), 2) legally required to be maintained intact ($68.0 million or 45.2%), 3) committed by the District's Board of Education for particular purposes ($39.4 million or 26.2%), or 4) assigned by the District's management for particular purposes ($19.0 million or 12.6%).

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was $22.2 million, while there was no change in the total fund balance which is $75.0 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents approximately 9.2% of total General Fund expenditures, while total fund balance represents approximately 30.9% of that same amount.

The following expenditures or balances in the General Fund for 2017 should be noted:

- Expenditures for the General Fund totaled $242.4 million, an increase of $3.0 million from the prior fiscal year. Instruction represents $146.7 million or 60.5% of General Fund expenditures. The increase is due to rises in employee wages and benefits.

- General Fund salaries totaled $148.1 million while the associated fringe benefits of retirement, social security, unemployment, industrial insurance, and health and accident insurance added $62.8 million to arrive at 87.0% of total General Fund expenditures.

- The District has committed to economic stabilization $13.2 million of fund balance or 5.0% of 2018 General Fund budgeted expenditures. As allowed by state law, the District has established an undistributed reserve within the General Fund; this amount is set aside for contingencies or possible reductions in state funding and is not to be used in the negotiation or settlement of contract salaries. The maintenance of a sufficient reserve is a key credit consideration in the District's excellent bond ratings of Aaa and AAA given Moody's Investor Service and Fitch Ratings, respectively.

- The District's Board of Education has committed to employee benefit obligation $18.5 million of fund balance (for the total District retirement liability and the total OPEB obligation for retirees at 105.0% of the actuarially determined amount and for compensated absences liability for employees).

The Debt Service Fund, a major fund, has a $3.1 million ending fund balance which is $1.6 million more than the previous year. The increase was due to higher than anticipated property tax collections. The ending fund balance is approximately 10.8% of debt service requirement for 2018.

The Capital Outlay Fund, the remaining major governmental fund, had a decrease of $40.7 million in fund balance during the current fiscal year which put the overall fund balance at $62.0 million. The decrease was caused by the continued construction of new buildings. This decrease in fund balance will continue through 2018 when the final construction project is completed when the estimated fund balance is expected to be $32.5 million. Capital Outlay Fund expenditures totaled $71.4 million with $46.8 million being spent on new construction and other building improvements. The remainder was spent on purchases for land and improvements, equipment, and vehicles.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During 2017, 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 $2.3 million or 1.0% in total General Fund revenues and an increase of $2.1 million or 0.8% in total General Fund budgeted expenditures. The increase in revenues was due to a higher collection rate of property taxes, while the expenditure increase was due to unspent carryovers for supplies and textbooks being added back to the budget.

Final budget compared to actual results. Even with these adjustments, actual expenditures were $7.0 million or 2.8% less than final budgeted amounts. The most significant variance was $6.2 million in instruction due to certain unfilled positions and employee benefit costs being less than anticipated as well as schools not spending their full budgeted amounts for supplies and textbooks. Actual revenues were $2.3 million or 0.9% less than final budgeted amounts. Variances in state and federal revenues primarily result from expenditure-driven grants that are included in the budgets at their full amounts. Such grants are recognized when the qualifying expenditures are incurred and all other grant requirements are met; unspent grant amounts are carried forward and included in the succeeding year's budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets for its governmental activities as of June 30, 2017 amounts to $513.6 million (net of accumulated depreciation). This investment in capital assets includes sites, construction in progress, site improvements and buildings, equipment, and vehicles. The total increase in capital assets for the current year was $36.3 million or 7.6%.

Canyons School District's Capital Assets
June 30, 2017 and 2016
(net of accumulated depreciation, in millions of dollars)

	Governmental Activities		
	2017	**2016**	**Change 2017-2016**
Sites and improvements	$ 76.2	$ 66.6	$ 9.6
Construction in progress	60.2	39.7	20.5
Buildings	369.4	362.9	6.5
Equipment	0.7	0.7	(0.0)
Vehicles	7.1	7.4	(0.3)
Total capital assets	$ 513.6	$ 477.3	$ 36.3

The cost of various construction projects underway at June 30, 2017 are projected at a total cost of $91.4 million. The largest projects are the rebuilds of Midvale Middle School and Alta View Elementary School and the renovation of Indian Hills Middle School with an estimated cost of $43.0 million, $19.4 million, and $24.2 million respectively. Midvale Middle School and Alta View Elementary School opened to students in August 2017. Indian Hills Middle School is under construction and will re-open in August 2018.

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

Long-term debt. At the end of the current fiscal year, the District had total bonded debt outstanding of $293.2 million (net of unamortized amounts for bond issuance premiums). Payment of the debt is backed by the full faith and credit of the District as well as the state of Utah under provisions of The Guaranty Act. The District's total debt decreased by $19.2 million, or about 6.2%, during the current year. The decrease was the result of paying down the general obligation bonds principal by $16.9 million and amortizing $2.3 million of bond issuance premiums.

Canyons School District's Outstanding General Obligation Debt
June 30, 2017 and 2016
(in millions of dollars)

	Governmental Activities		
	2017	**2016**	**Change 2016-2015**
General obligation bonds	$ 274.0	$ 290.9	$ (16.9)
Unamortized bond premiums	19.2	21.6	(2.3)
Net bonds payable	$ 293.2	$ 312.4	$ (19.2)

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

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

The general obligation bonded debt of the District is limited by state law to 4.0% of the fair market value of the total taxable property in the District. The District's legal debt limit at June 30, 2017 is estimated at $1,196.2 million. Net general obligation debt at June 30, 2017 is $293.2 million, resulting in an estimated additional debt-incurring capacity of $902.9 million.

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

The bonds issuances received an underlying rating of "Aaa" from Moody's Investors Service and a "AAA" from Fitch Ratings, respectively. All issuances payments will be financed by tax revenues from the Debt Service Fund.

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

OTHER INFORMATION

The District anticipates moderate growth in student enrollment. The following enrollment information is based on the annual October 1 count:

Canyons School District's Enrollment
October 1 Count

School Year	Enrollment	Change
2017-18	33,907	-0.3%
2016-17	34,017	0.3%
2015-16	33,899	0.7%
2014-15	33,676	0.0%
2013-14	33,677	0.4%
2012-13	33,528	0.1%
2011-12	33,490	0.1%
2010-11	33,469	0.9%
2009-10	33,184	

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

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of Canyons School District's finances for all those with an interest in the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Administrator, Canyons School District, 9361 South 300 East, Sandy, Utah 84070, or call 801.826.5500.

CANYONS

School District

"Celebrating the Highest Standards of Educational Excellence"

Basic Financial Statements

CANYONS SCHOOL DISTRICT
Statement of Net Position
June 30, 2017

	Governmental Activities
Assets:	
Cash and investments	$ 188,535,736
Accounts receivable:	
Property taxes	152,495,667
Local	486,752
State	2,509,644
Federal	4,779,142
Inventories	1,756,979
Capital assets:	
Sites and construction in progress	94,413,305
Buildings and other capital assets, net of accumulated depreciation	419,175,230
Total assets	864,152,455
Deferred outflows of resources:	
Related to pensions	50,899,376
Deferred charges on bond refunding	2,967,793
Total deferred outflows of resources	53,867,169
Liabilities:	
Accounts and contracts payable	12,459,145
Accrued payroll and related benefits	22,339,979
Accrued interest	433,303
Unearned revenue:	
Local	584,194
State	4,829,567
Federal	468,940
Long-term liabilities:	
Portion due or payable within one year	22,122,742
Portion due or payable after one year	416,442,329
Total liabilities	479,680,199
Deferred inflows of resources:	
Related to pensions	16,235,109
Property taxes levied for future year	150,651,903
Total deferred inflows of resources	166,887,012
Net position:	
Net investment in capital assets	223,333,137
Restricted for:	
Debt service	3,082,944
Capital outlay	61,588,763
Nutrition services	1,092,536
Other purposes	132,920
Unrestricted	(17,777,887)
Total net position	$ 271,452,413

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

CANYONS SCHOOL DISTRICT
Statement of Activities
Fiscal Year Ended June 30, 2017

Activities and Functions	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Total Governmental Activities
Governmental activities:					
Instruction	$ 186,467,728	$ 12,956,301	$ 52,196,665	$ -	$ (121,314,762)
Supporting services:					
Students	11,793,573	-	3,945,087	-	(7,848,486)
Instructional staff	17,539,626	-	4,757,520	-	(12,782,106)
District administration	2,672,412	-	-	-	(2,672,412)
School administration	19,303,709	-	1,748,557	-	(17,555,152)
Central	13,294,303	-	503,762	-	(12,790,541)
Operation and maintenance of school buildings	25,283,368	65,345	121	-	(25,217,902)
Student transportation	9,642,728	335,938	4,152,801	100,000	(5,053,989)
Nutrition services	13,694,604	3,964,226	8,784,776	-	(945,602)
Contributions to other governments	8,329,503	-	-	-	(8,329,503)
Community services	221,366	-	-	-	(221,366)
Interest on long-term liabilities	10,212,199	-	-	-	(10,212,199)
Total school district	$ 318,455,119	$ 17,321,810	$ 76,089,289	$ 100,000	(224,944,020)

General revenues:	
Property taxes levied for:	
Basic state supported program	32,429,158
Voted local program	30,977,106
School board local program	24,181,504
Debt service of general obligation bonds	30,299,482
Capital local for buildings and other capital needs	22,032,467
Incremental taxes	8,329,503
Total property tax revenue	148,249,220
Federal and state revenue not restricted to specific purposes	79,433,444
Interest earnings	3,766,241
Miscellaneous	9,774,369
Total general revenues	241,223,274
Change in net position	16,279,254
Net position - beginning, as restated	255,173,159
Net position - ending	$ 271,452,413

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

CANYONS SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2017

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Outlay	Nonmajor Governmental Funds	Total Governmental Funds
Assets:					
Cash and investments	$ 97,059,580	$ 3,210,337	$ 71,072,080	$ 10,738,824	$ 182,080,821
Accounts receivable:					
Property taxes	89,819,823	28,458,163	18,609,264	15,608,417	152,495,667
Local	322,256	-	12,800	1,050	336,106
State	1,595,993	-	-	913,651	2,509,644
Federal	4,655,030	-	-	124,112	4,779,142
Inventories	1,435,178	-	-	321,801	1,756,979
Total assets	$ 194,887,860	$ 31,668,500	$ 89,694,144	$ 27,707,855	$ 343,958,359
Liabilities, deferred inflows of resources, and fund balances:					
Liabilities:					
Accounts and contracts payable	$ 2,393,107	$ -	$ 9,073,207	$ 992,831	$ 12,459,145
Accrued payroll and related benefits	22,097,629	-	-	242,350	22,339,979
Unearned revenue:					
Local	-	-	-	584,194	584,194
State	4,829,567	-	-	-	4,829,567
Federal	468,940	-	-	-	468,940
Total liabilities	29,789,243	-	9,073,207	1,819,375	40,681,825
Deferred inflows of resources:					
Unavailable property tax revenue	1,290,214	413,362	263,983	224,038	2,191,597
Property taxes levied for future year	88,794,366	28,130,081	18,343,077	15,384,379	150,651,903
Total deferred inflows of resources	90,084,580	28,543,443	18,607,060	15,608,417	152,843,500
Fund balances:					
Nonspendable:					
Inventories	1,435,178	-	-	321,801	1,756,979
Restricted for:					
Reading achievement	168,963	-	-	-	168,963
Debt service	-	3,125,057	-	-	3,125,057
Capital outlay	-	-	62,013,877	-	62,013,877
Nutrition services	-	-	-	2,798,413	2,798,413
Committed to:					
Economic stabilization	13,153,434	-	-	-	13,153,434
Employee benefit obligations	18,535,620	-	-	-	18,535,620
Contractual obligations	534,981	-	-	-	534,981
Schools	-	-	-	6,611,190	6,611,190
Foundation	-	-	-	548,659	548,659
Assigned to:					
Schools and programs	8,954,273	-	-	-	8,954,273
Self-insurance	10,000,000	-	-	-	10,000,000
Unassigned	22,231,588	-	-	-	22,231,588
Total fund balances	75,014,037	3,125,057	62,013,877	10,280,063	150,433,034
Total liabilities, deferred inflows of resources, and fund balances	$ 194,887,860	$ 31,668,500	$ 89,694,144	$ 27,707,855	$ 343,958,359

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

CANYONS SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2017

Total fund balances for governmental funds		$ 150,433,034
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is $839,060,453 and accumulated depreciation is $325,471,918 (see Note 4).		513,588,535
Some of the District's property taxes will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable revenue in the funds.		2,191,597
Long-term liabilities, including bonds payable and the net URS pension liability, are not due and payable in the current period and therefore are not reported in the governmental funds. These and related balances at year end are:		
General obligation bonds payable	$ (273,990,000)	
Unamortized deferred amounts for bond premiums	(19,233,191)	
Accrued interest	(433,303)	
Unmortized deferred charges on bond refunding	2,967,793	
Net URS pension liability	(123,460,003)	
Total District retirement liability	(15,220,128)	
Total OPEB obligation	(1,336,722)	
Deferred outflows of resources related to pensions	50,899,376	
Deferred inflows of resources related to pensions	(16,235,109)	
Compensated absence obligation	(1,150,927)	(397,192,214)
An internal service fund is used by management to charge the costs of health and life insurance benefits to individual funds. The assets and liabilities of the internal service fund are included with governmental activities.		2,431,461
Total net position of governmental activities		$ 271,452,413

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

CANYONS SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2017

	Major Funds			Nonmajor	Total
	General	Debt Service	Capital Outlay	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	$ 88,822,987	$ 30,250,696	$ 20,963,542	$ 8,329,503	$ 148,366,728
Interest earnings	2,072,490	178,323	1,401,673	76,828	3,729,314
Other local	6,261,134	-	7,224,721	14,785,651	28,271,506
State	130,201,600	-	957,273	2,176,140	133,335,013
Federal	15,142,887	-	100,000	6,608,636	21,851,523
Total revenues	242,501,098	30,429,019	30,647,209	31,976,758	335,554,084
Expenditures:					
Current:					
Instruction	146,664,649	-	-	10,009,073	156,673,722
Supporting services:					
Students	11,511,907	-	-	-	11,511,907
Instructional staff	17,197,160	-	-	-	17,197,160
District administration	2,507,402	-	-	-	2,507,402
School administration	18,715,088	-	-	-	18,715,088
Central	13,251,568	-	-	-	13,251,568
Operation and maintenance of school buildings	24,087,814	-	-	-	24,087,814
Student transportation	8,253,809	-	-	-	8,253,809
Nutrition services	-	-	-	12,606,849	12,606,849
Community services	218,011	-	-	-	218,011
Contributions to other governments	-	-	-	8,329,503	8,329,503
Capital outlay	-	-	71,379,961	-	71,379,961
Debt service:					
Bond principal	-	16,896,000	-	-	16,896,000
Bond interest and fees	-	11,978,246	-	-	11,978,246
Total expenditures	242,407,408	28,874,246	71,379,961	30,945,425	373,607,040
Excess (deficiency) of revenues over (under) expenditures	93,690	1,554,773	(40,732,752)	1,031,333	(38,052,956)
Transfers in (out)	(153,106)	-	-	153,106	-
Net change in fund balances	(59,416)	1,554,773	(40,732,752)	1,184,439	(38,052,956)
Fund balances - beginning	75,073,453	1,570,284	102,746,629	9,095,624	188,485,990
Fund balances - ending	$ 75,014,037	$ 3,125,057	$ 62,013,877	$ 10,280,063	$ 150,433,034

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

CANYONS SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Fiscal Year Ended June 30, 2017

Net change in fund balances for governmental funds		$ (38,052,956)

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. The net effect of transactions involving capital assets increased net position in the current period.

Capital outlays	$ 55,264,896	
Loss on disposal of property	(1,319,214)	
Depreciation expense	(17,671,097)	36,274,585

Property tax revenue is recognized when levied (when a claim to resources is established) rather than when available. The portion not available soon enough to pay for the current period's expenditures is deferred in the funds. (117,508)

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

Repayment of bond principal	16,896,000	
Bond interest expense	37,103	
Amortization of bond premiums	2,322,502	
Amortization of deferred charges on bond refunding	(593,558)	18,662,047

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

URS pension expense	(1,649,886)	
District retirement expense	1,792,236	
OPEB expense	156,589	
Compensated absences expense	(63,266)	235,673

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. (722,587)

Change in net position of governmental activities	$ 16,279,254

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

CANYONS SCHOOL DISTRICT

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

General Fund

Fiscal Year Ended June 30, 2017

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues:				
Property taxes	$ 86,151,001	$ 88,609,548	$ 88,822,987	$ 213,439
Interest earnings	1,150,000	1,600,000	2,072,490	472,490
Other local	7,185,325	6,732,674	6,261,134	(471,540)
State	131,609,846	133,031,081	130,201,600	(2,829,481)
Federal	16,382,136	14,818,873	15,142,887	324,014
Total revenues	242,478,308	244,792,176	242,501,098	(2,291,078)
Expenditures:				
Current:				
Instruction	151,149,580	152,822,867	146,664,649	6,158,218
Supporting services:				
Students	11,760,172	11,373,433	11,511,907	(138,474)
Instructional staff	16,529,037	17,429,954	17,197,160	232,794
District administration	2,641,178	2,660,326	2,507,402	152,924
School administration	19,052,173	18,936,646	18,715,088	221,558
Central	13,815,546	13,416,973	13,251,568	165,405
Operation and maintenance of school buildings	24,050,341	23,988,261	24,087,814	(99,553)
Student transportation	8,006,542	8,497,882	8,253,809	244,073
Community services	347,052	298,661	218,011	80,650
Total expenditures	247,351,621	249,425,003	242,407,408	7,017,595
Excess (deficiency) of revenues over (under) expenditures	(4,873,313)	(4,632,827)	93,690	4,726,517
Other financing sources (uses):				
Transfer out	(201,189)	(204,140)	(153,106)	51,034
Total other financing sources (uses)	(201,189)	(204,140)	(153,106)	51,034
Net change in fund balances	(5,074,502)	(4,836,967)	(59,416)	4,777,551
Fund balances - beginning	70,570,225	75,073,453	75,073,453	-
Fund balances - ending	$ 65,495,723	$ 70,236,486	$ 75,014,037	$ 4,777,551

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

CANYONS SCHOOL DISTRICT
Statement of Fund Net Position
Proprietary Fund
June 30, 2017

	Governmental Activities - Internal Service Fund
	Self-Insurance
Assets:	
Current assets:	
Cash and investments	$ 6,454,915
Accounts receivable, local	150,646
Total assets	6,605,561
Liabilities:	
Current liabilities:	
Claims payable	4,174,100
Net position:	
Unrestricted	$ 2,431,461

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

CANYONS SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Fund
Fiscal Year Ended June 30, 2017

	Governmental Activities - Internal Service Fund
	Self-Insurance
Operating revenues:	
Insurance premiums charged to other funds	$ 25,851,122
Operating expenses:	
Medical claims	17,691,005
Prescription claims	5,791,735
Industrial insurance claims	426,676
Administration and other	2,701,220
Total operating expenses	26,610,636
Operating loss	(759,514)
Nonoperating income:	
Interest earnings	36,927
Change in net position	(722,587)
Net position - beginning	3,154,048
Net position - ending	$ 2,431,461

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

CANYONS SCHOOL DISTRICT
Statement of Fund Cash Flows
Proprietary Fund
Fiscal Year Ended June 30, 2017

	Governmental Activities - Internal Service Fund
	Self-Insurance
Cash flows from operating activities:	
Receipts from interfund services provided	$ 25,707,398
Payments to suppliers	(2,701,220)
Payments for medical fees and insurance claims	(23,911,696)
Net cash used by operating activities	(905,518)
Cash flows from investing activities:	
Interest received	36,927
Net decrease in cash and cash equivalents	(868,591)
Cash and cash equivalents - beginning	7,323,506
Cash and cash equivalents - ending	$ 6,454,915
(Displayed on statements of fund net position as Cash and investments)	
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	$ (759,514)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Increase in accounts receivable	(143,724)
Decrease in claims payable	(2,280)
Net cash used by operating activities	$ (905,518)
Noncash investing, capital, and financing activities	none

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Canyons School District (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The Reporting Entity – The Board of Education (the Board), comprised of seven elected officials, is the primary governing authority for the District. The Board establishes District policies, approves the budget, appoints a superintendent with responsibilities for administering all educational activities of the District, and appoints a business administrator with responsibilities for fiscal matters. The Board is authorized to issue bonds, incur short-term debt, levy property taxes, and is independent of any other unit of local government.

As required by GAAP, these financial statements present the activities of the District and its component unit, Canyons School District Education Foundation, for which the District is considered to be financially accountable. The District is not a component unit of any other primary government. A blended component unit, although a legally separate entity, is in substance part of the District's operations.

- **Blended Component Unit.** The Canyons School District Education Foundation (the Foundation) is a nonprofit organization incorporated in the state of Utah and has received exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and is classified as a public charity under section 170(b)(1)(A)(vi) of the Code. The Foundation acts as a conduit for charitable contributions to the District. The Foundation's board is approved by the Board of Education. The Foundation exclusively serves the District. The District makes all personnel decisions for the Foundation and pays for all operating costs of the Foundation. The Foundation is presented as a special revenue fund of the District. Financial information specific to the Foundation may be obtained by writing the Foundation at 9361 South 300 East, Sandy, Utah 84070.

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to a particular function. Depreciation expense for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instructional, school administration, operation and maintenance of facilities, and school lunch services) are ratably included in the direct expenses of the appropriate functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Interest on general long-term liabilities is considered an indirect expense and is reported in the statement of activities as a separate line item. Program revenues include: a) fees and charges paid by students and other recipients of goods or services offered by a given function, and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including property taxes, are presented as general revenues.

Fund Financial Statements – The *fund financial statements* provide information about the District's funds, including its blended component unit. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds

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

The District reports the following major governmental funds:

- The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

- The *Debt Service Fund* is used to account for the accumulation of resources that are restricted for the payment of principal and interest on long-term obligations of school building bonds.

- The *Capital Outlay Fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within the District.

Additionally, the District reports the following fund type:

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within thirty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pension benefits, other postemployment benefits, retirement benefits, and compensated absences, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt is reported as an other financing source.

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

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

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds of the District. The budget for the Self-Insurance Fund is not legally required for budgetary control; this budget is for management purposes. These financial reports reflect the following budgetary standards:

- For the fiscal year beginning July 1, the business administrator prepares a proposed budget for all funds which is presented to the Board of Education by the superintendent on or before June 1.
- After a public hearing is held, the Board of Education, by resolution, legally adopts the final budget no later than June 22.
- Once adopted, the budget can be amended by subsequent Board action. Reductions in appropriations can be approved by the Board upon recommendation of the superintendent; however, increases in appropriations at the overall fund level require a public hearing prior to amending the budget. In accordance with Utah State law and with Board policy, administration may make interim adjustments from one appropriation (at the program, function, or object level) to another within any given fund without seeking the immediate approval of the Board. The Board approves these changes later in the year.
- The total budgeted expenditures of a given fund may not exceed the expected revenues for the fiscal year plus the fund balance. Control of the budget is exercised at the overall fund level.
- Interim adjustments in estimated revenue and appropriations during the fiscal year ended June 30, 2017 are included in the final budget approved by the Board, as presented in the financial statements.
- Expenditures may not legally exceed budgeted appropriations at the fund level.

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

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

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

Investments for the District and Foundation are reported at fair value. Changes in the fair value of investments are recorded as interest earnings.

Cash Equivalents – For the statement of cash flows for the proprietary fund, the District's cash equivalents are considered short-term investments with original maturities of three months or less from date of acquisition, including investments in the Utah Public Treasurers' Investment Fund.

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 – Capital assets are recorded as expenditures in the governmental fund financial statements at the time of purchase or construction. All purchased equipment or vehicles costing more than $10,000 and constructed capital assets or improvements costing more than $250,000 or which meet other criteria are capitalized and reported at cost or estimated historical cost in the government-wide financial statements. The cost of normal maintenance and repairs that do not add to the value of the asset or significantly extend assets' lives are not capitalized in the government-wide financial statements. Donated capital assets are recorded at their estimated acquisition value at the date of donation. Interest incurred during the construction of capital assets is not capitalized. The District does not purchase nor construct infrastructure (public domain) assets. Depreciation is provided on capital assets in the government-wide financial statements using the straight-line method over their estimated useful lives as follows:

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

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

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

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

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

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

- Deferred charge on bond 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) changes of assumptions in the measurement of the net pension liability (asset), b) net difference between projected and actual earnings on pension plan investments, c) changes in proportion and differences between District contributions and proportionate share of contributions, and d) District contributions subsequent to the measurement date of December 31, 2016.

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

- Property taxes levied for future year – property taxes levied on January 1, 2017 for the following school year.

The following source is 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), c) net difference between projected and actual earnings on pension plan investments, and d) changes in proportion and differences between District contributions and proportionate share of contributions.

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

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

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

Fund balance classifications are summarized as follows:

- **Nonspendable.** This category includes fund balance amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact. Fund balance amounts related to inventories are classified as nonspendable.

- **Restricted.** This category includes net fund resources that are subject to external constraints that have been placed on the use of the resources either a) imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation. Restricted fund balance amounts include the following:

  a) Unspent tax revenues for specific purposes (capital outlays, debt service, and reading achievement).

  b) Remaining fund balances in the Nutrition Services Fund.

- **Committed.** This category includes amounts that can only be used for specific purposes established by formal action of the District's Board of Education. Fund balance commitments can only be removed or changed by the same type of action (e.g. resolution) of the Board. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board has approved to commit fund balance amounts to the following purposes:

  a) Economic stabilization ($13,153,434). As defined in Utah law as an "undistributed reserve," the District maintains for economic stabilization up to 5% of 2018 General Fund budgeted expenditures. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also defined by state law, the commitment is not to be used "in the negotiation or settlement of contract salaries for school district employees." Furthermore, the law states that the reserve cannot be used until the Board provides the State Board of Education with an adopted, written resolution setting forth the reasons for using the funds.

b) Employee benefit obligations for District retirement and other postemployment benefits representing the actuarially determined liabilities for the plans plus an additional 5% contingency ($17,384,693) and for unpaid compensated absences ($1,150,927).

c) Unfulfilled non-construction contractual obligations ($534,981) at June 30, 2017 that are expected to be completed in 2018.

d) Resources held by the schools and the Foundation.

- **Assigned.** This category includes General Fund balance amounts that the District intends to be used for a specific purpose but are neither restricted nor committed. The Board, by policy, has given the business administrator authority to assign General Fund balances. The District has assigned General Fund resources that are to be used for textbooks, supplies and other materials at the school level. The District has also assigned $10,000,000 to cover unforeseen costs in its Self-Insurance Fund.

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

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

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

Reclassifications – Certain reclassifications have been made to the prior years' financial statements to confirm to the current year presentation. These reclassifications had no effect on previously reported results of operations, fund balances, or net position.

2. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2017, as shown on the financial statements, is as follows:

Carrying amount of deposits	$	9,448,239
Carrying amount of investments		179,087,497
Total cash and investments	$	188,535,736
Governmental funds cash and investments	$	182,080,821
Internal service fund cash and investments		6,454,915
Total cash and investments	$	188,535,736

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

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

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

Deposits – At June 30, 2017, the District and the Foundation have the following deposits with financial institutions:

	Carrying Amount	Bank Balance	Amount Insured
Canyons School District	$ 9,203,355	$ 11,323,665	$ 5,665,420
Canyons School District Education Foundation	244,884	187,317	187,317
Total deposits	$ 9,448,239	$ 11,510,982	$ 5,852,737

- **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, 2017, $5,658,245 of the District's bank deposits was uninsured and uncollateralized. No deposits are collateralized nor are they required to be by state statute.

Investments – The District's investments are with the PTIF and in corporate bonds through a broker. The Foundation has accounts separate from the District and invests some private funds through a broker.

The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the State of Utah. Participants in the PTIF share proportionally in the income, costs, gains and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which primarily consists of money market securities held by the Utah State Treasurer, including corporate notes (77.0%), money market mutual funds (10.5%), top-rated commercial paper (9.3%), and repurchase agreements (2.3%), and certificates of deposit (0.9%). The portfolio has a weighted average maturity of 55 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, 2017, the District had purchased 20 investment-grade corporate bonds through a broker. Nineteen of the bonds are rated A or higher and one is rated BBB+ by Moody's Investor Services or by Standard & Poor's or Fitch or Egan-Jones. The weighted average to maturity is 17 months, with 37.4% of investments maturing within one year and all corporate notes maturing within three years. These investments are held in a safekeeping account and are reviewed regularly by the Council for compliance with the Act.

Also at June 30, 2017, the Foundation invested in mutual funds. The mutual funds are not rated.

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

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

- **Concentration of Credit Risk –** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District does have a formal investment policy for concentration of credit risk which complies with the Act and manages this risk by complying with its policy and the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5.0% of the District's total portfolio with a single issuer. The Foundation can invest private funds in certain equity and fixed-income securities provided no more than 5.0% of all funds are invested in any one issuer and no more than 25.0% of all funds are invested in a particular industry. Also, for the Foundation's investments in private funds, no more than 75.0% may be invested in equity securities and no more than 5.0% in collateralized mortgage obligations.

- **Custodial Credit Risk –** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District does have a formal investment policy for custodial credit risk and manages this risk by complying with its policy and the Act and related rules. The Foundation's investments are held in a brokerage account which is covered by Securities Investor Protection Corporation up to $500,000.

3. FAIR VALUE MEASUREMENTS

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

The District has the following recurring fair value measurements as of June 30, 2017:

- Utah Public Treasurers' Investment Fund of $41,582,804 is valued at the District's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).
- Investment-grade corporate bonds of $137,192,967 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of $311,726 are valued at quoted market prices (Level 1 inputs).

4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 is as follows:

	June 30, 2016 Balance	Increases	Decreases	June 30, 2017 Balance
Governmental activities:				
Capital assets, not being depreciated				
Sites	$ 26,647,840	$ 7,575,933	$ -	$ 34,223,773
Construction in progress	39,788,049	46,360,971	(25,959,488)	60,189,532
Total capital assets, not being depreciated	66,435,889	53,936,904	(25,959,488)	94,413,305
Capital assets, being depreciated:				
Site improvements	56,442,743	3,452,701	-	59,895,444
Buildings	582,666,572	22,506,788	(4,418,250)	600,755,110
Equipment	62,059,893	227,378	(51,775)	62,235,496
Vehicles	21,713,384	1,100,613	(1,052,899)	21,761,098
Total capital assets, being depreciated	722,882,592	27,287,480	(5,522,924)	744,647,148
Accumulated depreciation for:				
Site improvements	(16,462,644)	(1,418,262)	-	(17,880,906)
Buildings	(219,822,216)	(14,613,630)	3,124,039	(231,311,807)
Equipment	(61,354,023)	(246,398)	30,558	(61,569,863)
Vehicles	(14,365,648)	(1,392,807)	1,049,113	(14,709,342)
Total accumulated depreciation	(312,004,531)	(17,671,097)	4,203,710	(325,471,918)
Total capital assets, being depreciated, net	410,878,061	9,616,383	(1,319,214)	419,175,230
Governmental activity capital assets, net	$ 477,313,950	$ 63,553,287	$ (27,278,702)	$ 513,588,535

Depreciation expense for the year ended June 30, 2017 was charged to functions of the District as follows:

Governmental activities:	
Instruction	$ 12,930,704
Supporting services:	
Students	151,995
Instructional staff	175,604
General district administration	145,349
School administration	355,942
Central	307,413
Operation and maintenance of school buildings	1,345,030
Student transportation	1,307,897
Nutrition services	951,163
Total depreciation expense, governmental activities	$ 17,671,097

The District is obligated at June 30, 2017 under construction commitments with remaining costs to complete totaling $31,162,668 that will be financed from the Capital Outlay Fund as follows:

Project	Project Authorized	Costs to Date	Costs to Complete
Alta View Elementary School rebuild	$ 19,375,000	$ 15,689,370	$ 3,685,630
Midvale Middle School rebuild	43,000,000	39,859,511	3,140,489
Indian Hills Middle School rennovation	24,150,000	2,638,704	21,511,296
Other projects	4,877,200	2,001,947	2,875,253
Total	$ 91,402,200	$ 60,189,532	$ 31,212,668

5. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2017 is as follows:

	June 30, 2016 Balance	Additions	Reductions	June 30, 2017 Balance	Portion Due or Payable Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	$ 290,886,000	$ -	$ (16,896,000)	$ 273,990,000	$ 17,565,000
Deferred amounts for bond premiums	21,555,693	-	(2,322,502)	19,233,191	-
Net bonds payable	312,441,693	-	(19,218,502)	293,223,191	17,565,000
Net URS pension liability	120,742,802	30,192,189	(27,474,988)	123,460,003	-
Total District retirement liability	17,012,364	777,387	(2,569,623)	15,220,128	-
Total OPEB obligation	1,493,311	79,324	(235,913)	1,336,722	-
Compensated absences liability	1,087,661	1,904,962	(1,841,696)	1,150,927	383,642
Claims payable, insurance	4,176,380	26,610,636	(26,612,916)	4,174,100	4,174,100
Total governmental activity long-term liabilities	$ 456,954,211	$ 59,564,498	$ (77,953,638)	$ 438,565,071	$ 22,122,742

General Obligation Bonds Payable – Bonds payable at June 30, 2017 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	Remaining Interest Rate Range	Final Maturity Date	Current Outstanding Balance
Canyons School District portion of former Jordan School District bonded debt: *					
2014	Refunding	$ 59,970,000	5.00%	June 15, 2022	$ 51,570,000
Canyons School District bonded debt:					
2011	School building	68,000,000	3.00% to 4.50%	June 15, 2031	52,510,000
2012	School building	80,000,000	1.50% to 4.00%	June 15, 2032	72,250,000
2013	School building	60,000,000	3.00% to 5.00%	June 15, 2033	56,535,000
2015	School building	42,000,000	3.50% to 5.00%	June 15, 2033	41,125,000
District's bonded debt					222,420,000
Total general obligation bonds payable as of June 30, 2017					$ 273,990,000

* On July 1, 2009, general obligation bonds were allocated to the newly formed Canyons School District from Jordan School District. The current outstanding balance represents the District's share of the outstanding balances on the bonds.

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

Year Ending June 30,	Principal	Interest	Total
2018	$ 17,565,000	$ 11,304,126	$ 28,869,126
2019	17,720,000	10,546,701	28,266,701
2020	17,765,000	9,785,476	27,550,476
2021	17,160,000	8,943,326	26,103,326
2022	17,240,000	8,133,026	25,373,026
2023-2027	81,175,000	30,301,330	111,476,330
2028-2032	93,240,000	12,749,055	105,989,055
2033	12,125,000	468,438	12,593,438
Total	$ 273,990,000	$ 92,231,478	$ 366,221,478

Bond Election – On June 22, 2010, a bond election was held and $250.0 million in general obligation school building bonds were authorized. The bonds are to finance the building and renovation of schools, the purchase of building sites, and to equip schools. At June 30, 2017, the full $250.0 million of the bonds have been issued under this authorization.

Compensated Absences – The District accrues vacation for twelve-month or full-year contract employees. Employees accrue between ten and twenty days each year depending upon length of service with the District, generally limited to a maximum number of days earned for one year. The District is liable to the employee for days earned but not taken. If an employee terminates, then payment is made; otherwise, scheduled vacation time off is allowed. These obligations will be paid by the General Fund.

Claims Payable – The Self-Insurance Fund (an internal service fund) was established to pay self-insurance claims for health and accident coverage for participating District employees. The District carries commercial insurance, which covers catastrophic claims in excess of $225,000. Additionally, all District employees are covered for worker's compensation with resources accumulated within this fund. The fund collects premiums, as established by the District and the plan administrator, from other District funds. The District has recorded an estimate of claims liability (including claims incurred but not reported) of $4,174,100 at June 30, 2017. This liability is based on experience and information provided by the plan administrator and includes costs to process the claims. The following table shows the activity of accrued claims payable for the years ended June 30, 2017 and 2016.

	2017	2016
Claims payable (beginning of year)	$ 4,176,380	$ 4,558,149
Claims (including incurred but not reported)	26,610,636	27,243,986
Payments of claims	(26,612,916)	(27,625,755)
Claims payable (end of year)	$ 4,174,100	$ 4,176,380

6. PROPERTY TAXES

District Property Tax Revenue –The budgeting and accounting for property taxes are handled in the governmental funds on a modified accrual basis, with appropriate recognition of property taxes receivable at year-end. The District has recorded a property tax receivable for the delinquent property taxes due and for the taxes assessed January 1. The District has recorded a corresponding property tax deferral for taxes assessed January 1 but not due and collectible within thirty days of the end of the fiscal year. The property tax revenue of the District is collected and distributed by the Salt Lake County Treasurer as an agent for the District.

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

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

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

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

During the year ended June 30, 2017, incremental taxes levied by the District for the redevelopment agencies totaling $8,329,503 were recorded as revenue with an equivalent amount of expenditure for contributions to other governments in the other governmental funds (in the Pass-through Taxes Fund).

As part of a mitigation agreement between the redevelopment agencies and the District, the redevelopment agencies paid the District $1,913,697 during the year ended June 30, 2017, recorded as local revenue in the General Fund.

7. STATE RETIREMENT PLANS

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

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

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

Defined Contribution Plans (individual account plans):

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

District employees qualify for membership in the retirement systems if a) the employee is a classified school employee whose employment normally requires an average of 30 hours or more per week regardless of benefits, b) the employee is a teacher who teaches half-time or more and receives benefits normally provided by the District as approved by the Utah State Retirement Board, or c) the employee is an appointed officer.

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 1.50% to 2.00% of the employee's highest 3 or 5 years of compensation times the employee's years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index 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 require contributions and associated earnings are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan's administrative expenses paid by participants. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

Contributions – As a condition of participation in the 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, 2017, District required contribution rates for the plans were as follows:

	Defined Benefit Plans Rates			
	District Contribution	**Amortization of UAAL ***	**District Rates for 401(k) Plan**	**Totals**
Tier 1 Noncontributory System	12.25%	9.94%	1.50%	23.69%
Tier 2 Contributory System **	8.30%	9.94%	1.78%	20.02%
Tier 2 Defined Contribution Plan **	0.08%	9.94%	10.00%	20.02%

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

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

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

For the year ended June 30, 2017, District and employee contributions to the plans were as follows:

	District Contributions	**Employee Contributions**
Tier 1 Noncontributory System	$ 20,895,277	$ -
Tier 2 Contributory System *	5,780,746	-
401(k) Plan	3,931,345	2,669,535
457 Plan and other individual plans	-	430,355

* Required contributions from Tier 2 plans to finance the unfunded actuarial accrued liability of the Tier 1 plans are reported as contributions to the Tier 2 plans.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2017, the District reported a net pension asset of zero and a net pension liability of $123,460,003 for the following plans:

	Net Pension Asset	**Net Pension Liability**
Tier 1 Noncontributory System	$ -	$ 123,071,664
Tier 2 Contributory System	-	388,339
Total	$ -	$ 123,460,003

The net pension liability (asset) was measured as of December 31, 2016, and the total pension liability was determined by an actuarial valuation as of January 1, 2016 and rolled-forward using generally accepted actuarial procedures. The District's proportion of the net pension liability (asset) is equal to the ratio of the District's actual contributions compared to the total of all employer contributions during the plan year. The following presents the District's proportion (percentage) of the collective net pension liability (asset) at December 31, 2016 and the change in its proportion since the prior measurement date for each plan:

	Proportionate Share 2016	Proportionate Share Change
Tier 1 Noncontributory System	3.7974335%	-0.0463040%
Tier 2 Contributory System	3.4813235%	-0.0819635%

For the year ended June 30, 2017, the District recognized pension expense of $29,124,874 for the defined benefit pension plans and pension expense of $3,931,345 for the defined contribution plans. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 6,961,445
Changes of assumptions	13,300,070	1,561,830
Net difference between projected and actual earnings on pension plan investments	23,200,998	6,661,380
Changes in proportion and differences between contributions and proportionate share of contributions	568,896	1,050,454
District contributions subsequent to the measurement date	13,829,412	-
Total	$ 50,899,376	$ 16,235,109

The $13,829,412 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date of December 31, 2016 will be recognized as a reduction of the net pension liability in the year ending June 30, 2018. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending June 30,	Deferred Outflows (Inflows) of Resources
2017	$ 6,263,548
2018	6,584,878
2019	8,792,352
2020	(930,049)
2021	9,985
Thereafter	114,141

Actuarial Assumptions – The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60%
Salary increases	3.35% to 10.35%, average, including inflation
Investment rate of return	7.20%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2013. Changes of assumptions that affected measurement of the total pension liability since the prior measurement date include adjustments for inflation, salary increases, payroll growth, post retirement mortality, preretirement mortality, and certain demographics to more closely reflect actual experience.

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:

	Expected Return Arithmetic Basis		
Asset Class	**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			2.60%
Expected arithmetic nominal return			7.83%

The 7.20% assumed investment rate of return is comprised of an inflation rate of 2.60% and a real return of 4.60% that is net of investment expense.

Discount Rate – The discount rate used to measure the total pension liability was 7.20%. 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 7.20%, 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 (6.20%) or 1-percentage-point higher (8.20%) than the current rate:

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension (asset) liability:			
Tier 1 Noncontributory System	$ 225,654,128	$ 123,071,664	$ 37,097,544
Tier 2 Contributory System	2,643,293	388,339	(1,327,117)
Total	$ 228,297,421	$ 123,460,003	$ 35,770,427

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, 2017, the District reported payables of $2,988,542 for contributions to defined benefit pension plans and $352,705 for contributions to defined contribution plans.

8. DISTRICT RETIREMENT PLAN

Plan Description – The District adopted the retirement plan and policies that were in effect under the former Jordan School District, effective July 1, 2010 when the District assumed the obligation to provide certain benefits to eligible employees and retirees.

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

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

Employees Covered by Benefit Terms – At June 30, 2017, the following employees were covered by the benefit terms:

Active employees	604
Inactive employees or beneficaries currently receiving benefit payments	273
Total	877

The District retirement plan is closed to new entrants.

Total Retirement Liability – The District's total retirement liability of $15,220,128 was measured as of June 30, 2017 and was determined by an actuarial valuation as of that date. The District has set aside resources for the liability by committing a portion of fund balance in the General Fund.

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

Inflation	2.3%
Salary increases	2.5%, average, including inflation
Discount rate	4.0%

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

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

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

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

Changes in the Total Retirement Liability.

Balance of total District retirement liability at June 30, 2016	$ 17,012,364
Changes for the year:	
Service cost	142,097
Interest	635,290
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	(2,569,623)
Net changes	(1,792,236)
Balance of total District retirement liability at June 30, 2017	$ 15,220,128

No changes of benefit terms occurred in 2017.

No changes in assumptions and other inputs occurred in 2017.

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

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Total retirement liability - District retirement plan	$ 15,955,890	$ 15,220,128	$ 14,553,402

Retirement Expense and Deferred Outflows and Inflows of Resources Related to the District's Retirement Plan – For the year ended June 30, 2017, the District recognized retirement expense of $777,387. At June 30, 2017, the District reported no deferred outflows of resources and no deferred inflows of resources related to the District's retirement plan.

9. OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

Plan Description – The District provides OPEB for employees hired before July 1, 2006 and who have worked at least ten full-time equivalent years in the District, have retired from the District, and qualify for state retirement. The District's OPEB plan is a single-employer defined benefit plan administered by the District. No assets are accumulated in a trust that meets the criteria of generally accepted accounting standards.

Benefits Provided – The OPEB plan provides medical insurance similar to that offered to active employees. Employees retiring after June 30, 2006 may purchase health insurance at percentages of the total District premium as follows: first eighteen months at 102.0%, next six months at 110.0%, and to age 65 at full cost (currently at 178.0% of the District rate).

Employees Covered by Benefit Terms – At June 30, 2017, the following employees were covered by the benefit terms:

Active employees	558
Inactive employees or beneficiaries currently receiving benefit payments	60
Total	618

The OPEB plan is closed to new entrants.

Total OPEB Obligation – The District's total OPEB obligation of $1,336,722 was measured as of June 30, 2017 and was determined by an actuarial valuation as of that date. The District has set aside resources for the obligation by committing a portion of fund balance in the General Fund.

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

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

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

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

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

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

Changes in the Total OPEB Obligation.

Balance of total OPEB obligation at June 30, 2016	$ 1,493,311
Changes for the year:	
Service cost	23,330
Interest	55,994
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	-
Benefit payments	(235,913)
Net changes	(156,589)
Balance of total OPEB obligation at June 30, 2017	$ 1,336,722

No changes of benefit terms occurred in 2017.

No changes in assumptions and other inputs occurred in 2017.

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

	1% Decrease (3.0%)	Discount Rate (4.0%)	1% Increase (5.0%)
Total OPEB obligation	$ 1,408,791	$ 1,336,722	$ 1,269,521

Sensitivity of the Total OPEB Obligation to Changes in the Healthcare Cost Trend Rate – The following presents the District's total OPEB liability calculated using the healthcare cost trend rate of 7.3% decreasing to 4.3%, as well as what the District's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (6.3% decreasing to 3.3%) or 1-percentage-point higher (8.3% decreasing to 5.3%) than the current healthcare cost trend rates:

	1% Decrease (6.3% decreasing to 3.3%)	Healthcare Cost Trend Rates (7.3% decreasing to 4.3%)	1% Increase (8.3% decreasing to 5.3%)
Total OPEB obligation	$ 1,271,123	$ 1,336,722	$ 1,409,210

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB – For the year ended June 30, 2017, the District recognized OPEB expense of $79,324. At June 30, 2017, the District reported no deferred outflows of resources and no deferred inflows of resources related to OPEB.

10. RISK MANAGEMENT

The District maintains insurance coverage for general, automobile, personal injury, errors and omission, employee dishonesty, and malpractice liability up to $1.5 million per occurrence through policies administered by the Utah State Risk Management Fund (the Fund). The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Fund. Property physical damage is insured to replacement value with a $1,000 deductible; automobile physical damage is insured to actual value with a $500 deductible; other liability is limited to the lesser of $10 million or the statutory limit. Settled claims have not exceeded the District's insurance coverage for the past three years. The Fund is a public entity risk pool operated by the state for the benefit of state and local governments. The District pays annual premiums to the Fund; the Fund obtains independent coverage for insured events, up to $25 million per location.

11. GRANTS

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

12. TRANSFERS

During the year ended June 30, 2017, the District transferred $153,106 from the General Fund to the Canyons School District Education Foundation Special Revenue Fund to cover the administration expenditures of the Foundation.

13. LITIGATION AND COMPLIANCE

At certain times, claims or lawsuits are pending in which the District is involved. The District's counsel and insurance carriers estimate that the District's potential obligations resulting from such claims or litigation would not significantly affect the financial statements of the District.

14. RESTATEMENT

In 2017, the District adopted Government Accounting Standards Board Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* and Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

The new standards require the District to recognize liabilities in its government-wide financial statements the total liabilities related to the District's retirement plan and the District's OPEB plan. The District is required to recognize retirement expense and OPEB expense and report deferred outflows of resources and deferred inflows of resources related to these plans.

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

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

Net position - June 30, 2016 - as originally stated	$ 283,611,990
Restatements:	
Net retirement/OPEB asset	(9,933,156)
Total District retirement liability	(17,012,364)
Total OPEB obligation	(1,493,311)
Net position - June 30, 2016 - as restated	$ 255,173,159

The notes to the basic financial statements now include additional information about the defined benefit plans. Also, the District will be presenting in required supplementary information 10-year schedules containing changes in the total retirement liability and the total OPEB obligation for each year presented and related ratios. Because this is the first year such information is available, only one year of required supplementary information is presented with these financial statements; information for additional years will be presented in future years as it becomes available.

15. SUBSEQUENT EVENT

On November 7, 2017, the Board placed a $283 million bond referendum before the District's patrons. The referendum was approved by 57% of the voters. The bonds will be issued in future years and the proceeds will be used to fund needed capital improvements.

CANYONS SCHOOL DISTRICT
Schedules of the District's Proportionate Share of the Net Pension Liability (Asset)
Utah Retirement Systems
Last Three Plan (Calendar) Years *

	2016	2015	2014
Tier 1 Noncontributory System:			
District's proportion of the net pension liability (asset)	3.7974335%	3.8437375%	3.8151778%
District's proportionate share of the net pension liability (asset)	$ 123,071,664	$ 120,742,802	$ 95,857,436
District's covered-employee payroll	$ 98,397,555	$ 100,452,639	$ 103,043,921
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	125.1%	120.2%	93.0%
Plan fiduciary net position as a percentage of the total pension liability	84.9%	84.5%	87.2%
Tier 2 Contributory System:			
District's proportion of the net pension liability (asset)	3.4813235%	3.5632870%	4.0072976%
District's proportionate share of the net pension liability (asset)	$ 388,339	$ (7,779)	$ (121,439)
District's covered-employee payroll	$ 28,549,556	$ 23,009,058	$ 19,591,580
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	1.4%	0.0%	-0.6%
Plan fiduciary net position as a percentage of the total pension liability	95.1%	100.2%	103.5%

* These schedules are intended to present information for the past 10 years. Only 2014 and subsequent measurement periods of the plans are presented as prior-year information is not available.

CANYONS SCHOOL DISTRICT
Schedules of District Contributions
Utah Retirement Systems
Last Three Reporting (Fiscal) Years *

	2017	2016	2015
Tier 1 Noncontributory System:			
Contractually required contribution	$ 20,895,277	$ 21,486,340	$ 21,235,307
Contributions in relation to the contractually required contribution	(20,895,277)	(21,486,340)	(21,235,307)
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 96,982,601	$ 99,838,971	$ 100,849,744
Contributions as a percentage of covered-employee payroll	21.5%	21.5%	21.1%
Tier 2 Contributory System:			
Contractually required contribution	$ 5,780,746	$ 4,934,200	$ 3,869,496
Contributions in relation to the contractually required contribution	(5,780,746)	(4,934,200)	(3,869,496)
Contribution deficiency (excess)	$ -	$ -	$ -
District's covered-employee payroll	$ 31,685,969	$ 27,040,824	$ 21,601,010
Contributions as a percentage of covered-employee payroll	18.2%	18.2%	17.9%

* These schedules are intended to present information for the past 10 years. Only 2015 and subsequent reporting periods (for years ending June 30) of the plans are presented as prior-year information is not available.

CANYONS SCHOOL DISTRICT
Schedule of Changes in the District's Total Retirement Liability and Related Ratios
Last Plan Year *

		2017
Total retirement liability - District retirement plan:		
Service cost	$	142,097
Interest		635,290
Changes of benefit terms		-
Differences between expected and actual experience		-
Changes of assumptions and other inputs		-
Benefit payments		(2,569,623)
Net change in total retirement liability - District retirement plan		(1,792,236)
Total retirement liability - beginning		17,012,364
Total retirement liability - ending	$	15,220,128
Covered-employee payroll	$	26,569,442
Total retirement liability as a percentage of covered-employee payroll		57.3%

* This schedule is intended to present information for the past 10 years. Only 2017 and subsequent measurement periods of the plan is presented as prior-year information is not available.

CANYONS SCHOOL DISTRICT

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

Last Plan Year *

	2017
Total OPEB obligation:	
Service cost	$ 23,330
Interest	55,994
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions and other inputs	-
Benefit payments	(235,913)
Net change in total OPEB obligation	(156,589)
Total OPEB obligation - beginning	1,493,311
Total OPEB obligation - ending	$ 1,336,722
Covered-employee payroll	$ 26,569,442
Total OPEB obligation as a percentage of covered-employee payroll	5.0%

* This schedule is intended to present information for the past 10 years. Only 2017 and subsequent measurement periods of the plan is presented as prior-year information is not available.

A. Changes in assumptions-Utah Retirement Systems

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

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

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

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The rate of salary increases assumption for most groups was modified.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- The post retirement mortality assumption for female educators showed an improvement.
- Minor adjustments to the preretirement mortality assumption were made.
- Certain demographic assumptions were changed that generally resulted in a) an increase in members anticipated to terminate employment prior to retirement, b) a slight decrease in members expected to become disabled, and 3) a slight increase in the expected age of retirement.

B. Schedules of District Contributions-Utah Retirement Systems

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

CANYONS
School District
"Celebrating the Highest Standards of Educational Excellence"

Combining and Individual Fund Financial Statements and Schedules

Major Governmental Funds

General Fund

General Fund - This fund serves as the chief operating fund of the District. The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund

Debt Service Fund - The purpose of this fund is to account for the accumulation of resources for, and payment of, principal, interest, and related costs of general obligation bonds.

Capital Outlay Fund

Capital Outlay Fund - The purpose of this fund is to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing quality education programs for all students within the District.

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
General Fund
A Major Governmental Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Cash and investments	$ 97,059,580	$ 99,592,987
Accounts receivable:		
Property taxes	89,819,823	81,755,771
Local	322,256	322,288
State	1,595,993	664,184
Federal	4,655,030	3,675,462
Inventories	1,435,178	1,448,952
Total assets	$ 194,887,860	$ 187,459,644
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts and contracts payable	$ 2,393,107	$ 1,843,336
Accrued payroll and related benefits	22,097,629	22,710,514
Unearned revenue:		
State	4,829,567	4,889,980
Federal	468,940	988,452
Total liabilities	29,789,243	30,432,282
Deferred inflows of resources:		
Unavailable property tax revenue	1,290,214	1,281,625
Property taxes levied for future year	88,794,366	80,672,284
Total deferred inflows of resources	90,084,580	81,953,909
Fund balances:		
Nonspendable:		
Inventories	1,435,178	1,448,952
Restricted for:		
Reading achievement	168,963	-
Committed to:		
Economic stabilization	13,153,434	12,367,581
Employee benefit obligations	18,535,620	24,076,086
Contractual obligations	534,981	289,758
Assigned to:		
Schools and programs	8,954,273	7,250,113
Self insurance	10,000,000	9,000,000
Unassigned	22,231,588	20,640,963
Total fund balances	75,014,037	75,073,453
Total liabilities, deferred inflows of resources, and fund balances	$ 194,887,860	$ 187,459,644

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
A Major Governmental Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	$ 88,609,548	$ 88,822,987	$ 213,439	$ 85,804,556
Interest earnings	1,600,000	2,072,490	472,490	1,380,037
Other local	6,732,674	6,261,134	(471,540)	7,947,454
State	133,031,081	130,201,600	(2,829,481)	128,843,478
Federal	14,818,873	15,142,887	324,014	15,677,608
Total revenues	244,792,176	242,501,098	(2,291,078)	239,653,133
Expenditures:				
Current:				
Salaries	149,065,708	148,139,428	926,280	143,610,109
Employee benefits	64,868,857	62,844,257	2,024,600	61,421,708
Purchased professional services	5,374,144	5,072,799	301,345	4,613,073
Purchased property services	5,362,809	4,936,328	426,481	6,483,305
Other purchased services	1,278,040	1,349,769	(71,729)	588,962
Supplies	20,340,551	17,540,316	2,800,235	19,608,876
Equipment	2,787,950	2,256,078	531,872	2,855,132
Other	346,944	268,433	78,511	256,920
Total expenditures	249,425,003	242,407,408	7,017,595	239,438,085
Excess (deficiency) of revenues over (under) expenditures	(4,632,827)	93,690	4,726,517	215,048
Other financing sources (uses):				
Transfer out	(204,140)	(153,106)	51,034	(177,676)
Net change in fund balances	(4,836,967)	(59,416)	4,777,551	37,372
Fund balances - beginning	75,073,453	75,073,453	-	75,036,081
Fund balances - ending	$ 70,236,486	$ 75,014,037	$ 4,777,551	$ 75,073,453

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Debt Service Fund
A Major Governmental Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Cash and investments	$ 3,210,337	$ 1,628,055
Accounts receivable:		
Property taxes	28,458,163	29,262,741
Total assets	$ 31,668,500	$ 30,890,796
Deferred inflows of resources and fund balances:		
Deferred inflows of resources:		
Unavailable property tax revenue	$ 413,362	$ 504,567
Property taxes levied for future year	28,130,081	28,815,945
Total deferred inflows of resources	28,543,443	29,320,512
Fund balances:		
Restricted for:		
Debt service	3,125,057	1,570,284
Total deferred inflows of resources and fund balances	$ 31,668,500	$ 30,890,796

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service Fund
A Major Governmental Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	$ 30,191,732	$ 30,250,696	$ 58,964	$ 28,354,560
Interest earnings	170,000	178,323	8,323	108,403
Total revenues	30,361,732	30,429,019	67,287	28,462,963
Expenditures:				
Debt service:				
Bond principal	16,896,000	16,896,000	-	15,998,000
Bond interest	11,972,255	11,975,518	(3,263)	12,916,768
Paying agent fees and other	9,000	2,728	6,272	2,673
Total expenditures	28,877,255	28,874,246	3,009	28,917,441
Excess (deficiency) of revenues over (under) expenditures / net change in fund balances	1,484,477	1,554,773	70,296	(454,478)
Fund balances - beginning	1,570,284	1,570,284	-	2,024,762
Fund balances - ending	$ 3,054,761	$ 3,125,057	$ 70,296	$ 1,570,284

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Capital Outlay Fund
A Major Governmental Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Cash and investments	$ 71,072,080	$ 109,789,745
Accounts receivable:		
Property taxes	18,609,264	20,722,047
Local	12,800	5,139
Total assets	$ 89,694,144	$ 130,516,931
Liabilities, deferred inflows of resources, and fund balances:		
Liabilities:		
Accounts and contracts payable	$ 9,073,207	$ 7,156,437
Deferred inflows of resources:		
Unavailable property tax revenue	263,983	327,258
Property taxes levied for future year	18,343,077	20,286,607
Total deferred inflows of resources	18,607,060	20,613,865
Fund balances:		
Restricted for:		
Capital outlay	62,013,877	102,746,629
Total fund balances	62,013,877	102,746,629
Total liabilities, deferred inflows of resources, and fund balances	$ 89,694,144	$ 130,516,931

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Outlay Fund
A Major Governmental Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Property taxes	$ 28,104,514	$ 20,963,542	$ (7,140,972)	$ 25,144,091
Interest earnings	1,300,000	1,401,673	101,673	1,029,917
Other	50,000	7,224,721	7,174,721	2,523,049
Total local	29,454,514	29,589,936	135,422	28,697,057
State:				
State enrollment growth	123,765	123,765	-	59,680
State energy grant	833,508	833,508	-	-
Total state	957,273	957,273	-	59,680
Federal:				
Federal energy grant	100,000	100,000	-	-
Total revenues	30,511,787	30,647,209	135,422	28,756,737
Expenditures:				
Capital outlay:				
Sites and improvements	11,036,742	11,392,172	(355,430)	2,745,408
Buildings and improvements	48,861,960	46,822,279	2,039,681	42,120,103
Equipment and vehicles	10,612,613	7,850,536	2,762,077	5,688,624
Other capital outlay	5,905,104	5,314,974	590,130	5,427,713
Total expenditures	76,416,419	71,379,961	5,036,458	55,981,848
Excess (deficiency) of revenues over (under) expenditures	(45,904,632)	(40,732,752)	5,171,880	(27,225,111)
Special item - proceeds from sale of property	-	-	-	4,700,000
Net change in fund balances	(45,904,632)	(40,732,752)	5,171,880	(22,525,111)
Fund balances - beginning	102,746,629	102,746,629	-	125,271,740
Fund balances - ending	$ 56,841,997	$ 62,013,877	$ 5,171,880	$ 102,746,629

CANYONS
School District
"Celebrating the Highest Standards of Educational Excellence"

Nonmajor Governmental Funds

Special Revenue Funds

Nutrition Services Fund - The purpose of this fund is to account for the food services activities of the District as required by state and federal law. Financing is provided by local sales along with substantial subsidies from the State of Utah and the U.S. Department of Agriculture.

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

Pass-Through Taxes Fund - The purpose of this fund is to account for the property taxes that are collected under the District's taxing authority, but are sent directly to community and redevelopment agenies. The intention of these taxes is to assist the municipalities in growing the infrastructure and thereby attract businesses, which in turn, will increase the District's tax base in future years. Effective January 1, 2017, a portion of the District's board local levy will be allocated to charter schools. Property taxes generated for charter schools will also be reported in this fund. The fund balance will always be zero as the District does not possess these funds.

Canyons School District Education Foundation Fund - The purpose of this fund to is account for donations received from the private sector which are used to enhance public education programs within the District.

CANYONS SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Special Revenue				Total Nonmajor
	Nutrition Services	Student Activities	Pass-Through Taxes	Education Foundation	Governmental Funds
Assets:					
Cash and investments	$ 2,432,715	$ 7,749,500	$ -	$ 556,609	$ 10,738,824
Accounts receivable:					
Property taxes	-	-	15,608,417	-	15,608,417
Local	-	-	-	1,050	1,050
State of Utah	913,651	-	-	-	913,651
Federal government	124,112	-	-	-	124,112
Inventories	321,801	-	-	-	321,801
Total assets	$ 3,792,279	$ 7,749,500	$ 15,608,417	$ 557,659	$ 27,707,855
Liabilities, and fund balances:					
Liabilities:					
Accounts and contracts payable	$ 67,893	$ 915,938	$ -	$ 9,000	$ 992,831
Accrued payroll and related benefits	242,350	-	-	-	242,350
Unearned revenue:					
Local	361,822	222,372	-	-	584,194
Total liabilities	672,065	1,138,310	-	9,000	1,819,375
Deferred inflows of resources:					
Unavailable property tax revenue	-	-	224,038	-	224,038
Property taxes levied for future year	-	-	15,384,379	-	15,384,379
Total deferred inflows of resources	-	-	15,608,417	-	15,608,417
Fund balances:					
Nonspendable:					
Inventories	321,801	-	-	-	321,801
Restricted for:					
Nutrition services	2,798,413	-	-	-	2,798,413
Committed to:					
Schools	-	6,611,190	-	-	6,611,190
Foundation	-	-	-	548,659	548,659
Total fund balances	3,120,214	6,611,190	-	548,659	10,280,063
Total liabilities, deferred inflows of resources, and fund balances	$ 3,792,279	$ 7,749,500	$ 15,608,417	$ 557,659	$ 27,707,855

CANYONS SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Fiscal Yeard Ended June 30, 2017

	Special Revenue				Total Nonmajor Governmental Funds
	Nutrition Services	Student Activities	Pass-Through Taxes	Education Foundation	
Revenues:					
Property taxes	$ -	$ -	$ 8,329,503	$ -	$ 8,329,503
Tuitions, fees, and admissions	-	4,462,798	-	-	4,462,798
Lunch sales	3,859,013	-	-	-	3,859,013
Interest earnings	29,749	14,248	-	32,831	76,828
Other local	105,213	5,922,430	-	436,197	6,463,840
State	2,176,140	-	-	-	2,176,140
Federal	6,608,636	-	-	-	6,608,636
Total revenues	12,778,751	10,399,476	8,329,503	469,028	31,976,758
Expenditures:					
Current:					
Instruction	-	9,456,336	-	552,737	10,009,073
Nutrition services	12,606,849	-	-	-	12,606,849
Contributions to other governments	-	-	8,329,503	-	8,329,503
Total expenditures	12,606,849	9,456,336	8,329,503	552,737	30,945,425
Excess (deficiency) of revenues over (under) expenditures	171,902	943,140	-	(83,709)	1,031,333
Other financing sources:					
Transfer in	-	-	-	153,106	153,106
Net change in fund balances	171,902	943,140	-	69,397	1,184,439
Fund balances - beginning	2,948,312	5,668,050	-	479,262	9,095,624
Fund balances - ending	$ 3,120,214	$ 6,611,190	$ -	$ 548,659	$ 10,280,063

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Nutrition Services Fund
A Nonmajor Special Revenue Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Cash and investments	$ 2,432,715	$ 2,209,012
Accounts receivable:		
State	913,651	829,156
Federal	124,112	95,731
Inventories	321,801	400,139
Total assets	$ 3,792,279	$ 3,534,038
Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	$ 67,893	$ 32,873
Accrued payroll and related benefits	242,350	235,593
Unearned revenue, local	361,822	317,260
Total liabilities	672,065	585,726
Fund balances:		
Nonspendable:		
Inventories	321,801	400,139
Restricted for:		
Nutrition services	2,798,413	2,548,173
Total fund balances	3,120,214	2,948,312
Total liabilities and fund balances	$ 3,792,279	$ 3,534,038

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nutrition Services Fund
A Nonmajor Special Revenue Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	**Actual Amounts**	**Variance with Final Budget**	**Actual Amounts**
Revenues:				
Local:				
Lunch sales - students	$ 3,983,500	$ 3,737,036	$ (246,464)	$ 3,817,372
Lunch sales - adult	135,000	121,977	(13,023)	133,343
Interest earnings	23,500	29,749	6,249	31,410
Other	71,500	105,213	33,713	81,576
Total local	4,213,500	3,993,975	(219,525)	4,063,701
State:				
State lunch program	2,068,500	2,176,140	107,640	2,115,732
Federal:				
Lunch program	1,015,806	1,027,567	11,761	1,013,535
Free and reduced meals reimbursement	3,337,500	3,397,698	60,198	3,340,740
Breakfast program	984,606	1,000,814	16,208	988,029
Other food programs	20,350	41,371	21,021	53,719
Commodity program	988,200	1,141,186	152,986	955,258
Total federal	6,346,462	6,608,636	262,174	6,351,281
Total revenues	12,628,462	12,778,751	150,289	12,530,714
Expenditures:				
Current:				
Salaries	4,578,662	4,375,483	203,179	4,211,077
Employee benefits	1,557,677	1,532,543	25,134	1,508,502
Purchased services	99,100	95,264	3,836	92,479
Supplies	155,800	157,173	(1,373)	155,248
Food	5,570,000	5,636,213	(66,213)	5,307,855
Equipment	100,000	71,042	28,958	39,796
Other	1,174,000	739,131	434,869	1,024,331
Total expenditures	13,235,239	12,606,849	628,390	12,339,288
Net change in fund balances	(606,777)	171,902	778,679	191,426
Fund balances - beginning	2,948,312	2,948,312	-	2,756,886
Fund balances - ending	$ 2,341,535	$ 3,120,214	$ 778,679	$ 2,948,312

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Student Activities Fund
A Nonmajor Special Revenue Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Cash and investments	$ 7,749,500	$ 6,749,450
Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	$ 915,938	$ 872,239
Unearned revenue, local	222,372	209,161
Total liabilities	1,138,310	1,081,400
Fund balances:		
Committed to:		
Schools	6,611,190	5,668,050
Total liabilities and fund balances	$ 7,749,500	$ 6,749,450

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Student Activities Fund
A Nonmajor Special Revenue Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local:				
Student fees	$ 4,164,862	$ 4,462,798	$ 297,936	$ 4,356,827
Other	149,169	101,999	(47,170)	30,663
Fundraisers and donations	7,678,905	5,820,431	(1,858,474)	5,482,445
Interest earnings	12,720	14,248	1,528	5,713
Total revenues	12,005,656	10,399,476	(1,606,180)	9,875,648
Expenditures:				
Current:				
Purchased services	5,738,104	3,879,724	1,858,380	3,866,484
Supplies	5,529,615	4,429,052	1,100,563	4,621,349
Equipment	278,881	181,376	97,505	244,128
Other	873,659	966,184	(92,525)	940,581
Total expenditures	12,420,259	9,456,336	2,963,923	9,672,542
Net change in fund balances	(414,603)	943,140	1,357,743	203,106
Fund balances - beginning	5,668,050	5,668,050	-	5,464,944
Fund balances - ending	$ 5,253,447	$ 6,611,190	$ 1,357,743	$ 5,668,050

CANYONS SCHOOL DISTRICT
Balance Sheet
Pass-Through Taxes Fund
A Nonmajor Special Revenue Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Accounts receivable:		
Property taxes	$ 15,608,417	$ 12,085,180
Deferred inflows of resources and fund balances:		
Deferred inflows of resources:		
Unavailable property tax revenue	224,038	195,655
Property taxes levied for future year	15,384,379	11,889,525
Total deferred inflows of resources	15,608,417	12,085,180
Fund balances:		
Assigned to:		
Other governments	-	-
Total deferred inflows of resources and fund balances	$ 15,608,417	$ 12,085,180

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Pass-through Taxes Fund
A Nonmajor Special Revenue Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	**Actual Amounts**	**Variance with Final Budget**	**Actual Amounts**
Revenues:				
Local:				
Property taxes	$ 10,345,634	$ 8,329,503	$ (2,016,131)	$ 9,978,475
Expenditures:				
Current:				
Contributions to other governments	10,345,634	8,329,503	2,016,131	9,978,475
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

CANYONS SCHOOL DISTRICT
Comparative Balance Sheets
Canyons School District Education Foundation Fund
A Nonmajor Special Revenue Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Cash and investments	$ 556,609	$ 481,812
Accounts receivable, local	1,050	-
Total assets	$ 557,659	$ 481,812
Liabilities and fund balances:		
Liabilities:		
Accounts and contracts payable	$ 9,000	$ 2,550
Fund balances:		
Committed to:		
Foundation	548,659	479,262
Total liabilities and fund balances	$ 557,659	$ 481,812

CANYONS SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Canyons School District Education Foundation Fund
A Nonmajor Special Revenue Fund
Fiscal Year Ended June 30, 2017 with Comparative Totals for 2016

	2017			2016
	Final Budgeted Amounts	**Actual Amounts**	**Variance with Final Budget**	**Actual Amounts**
Revenues:				
Local:				
Contributions	$ 375,000	$ 436,197	$ 61,197	$ 338,671
Interest earnings	25,000	32,831	7,831	(16,787)
Total revenues	400,000	469,028	69,028	321,884
Expenditures:				
Current:				
Salaries	116,581	109,397	7,184	111,594
Employee benefits	51,609	35,887	15,722	48,132
Purchased services	11,650	9,097	2,553	12,412
Supplies donated to schools	429,300	398,356	30,944	330,744
Total expenditures	609,140	552,737	56,403	502,882
Excess (deficiency) of revenues over (under) expenditures	(209,140)	(83,709)	125,431	(180,998)
Other financing sources:				
Transfer in	204,140	153,106	(51,034)	177,676
Net change in fund balance	(5,000)	69,397	74,397	(3,322)
Fund balances - beginning	479,262	479,262	-	482,584
Fund balances - ending	$ 474,262	$ 548,659	$ 74,397	$ 479,262

Proprietary Fund

Internal Service Fund

Self-Insurance Fund - The purpose of this fund is to account for the costs of the District's self-insured plans for medical insurance and industrial insurance. Annual premiums are charged to the other funds based upon total projected expenditures. Benefit payments plus an administrative charge are made to third-party administrators who approve and process all claims.

CANYONS SCHOOL DISTRICT
Comparative Statements of Fund Net Position
Self-Insurance Fund
An Internal Service Fund
June 30, 2017 and 2016

	2017	2016
Assets:		
Current assets:		
Cash and investments	$ 6,454,915	$ 7,323,506
Accounts receivable, local	150,646	6,922
Total assets	6,605,561	7,330,428
Liabilities:		
Current liabilities:		
Claims payable	4,174,100	4,176,380
Net position:		
Unrestricted	$ 2,431,461	$ 3,154,048

CANYONS SCHOOL DISTRICT
Comparative Statements of Revenues, Expenses, and Changes in Fund Net Position
Self-Insurance Fund
An Internal Service Fund
Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Operating revenues:		
Insurance premiums charged to other funds	$ 25,851,122	$ 25,407,743
Operating expenses:		
Medical claims	17,691,005	18,533,292
Prescription claims	5,791,735	5,400,841
Industrial insurance claims	426,676	541,902
Administration and other	2,701,220	2,767,951
Total operating expenses	26,610,636	27,243,986
Operating loss	(759,514)	(1,836,243)
Nonoperating income:		
Interest earnings	36,927	46,247
Change in net position	(722,587)	(1,789,996)
Net position - beginning	3,154,048	4,944,044
Net position - ending	$ 2,431,461	$ 3,154,048

CANYONS SCHOOL DISTRICT
Comparative Statements of Fund Cash Flows
Self-Insurance Fund
An Internal Service Fund
Fiscal Years Ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from interfund services provided	$ 25,707,398	$ 25,477,184
Payments to suppliers	(2,701,220)	(2,767,743)
Payments for medical fees and insurance claims	(23,911,696)	(24,858,012)
Net cash used by operating activities	(905,518)	(2,148,571)
Cash flows from investing activities:		
Interest received	36,927	46,247
Net decrease in cash and cash equivalents	(868,591)	(2,102,324)
Cash and cash equivalents - beginning	7,323,506	9,425,830
Cash and cash equivalents - ending	$ 6,454,915	$ 7,323,506
(Displayed on statements of fund net position as Cash and investments)		
Reconciliation of operating loss to net cash used by operating activities:		
Operating loss	$ (759,514)	$ (1,836,243)
Adjustments to reconcile operating loss to net cash used by operating activities:		
(Increase) decrease in accounts receivable	(143,724)	69,441
Decrease in claims payable	(2,280)	(381,769)
Net cash used by operating activities	$ (905,518)	$ (2,148,571)
Noncash investing, capital, and financing activities	none	none

CANYONS
School District
"Celebrating the Highest Standards of Educational Excellence"

CANYONS SCHOOL DISTRICT
Statistical Section
Table of Contents

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

Contents **Pages**

Sources:

Unless otherwise noted, the information in these schedules is derived from the District's comprehensive annual financial reports. Since 2010 was the District's first year of operations, most schedules will show only data for eight years. However, some schedules do show data for the former Jordan School District prior to the creation of Canyons School District on July 1, 2009, wherein the data was deemed relevant for comparative purposes.

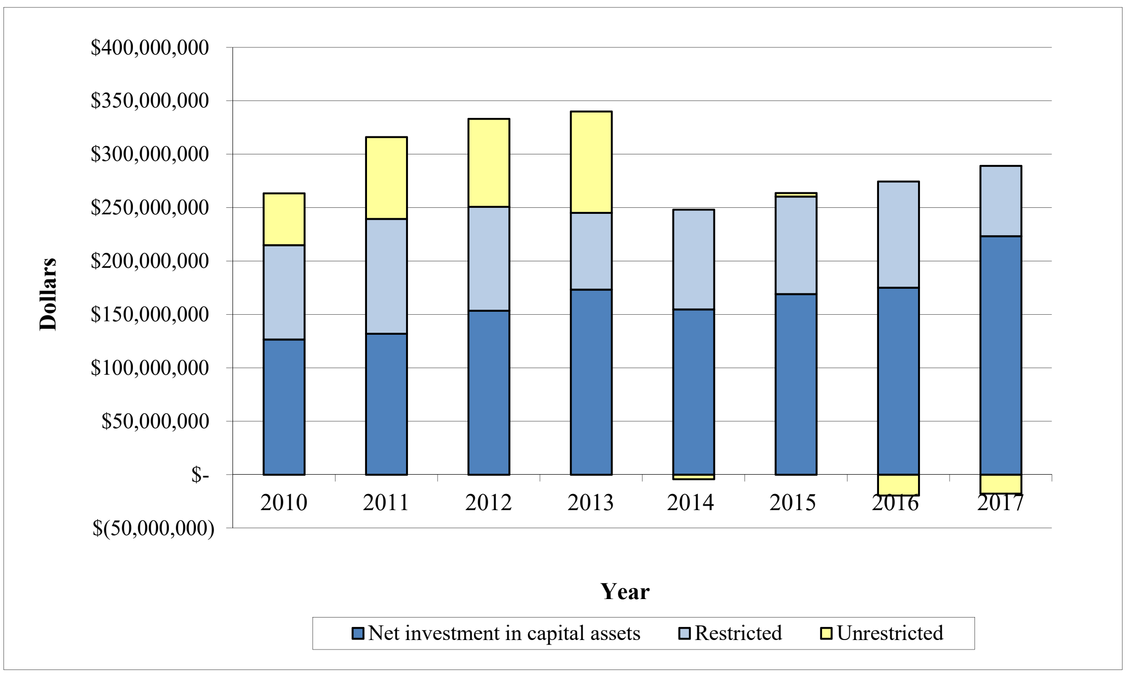
CANYONS SCHOOL DISTRICT
Comparative Statements of Net Position
Last Eight Fiscal Years
(Accrual basis of accounting)

	2010	2011	2012	2013	2014*	2015*	2016**	2017**
Assets:								
Cash and investments	$ 163,563,149	$ 279,091,765	$ 224,769,239	$ 206,981,706	$ 237,365,773	$252,371,030	$227,774,567	$188,535,736
Accounts receivable:								
Property taxes	108,420,842	104,838,718	115,384,776	116,107,137	117,687,370	142,161,580	143,825,739	152,495,667
Local	2,456,810	394,746	148,813	428,156	994,755	436,458	334,349	486,752
State	301,764	1,292,365	987,420	1,310,975	1,592,564	1,383,664	1,493,340	2,509,644
Federal	10,230,693	7,743,628	4,945,685	3,755,600	3,894,983	3,811,301	3,771,193	4,779,142
Inventories	2,276,203	1,908,650	1,899,895	1,484,609	1,904,801	2,203,118	1,849,091	1,756,979
Prepaid expenses	354,440	400,000	400,000	-	-	-	-	-
Net retirement/OPEB asset - District retirement plans	-	3,333,946	4,657,138	5,598,718	7,109,793	8,408,571	-	-
Net pension asset - state retirement plans	-	-	-	-	-	121,439	7,779	-
Capital assets:								
Sites and construction in progress	16,233,014	22,531,653	102,267,489	165,200,417	36,229,224	69,638,678	66,435,889	94,413,305
Buildings and other capital assets, net of accumulated depreciation	263,568,577	250,732,635	237,443,565	258,524,816	390,677,195	385,749,788	410,878,061	419,175,230
Total assets	567,405,492	672,268,106	692,904,020	759,392,134	797,456,458	866,285,627	856,370,008	864,152,455
Deferred outflows of resources:								
Related to pensions	-	-	-	-	12,148,079	14,755,533	45,610,787	50,899,376
Deferred charges on refunding	1,297,766	929,639	561,509	374,341	4,748,467	4,154,909	3,561,351	2,967,793
Total deferred outflows of resources	1,297,766	929,639	561,509	374,341	16,896,546	18,910,442	49,172,138	53,867,169
Liabilities:								
Accounts and contracts payable	3,704,011	5,893,637	19,212,526	16,696,539	7,294,924	9,633,835	9,907,435	12,459,145
Accrued payroll and related benefits	19,213,874	19,652,875	20,239,012	21,745,992	22,071,478	21,966,727	22,946,107	22,339,979
Accrued interest	267,574	336,304	303,122	363,514	439,029	498,282	470,406	433,303
Unearned revenue:								
Local	499,463	226,534	324,947	418,229	271,974	449,502	526,421	584,194
State	13,103,802	12,359,529	11,074,133	9,371,194	7,506,696	6,443,325	4,889,980	4,829,567
Federal	749,756	2,976,016	2,763,187	2,253,302	1,694,778	1,411,939	988,452	468,940
Long-term liabilities:								
Portion due or payable within one year	21,487,049	24,374,559	22,719,554	20,733,583	20,430,724	20,969,340	21,434,934	22,122,742
Portion due or payable after one year	141,368,804	190,758,206	173,259,013	235,258,982	395,791,677	411,452,474	435,519,277	416,442,329
Total liabilities	200,394,333	256,577,660	249,895,494	306,841,335	455,501,280	472,825,424	496,683,012	479,680,199
Deferred inflows of resources:								
Related to pensions	-	-	-	-	-	9,118,674	12,021,614	16,235,109
Property taxes levied for future year	104,800,669	100,503,383	110,297,237	112,955,158	114,861,119	139,370,346	141,664,361	150,651,903
Total deferred inflows of resources	104,800,669	100,503,383	110,297,237	112,955,158	114,861,119	148,489,020	153,685,975	166,887,012
Net Position:								
Net investment in capital assets	126,643,707	132,027,618	153,690,609	173,411,972	154,701,005	169,255,695	175,108,822	223,333,137
Restricted for:								
Debt service	2,276,557	2,908,778	28,696,562	23,788,889	6,004,885	3,552,266	1,535,261	3,082,944
Capital outlay	81,667,998	99,991,989	60,672,010	43,863,787	83,304,777	83,756,195	96,455,165	61,588,763
Nutrition services	2,220,921	2,390,861	2,770,367	2,950,219	2,825,951	2,756,886	1,440,599	1,092,536
Other purposes	2,010,980	2,237,663	5,121,562	1,267,955	1,271,649	1,009,322	-	132,920
Unrestricted	48,688,093	76,559,793	82,321,688	94,687,160	(4,117,662)	3,551,261	(19,366,688)	(17,777,887)
Total net position	$ 263,508,256	$ 316,116,702	$ 333,272,798	$ 339,969,982	$ 243,990,605	$263,881,625	$255,173,159	$271,452,413

* GASB Statements No. 68 and 71 were implemented in 2015 to report the District's proportinate share of the net pension liability and related deferred outflows and deferred inflows; balances at June 30, 2014 were restated.
** GASB Statements No. 73 and 75 were implemented in 2017 to report the District's retirement plan and the District's OPEB plan liability and related deferred outflows and deferred inflows; balances at June 30, 2016 were restated.

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

Year	Net invesment in capital assets	Restricted	Unrestricted	Total net position	
2010	$ 126,643,707	$ 88,176,456	$ 48,688,093	$ 263,508,256	
2011	132,027,618	107,529,291	76,559,793	316,116,702	
2012	153,690,609	97,260,501	82,321,688	333,272,798	
2013	173,411,972	71,870,850	94,687,160	339,969,982	
2014	154,701,005	93,407,262	(4,117,662)	243,990,605	*
2015	169,255,695	91,074,669	3,551,261	263,881,625	
2016	175,108,822	99,431,025	(19,366,688)	255,173,159	**
2017	223,333,137	65,897,163	(17,777,887)	271,452,413	



* Net position was restated to reflect the effects of implementing GASB Statements No. 68 and 71.
** Net position was restated to reflect the effects of implementing GASB Statements No. 73 and 75.

CANYONS SCHOOL DISTRICT
Changes in Net Position
Last Eight Fiscal Years
(Accrual basis of accounting)

	2010	2011	2012	2013	2014*	2015*	2016**	2017**
Expenses:								
Instruction	$ 148,539,711	$ 156,986,377	$ 160,383,775	$ 175,359,995	$ 176,722,124	$ 170,720,170	$ 181,436,410	$ 186,467,728
Supporting services:								
Students	7,390,809	7,723,388	8,433,794	9,089,873	9,744,940	9,986,468	11,008,439	11,793,573
Instructional staff	11,709,415	12,969,300	12,187,116	10,984,333	12,170,323	11,499,804	16,248,963	17,539,626
District administration	2,334,128	2,254,582	2,119,628	2,799,252	2,386,958	2,760,688	2,466,002	2,672,412
School administration	13,773,164	13,944,188	14,976,976	15,769,736	16,888,958	16,610,365	18,506,081	19,303,709
Central	11,304,689	11,154,831	12,124,999	12,378,486	12,102,194	12,325,943	13,414,345	13,294,303
Operation and maintenance of school buildings	20,325,380	21,586,479	21,957,201	23,332,856	24,709,276	23,415,762	24,470,385	25,283,368
Student transportation	7,138,925	7,475,764	8,139,130	8,725,403	9,062,643	8,673,079	9,047,092	9,642,728
Nutrition services	12,408,460	12,204,115	12,563,572	12,678,765	12,923,579	12,910,906	13,251,932	13,694,604
Contributions to other governments	-	-	-	-	-	8,764,277	9,978,475	8,329,503
Community services	-	-	-	-	-	-	291,441	221,366
Non K-12 programs	6,301,400	6,652,431	6,905,505	6,785,693	7,155,707	5,296,554	-	-
Interest on long-term liabilities	7,757,267	7,000,592	9,640,880	9,227,299	10,573,788	10,091,030	11,158,159	10,212,199
Total expenses	248,983,348	259,952,047	269,432,576	287,131,691	294,440,490	293,055,046	311,277,724	318,455,119
Program revenues:								
Charges for services:								
Instruction	6,991,020	8,843,122	8,514,991	9,226,951	11,864,978	11,614,454	14,281,537	12,956,301
Supporting services	697,772	627,137	706,723	1,022,888	525,474	581,181	529,048	401,283
Nutrition services	5,194,035	4,678,684	4,635,740	4,161,767	4,178,587	4,083,205	4,032,291	3,964,240
Non K-12 programs	393,013	419,126	410,402	357,137	365,577	236,260	-	-
Operating grants and contributions	54,165,131	57,062,966	59,416,824	61,078,139	62,333,595	62,072,642	65,246,506	76,089,289
Capital grants and contributions	100,000	555,363	415,632	235,687	480,557	125,000	-	100,000
Total program revenues	67,540,971	72,186,398	74,100,312	76,082,569	79,748,768	78,712,742	84,089,382	93,511,113
Net (expense) revenue and changes in net position	(181,442,377)	(187,765,649)	(195,332,264)	(211,049,122)	(214,691,722)	(214,342,304)	(227,188,342)	(224,944,006)
General revenues and other changes in net position:								
Property taxes	115,559,235	124,427,561	123,481,339	123,860,737	123,943,153	139,394,855	149,997,610	148,249,220
Federal and state revenue not restricted to specific purposes	88,910,292	90,654,095	82,029,925	83,525,034	86,126,086	89,739,018	88,139,944	79,433,444
Interest earnings	1,077,243	1,296,822	3,027,413	3,033,938	2,528,912	2,452,722	2,584,940	3,766,227
Miscellaneous	1,457,306	5,284,661	3,949,683	7,326,597	4,205,349	2,646,729	3,546,411	9,774,369
Total general revenue and other changes in net position	207,004,076	221,663,139	212,488,360	217,746,306	216,803,500	234,233,324	244,268,905	241,223,260
Special item - gain on sale of property	-	-	-	-	-	-	2,649,802	-
Change in net position	25,561,699	33,897,490	17,156,096	6,697,184	2,111,778	19,891,020	19,730,365	16,279,254
Net position - beginning	-	263,508,256	316,116,702	333,272,798	339,969,982	243,990,605	263,881,625	255,173,159
Allocation from Jordan School District	237,946,557	18,710,956	-	-	-	-	-	-
Net effect of prior period restatement	-	-	-	-	(98,091,155)	-	(28,438,831)	-
Net position - ending, as restated	$ 263,508,256	$ 316,116,702	$ 333,272,798	$ 339,969,982	$ 243,990,605	$ 263,881,625	$ 255,173,159	$ 271,452,413

* GASB Statements No. 68 and 71 were implemented in 2015; net position at June 30, 2014 was restated.
** GASB Statements No. 73 and 75 were implemented in 2017; net position at June 30, 2016 was restated.

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

	2010	2011	2012	2013	2014	2015	2016	2017
General fund balances:								
Nonspendable	$ 2,052,440	$ 1,892,362	$ 2,021,452	$ 1,139,299	$ 1,611,467	$ 1,956,774	$ 1,448,952	$ 1,435,178
Restricted	1,625,392	1,719,855	3,813,674	1,190,375	1,225,228	970,026	-	168,963
Committed	21,833,913	35,915,238	35,894,919	36,824,301	37,962,608	37,089,388	36,733,425	32,224,035
Assigned	2,781,172	5,444,933	8,965,251	16,440,756	14,888,194	14,739,542	16,250,113	18,954,273
Unassigned	11,248,910	19,443,454	18,952,496	19,250,522	19,105,449	20,280,351	20,640,963	22,231,588
Total	39,541,827	64,415,842	69,647,792	74,845,253	74,792,946	75,036,081	75,073,453	75,014,037
Debt service fund balances:								
Restricted	1,821,174	2,391,824	3,007,969	2,980,734	2,372,797	2,024,762	1,570,284	3,125,057
Capital outlay fund balances:								
Restricted	80,813,430	163,628,715	84,650,892	63,688,385	109,689,785	125,271,740	102,746,629	62,013,877
All other governmental fund balances:								
Nonspendable	578,203	416,288	278,443	345,310	293,334	246,344	400,139	321,801
Restricted	1,993,287	2,135,584	3,799,812	2,604,909	2,532,617	2,510,542	2,548,173	2,798,413
Committed	3,615,107	4,424,522	4,462,827	5,972,791	5,547,138	5,947,528	6,147,312	7,159,849
Total	6,186,597	6,976,394	8,541,082	8,923,010	8,373,089	8,704,414	9,095,624	10,280,063
Total governmental fund balances	$ 128,363,028	$ 237,412,775	$ 165,847,735	$ 150,437,382	$ 195,228,617	$ 211,036,997	$ 188,485,990	$ 150,433,034

Notes:

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

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

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

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

Unassigned balances in the General Fund are all other available net fund resources.

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

	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:								
Property taxes	$ 116,066,380	$ 123,657,127	$ 122,628,089	$ 125,652,186	$ 124,306,901	$ 139,843,801	$ 150,240,792	$ 148,366,728
Interest earnings	1,031,376	1,252,868	2,961,498	2,969,885	2,499,065	2,417,150	2,538,693	3,729,300
Other local	15,794,825	17,675,427	18,177,048	19,634,842	22,118,274	20,383,106	23,752,290	28,271,520
State	120,194,081	122,270,861	121,831,384	122,906,323	127,912,802	130,272,185	131,018,890	133,335,013
Federal	22,907,479	25,882,586	20,030,997	21,932,537	21,027,436	21,664,475	22,028,889	21,851,523
Total revenues	275,994,141	290,738,869	285,629,016	293,095,773	297,864,478	314,580,717	329,579,554	335,554,084
Expenditures:								
Current:								
Instruction	125,196,555	131,257,175	135,608,993	142,488,474	147,138,350	148,589,400	156,433,789	156,673,722
Supporting services:								
Students	7,336,484	7,575,667	8,347,281	8,925,363	9,510,956	10,099,532	10,931,039	11,511,907
Instructional staff	11,483,579	12,649,687	11,908,506	10,710,531	11,977,361	11,536,564	16,254,028	17,197,160
District administration	2,272,323	2,086,863	1,999,219	2,013,203	1,862,037	2,377,553	2,408,396	2,507,402
School administration	13,618,836	13,615,074	14,754,707	15,361,909	16,408,467	16,654,114	18,313,983	18,715,088
Central	10,503,447	10,146,693	11,210,661	11,564,452	12,069,592	12,693,640	13,510,173	13,251,568
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141	22,305,809	23,711,132	23,180,718	23,770,303	24,087,814
Student transportation	6,027,206	6,175,797	6,768,574	7,243,946	7,506,685	7,520,312	7,702,864	8,253,809
Nutrition services	11,822,097	11,440,473	11,882,888	11,712,329	11,833,616	12,242,509	12,339,288	12,606,849
Non K-12 programs	6,243,956	6,503,320	6,817,804	6,746,259	7,112,915	5,446,155	-	-
Community services	-	-	-	-	-	-	288,934	218,011
Contributions to other governements	-	-	-	-	-	8,764,277	9,978,475	8,329,503
Capital outlay	11,972,731	24,280,558	97,012,971	124,559,760	38,578,065	60,504,410	55,981,848	71,379,961
Debt service:								
Bond principal	17,953,900	16,837,400	19,544,700	19,745,300	17,802,100	15,727,300	15,998,000	16,896,000
Bond interest and fees	7,065,886	6,338,203	9,787,611	9,454,647	11,227,788	11,656,416	12,919,441	11,978,246
Total expenditures	251,316,997	269,818,640	357,194,056	392,831,982	316,739,064	346,992,900	356,830,561	373,607,040
Excess (deficiency) of revenues over (under) expenditures	24,677,144	20,920,229	(71,565,040)	(99,736,209)	(18,874,586)	(32,412,183)	(27,251,007)	(38,052,956)
Other financing sources (uses):								
General obligation bonds issued	-	68,000,000	-	80,000,000	60,000,000	42,000,000	-	-
Premiums on bonds issued	-	1,418,562	-	4,325,856	3,370,164	6,220,563	-	-
Refunding bonds issued	-	-	-	-	59,970,000	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(70,817,525)	-	-	-
Premium on refunding bonds issued	-	-	-	-	11,143,182	-	-	-
Total other financing sources (uses)	-	69,418,562	-	84,325,856	63,665,821	48,220,563	-	-
Special item - proceeds from sale of property	-	-	-	-	-	-	4,700,000	-
Net change in fund balances	24,677,144	90,338,791	(71,565,040)	(15,410,353)	44,791,235	15,808,380	(22,551,007)	(38,052,956)
Fund balances - beginning	-	128,363,028	237,412,775	165,847,735	150,437,382	195,228,617	211,036,997	188,485,990
Allocation from Jordan School District	103,685,884	18,710,956	-	-	-	-	-	-
Fund balances - ending	$ 128,363,028	$ 237,412,775	$ 165,847,735	$ 150,437,382	$ 195,228,617	$ 211,036,997	$ 188,485,990	$ 150,433,034
Debt service as a percentage of noncapital expenditures	10.1%	9.0%	10.8%	10.2%	9.9%	9.1%	9.2%	9.1%

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

	2010	2011	2012	2013	2014	2015	2016	2017
Assets:								
Cash and investments	$ 60,702,097	$ 90,349,149	$ 99,780,860	$ 106,379,873	$ 101,845,098	$ 101,168,190	$ 99,592,987	$ 97,059,580
Accounts receivable:								
Property taxes	56,510,799	67,000,999	70,981,853	71,290,794	71,300,237	79,813,939	81,755,771	89,819,823
Other	592,958	300,436	139,638	358,618	413,324	252,416	322,288	322,256
State	89,289	99,120	100,806	95,903	277,963	310,166	664,184	1,595,993
Federal	9,936,195	7,415,201	4,348,914	2,912,625	3,184,270	3,372,724	3,675,462	4,655,030
Due from other funds	-	-	-	-	-	222,322	-	-
Inventories	1,698,000	1,492,362	1,621,452	1,139,299	1,611,467	1,956,774	1,448,952	1,435,178
Prepaid expenditures	354,440	400,000	400,000	-	-	-	-	-
Total assets	$ 129,883,778	$ 167,057,267	$ 177,373,523	$ 182,177,112	$ 178,632,359	$ 187,096,531	$ 187,459,644	$ 194,887,860
Liabilities, deferred inflows of resources, and fund balances:								
Liabilities:								
Accounts and contracts payable	$ 1,765,915	$ 1,828,526	$ 3,371,459	$ 3,233,857	$ 1,835,756	$ 3,152,215	$ 1,843,336	$ 2,393,107
Accrued payroll and related benefits	18,689,413	19,049,430	19,721,635	21,211,581	21,487,898	21,371,818	22,710,514	22,097,629
Unearned revenue:								
State	12,725,729	11,788,476	10,844,314	9,199,758	7,385,129	6,355,341	4,889,980	4,829,567
Federal	749,756	2,976,016	2,763,187	2,253,302	1,694,778	1,411,939	988,452	468,940
Total liabilities	33,930,813	35,642,448	36,700,595	35,898,498	32,403,561	32,291,313	30,432,282	29,789,243
Deferred inflows of resources:								
Unavailable property tax revenue	1,920,202	2,335,483	2,948,382	1,911,270	1,777,414	1,563,068	1,281,625	1,290,214
Property taxes levied for future year	54,490,936	64,663,494	68,076,754	69,522,091	69,658,438	78,206,069	80,672,284	88,794,366
Total deferred inflows of resources	56,411,138	66,998,977	71,025,136	71,433,361	71,435,852	79,769,137	81,953,909	90,084,580
Fund balance:								
Nonspendable	2,052,440	1,892,362	2,021,452	1,139,299	1,611,467	1,956,774	1,448,952	1,435,178
Restricted	1,625,392	1,719,855	3,813,674	1,190,375	1,225,228	970,026	-	168,963
Committed	21,833,913	35,915,238	35,894,919	37,824,301	37,962,608	37,089,388	36,733,425	32,224,035
Assigned	2,781,172	5,444,933	8,965,251	15,440,756	14,888,194	14,739,542	16,250,113	18,954,273
Unassigned	11,248,910	19,443,454	18,952,496	19,250,522	19,105,449	20,280,351	20,640,963	22,231,588
Total fund balances	39,541,827	64,415,842	69,647,792	74,845,253	74,792,946	75,036,081	75,073,453	75,014,037
Total liabilities, deferred inflows of resources, and fund balances	$ 129,883,778	$ 167,057,267	$ 177,373,523	$ 182,177,112	$ 178,632,359	$ 187,096,531	$ 187,459,644	$ 194,887,860

CANYONS SCHOOL DISTRICT
Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - General Fund
Last Eight Fiscal Years and Proposed Budget for 2018

	2010	2011	2012	2013	2014	2015	2016	2017	Proposed Budget 2018
Revenues:									
Property taxes	$ 58,555,843	$ 66,652,969	$ 74,710,870	$ 78,072,752	$ 77,051,730	$ 77,396,259	$ 85,804,556	$ 88,822,987	$ 97,914,380
Interest earnings	374,360	396,624	826,496	1,360,881	1,339,529	1,319,006	1,380,037	2,072,490	1,350,000
Other local	3,802,365	5,063,892	5,589,296	6,886,113	6,302,642	5,688,883	7,947,454	6,261,134	4,693,488
State of Utah	114,154,861	116,189,088	115,282,496	116,576,679	121,490,503	124,341,340	128,843,478	130,201,600	138,689,723
Federal government	17,688,416	19,322,016	13,469,238	15,188,946	14,151,578	14,345,265	15,677,608	15,142,887	16,153,983
Total revenues	194,575,845	207,624,589	209,878,396	218,085,371	220,335,982	223,090,753	239,653,133	242,501,098	258,801,574
Expenditures:									
Current:									
Instruction	118,816,244	124,029,593	127,852,245	134,456,779	136,863,789	138,398,131	146,258,365	146,664,649	163,085,988
Supporting services:									
Students	7,336,484	7,575,667	8,347,281	8,925,363	9,510,956	10,099,532	10,931,039	11,511,907	11,662,306
Instructional staff	11,483,579	12,649,687	11,908,506	10,710,531	11,977,361	11,536,564	16,254,028	17,197,160	17,605,591
District administration	2,272,323	2,086,863	1,999,219	2,013,203	1,862,037	2,377,553	2,408,396	2,507,402	2,752,574
School administration	13,618,836	13,615,074	14,754,707	15,361,909	16,408,467	16,654,114	18,313,983	18,715,088	19,929,735
Central	10,503,447	10,146,693	11,210,661	11,564,452	12,069,592	12,693,640	13,510,173	13,251,568	14,086,833
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141	22,305,809	23,711,132	23,180,718	23,770,303	24,087,814	24,880,705
Student transportation	6,027,206	6,175,797	6,768,574	7,243,946	7,506,685	7,520,312	7,702,864	8,253,809	8,755,493
Community	-	-	-	-	-	-	288,934	218,011	309,454
Total expenditures	189,878,116	197,191,104	204,391,334	212,581,992	219,910,019	222,460,564	239,438,085	242,407,408	263,068,679
Excess (deficiency) of revenues over (under) expenditures	4,697,729	10,433,485	5,487,062	5,503,379	425,963	630,189	215,048	93,690	(4,267,105)
Other financing sources (uses):									
Transfers out	-	(169,505)	(255,112)	(305,918)	(478,270)	(387,054)	(177,676)	(153,106)	(196,881)
Net change in fund balances	4,697,729	10,263,980	5,231,950	5,197,461	(52,307)	243,135	37,372	(59,416)	(4,463,986)
Fund balances - beginning	-	39,541,827	64,415,842	69,647,792	74,845,253	74,792,946	75,036,081	75,073,453	75,073,453
Allocation from Jordan School District	34,844,098	14,610,035	-	-	-	-	-	-	-
Fund balances - ending	$ 39,541,827	$ 64,415,842	$ 69,647,792	$ 74,845,253	$ 74,792,946	$ 75,036,081	$ 75,073,453	$ 75,014,037	$ 70,609,467

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

	Tax Year 2009	Tax Year 2010	Tax Year 2011	Tax Year 2012	Tax Year 2013	Tax Year 2014	Tax Year 2015	Tax Year 2016
Set by State Tax Commission:								
Centrally assessed	$ 338,631,746	$ 366,135,845	$ 371,176,002	$ 380,330,920	$ 402,956,177	$ 372,125,766	$ 418,908,292	$ 461,862,621
Set by County Assessor:								
Locally assessed:								
Real property:								
Residential - primary use	9,981,595,507	9,749,578,181	9,317,687,375	9,099,657,373	9,577,975,016	10,286,562,858	10,947,227,875	11,874,655,612
Residential - not primary use	1,126,227,610	992,921,370	949,725,290	886,405,890	875,621,450	868,631,810	875,417,190	894,760,570
Commercial and industrial	4,062,614,430	4,013,081,600	4,036,937,230	4,055,443,220	4,274,741,900	4,437,987,170	4,843,000,590	5,605,579,120
Agriculture and Farm Assessment Act (FAA)	1,345,120	1,263,820	1,165,820	1,267,660	1,360,590	1,287,570	1,380,670	987,390
Unimproved non FAA - vacant	8,309,820	6,685,550	8,526,650	7,488,090	7,890,400	9,318,870	9,197,390	8,694,740
Total real property	15,180,092,487	14,763,530,521	14,314,042,365	14,050,262,233	14,737,589,356	15,603,788,278	16,676,223,715	18,384,677,432
Personal property:								
Fee in lieu property	459,879,455	460,097,588	426,523,415	440,977,619	448,489,267	460,258,425	493,162,625	502,753,005
Mobile home - primary residential use	8,950,292	8,322,805	7,993,397	7,704,279	7,401,793	7,178,846	6,926,044	6,707,398
Mobile home - other use	447,978	560,203	399,872	480,657	529,984	281,757	352,816	530,083
Other personal property	782,423,532	691,828,448	660,777,105	700,153,826	750,405,109	804,615,171	799,226,452	826,437,918
Total personal property	1,251,701,257	1,160,809,044	1,095,693,789	1,149,316,381	1,206,826,153	1,272,334,199	1,299,667,937	1,336,428,404
Total locally assessed	16,431,793,744	15,924,339,565	15,409,736,154	15,199,578,614	15,944,415,509	16,876,122,477	17,975,891,652	19,721,105,836
Total taxable property	$ 16,770,425,490	$ 16,290,475,410	$ 15,780,912,156	$ 15,579,909,534	$ 16,347,371,686	$ 17,248,248,243	$ 18,394,799,944	$ 20,182,968,457

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

CANYONS SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Eight Tax Years

	Taxable Assessed Value							
Tax Year	Residential	Industrial & Commercial	Agriculture & Unimproved	Personal	Total	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2009	$ 11,117,221,387	$ 4,401,246,176	$ 9,654,940	$ 1,242,302,987	$ 16,770,425,490	0.007180	$ 24,484,628,961	68.49%
2010	10,751,382,559	4,379,217,445	7,949,370	1,151,926,036	16,290,475,410	0.008060	23,814,114,992	68.41%
2011	10,275,805,934	4,408,113,232	9,692,470	1,087,300,520	15,780,912,156	0.008165	22,984,491,191	68.66%
2012	9,994,248,199	4,435,774,140	8,755,750	1,141,131,445	15,579,909,534	0.008418	22,981,512,941	67.79%
2013	10,461,528,243	4,677,698,077	9,250,990	1,198,894,376	16,347,371,686	0.008111	24,189,952,711	67.58%
2014	11,162,655,271	4,810,112,936	10,606,440	1,264,873,596	17,248,248,243	0.007823	25,670,400,546	67.19%
2015	11,829,923,925	5,261,908,882	10,578,060	1,292,389,077	18,394,799,944	0.007859	27,357,289,514	67.24%
2016	12,776,653,663	6,067,441,741	9,682,130	1,329,190,923	20,182,968,457	0.007227	29,904,083,647	67.49%

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

CANYONS SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Eight Tax Years
(rate per $1 of assessed value)

	Tax Year 2009	Tax Year 2010	Tax Year 2011	Tax Year 2012	Tax Year 2013	Tax Year 2014	Tax Year 2015	Tax Year 2016
Canyons School District rates:								
General fund:								
Basic state supported program (1)	0.001433	0.001495	0.001591	0.001651	0.001535	0.001419	0.001736	0.001675
Voted local (2)	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600	0.001600
Board local (3)	-	-	-	0.001881	0.001729	0.001614	0.001477	0.001249
School board leeway program*	0.000400	0.000400	0.000406	-	-	-	-	-
Board K-3 reading program*	0.000121	0.000121	0.000121	-	-	-	-	-
Tort liability*	0.000022	0.000024	0.000100	-	-	-	-	-
Special transportation*	0.000020	0.000078	0.000300	-	-	-	-	-
10% of basic*	-	0.000559	0.000744	-	-	-	-	-
Total general fund	0.003596	0.004277	0.004862	0.005132	0.004864	0.004633	0.004813	0.004524
Capital projects fund:								
Capital local (4)	0.001514	0.001585	0.000928	0.001067	0.001028	0.000971	0.000827	0.000538
County-wide equalization (5)	0.000600	0.000600	0.000600	0.000600	0.000600	0.000600	0.000600	0.000600
Total capital projects fund	0.002114	0.002185	0.001528	0.001667	0.001628	0.001571	0.001427	0.001138
Debt service fund:								
Debt service (6)	0.001400	0.001520	0.001619	0.001619	0.001619	0.001619	0.001619	0.001565
Other:								
Community recreation*	0.000070	0.000078	0.000156	-	-	-		
Total direct rate	0.007180	0.008060	0.008165	0.008418	0.008111	0.007823	0.007859	0.007227
Overlapping rates:								
Salt Lake County	0.002756	0.003125	0.003251	0.003622	0.004101	0.003933	0.003668	0.003434
Alta	0.000980	0.001114	0.001084	0.001065	0.001091	0.001200	0.001204	0.001153
Cottonwood Heights	0.002399	0.002517	0.002586	0.002654	0.002522	0.002386	0.002239	0.002064
Draper	0.001818	0.001896	0.001996	0.002009	0.001887	0.001791	0.001701	0.001560
Midvale	0.002262	0.002669	0.002701	0.000687	0.000658	0.000623	0.000609	0.001398
Sandy	0.001356	0.001402	0.001481	0.001520	0.001483	0.001413	0.001426	0.001321
Central Utah Water Conservancy District	0.000400	0.000421	0.000436	0.000455	0.000446	0.000422	0.000405	0.000400
Other special districts	0 - 0.002635	0 - 0.003171	0 - 0.003803	0 - 0.003773	0 - 0.003360	0 - 0.001253	0 - 0.001198	0 - 0.001117

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

Limitations per Utah State Statute:
(1) Rate established annually by Utah State Legislature
(2) Maximum rate is 0.002000
(3) Maximum rate is 0.002500. See HB 301 - 2011 Utah Legislative Session.
(4) Maximum rate is 0.003000
(5) Rate established by state law for districts located in first-class counties
(6) No maximum rate, but must have voter approval for bonds issued

Source: Property Tax Division of the Utah State Tax Commission - Approved Property Tax Rates by Year

CANYONS SCHOOL DISTRICT
Principal Property Taxpayers
Current Calendar Year and Seven Years Ago

	2016			2009		
Taxpayer	Taxable Value	Rank	Percent of Total Taxable Value	Taxable Value	Rank	Percent of Total Taxable Value
Old Mill Corporate Center	$ 176,074,800	1	0.89 %	$ 79,472,300	6	0.49 %
ST Mall Owner, LLC	156,185,800	2	0.79 %	116,801,369	4	0.72 %
Rocky Mountain Power (Pacificorp)	142,280,250	3	0.72 %	130,146,230	3	0.80 %
HGREIT II Cottonwood Center LLC	129,849,300	4	0.66 %	71,558,820	8	0.44 %
Larry H. Miller Companies	126,661,682	5	0.64 %	147,351,265	1	0.90 %
Becton Dickinson	122,347,989	6	0.62 %	133,778,785	2	0.82 %
Boyer-Gardner Company	117,527,600	7	0.60 %			
Coca Cola Bottling Corp	116,652,600	8	0.59 %			
Questar Gas	96,543,186	9	0.49 %			
Excel Ft. Union LLC	92,846,810	10	0.47 %			
Redevelopment Agency of Midvale				103,194,600	5	0.63 %
Snowbird Ltd				76,230,539	7	0.47 %
CenturyLink, Inc. (Qwest Communications)				66,673,288	9	0.41 %
DDR Corp.				59,297,900	10	0.36 %
	$ 1,276,970,017		6.49 %	$ 984,505,096		6.04 %
Total taxable value	$ 19,680,215,452			$ 16,310,546,035		

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

Source: Property Tax Division of the Utah State Tax Commission and Salt Lake County Assessor's Office

CANYONS SCHOOL DISTRICT
Property Tax Levies and Collections
Last Eight Fiscal Years

		Collections			Total Collections to Date	
Tax Year	Taxes Levied	In the Year of Levy	Percentage of Levy	In Subsequent Years	Amount	Percentage of Levy
2009	$ 123,870,539	$ 116,066,380	93.70%	$ 4,878,293	$ 120,944,673	97.64%
2010	128,270,889	123,657,127	96.40%	4,568,571	128,225,698	99.96%
2011	125,220,579	120,535,487	96.26%	3,663,634	124,199,120	99.18%
2012	126,809,112	122,743,569	96.79%	3,041,946	125,785,515	99.19%
2013	128,474,716	124,669,505	97.04%	2,653,322	127,322,827	99.10%
2014	131,221,676	127,676,803	97.30%	2,264,776	129,941,579	99.02%
2015	140,421,316	137,095,865	97.63%	1,684,066	138,779,931	98.83%
2016	142,687,429	139,459,762	97.74%	-	139,459,762	97.74%

Taxes are due by November 30.

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

Source: Salt Lake County Treasurer's Office

CANYONS SCHOOL DISTRICT
Ratios of Outstanding Debt
Last Eight Fiscal Years

Year Ended June 30,	Outstanding General Obligation Bonds *	Net General Bonded Debt As Percentage of Taxable Value	Net Bonded Debt Per Capita	Net Bonded Debt Per Student **
2010	$ 154,455,650	0.92%	$ 814	$ 4,652
2011	206,608,333	1.27%	1,085	6,196
2012	186,581,954	1.18%	966	5,572
2013	250,687,602	1.61%	1,279	7,483
2014	300,491,591	1.84%	1,510	8,932
2015	330,766,657	1.92%	1,644	9,845
2016	312,441,693	1.70%	1,531	9,483
2017	293,223,191	1.45%	1,419	8,900

* Includes unamortized deferred amounts for bond premiums
** Based on average daily membership

Source: District records

CANYONS SCHOOL DISTRICT

Debt Service Schedule of Outstanding General Obligation Bonds Shared with the Jordan School District

As of June 30, 2017

		2018	2019	2020	2021	2022	Total
Series 2014 Refunding	Principal	$ 23,820,000	$ 23,970,000	$ 13,385,000	$ 9,650,000	$ 9,355,000	$ 80,180,000
$104,665,000	Interest	4,009,000	2,818,000	1,619,500	950,250	467,750	9,864,500
Total		$ 27,829,000	$ 26,788,000	$ 15,004,500	$ 10,600,250	$ 9,822,750	$ 90,044,500
Canyons SD Principal		$ 11,255,000	$ 10,775,000	$ 10,535,000	$ 9,650,000	$ 9,355,000	51,570,000
Canyons SD Interest		2,578,500	2,015,750	1,477,000	950,250	467,750	7,489,250
Jordan SD Principal		12,565,000	13,195,000	2,850,000	-	-	28,610,000
Jordan SD Interest		1,430,500	802,250	142,500	-	-	2,375,250
		$ 27,829,000	$ 26,788,000	$ 15,004,500	$ 10,600,250	$ 9,822,750	$ 90,044,500

Bonds Payable Summary	Principal	Interest	Total
Bonds payable, June 30, 2017	$ 80,180,000	$ 9,864,500	$ 90,044,500
Reported by Jordan School District	(28,610,000)	(2,375,250)	(30,985,250)
Reported by Canyons School District	$ 51,570,000	$ 7,489,250	$ 59,059,250

These bonds payable are obligations of the former Jordan School District prior to its division on July 1, 2009. According to the statute governing the division, Canyons School District (CSD) is responsible for 58% of the outstanding debt and Jordan School District (JSD) is responsible for the remaining 42%. In April 2014, the two districts agreed to refund all eligible bonds. This refunding will annually save CSD $550,000 in principal and interest expense. At the time of the refunding, CSD elected to accelerate its building program and remain committed to its taxpayers to limit its debt service tax rate to 0.001619. CSD choose to reduce its annual payment until the bonds are retired in June 2022. CSD may transfer amounts from its Capital Outlay Fund to service the debt, if such a transfer is needed. JSD opted to increase its debt service tax rate for the fiscal years 2014-2015 through 2019-2020 to payoff its portion earlier. Therefore, the Series 2014 refunding bonds are not a straight 58% for CSD and 42% for JSD.

CANYONS SCHOOL DISTRICT
Debt Service Schedule of Outstanding General Obligation Bonds
As of June 30, 2017

Year Ending June 30,	Series 2011 $68,000,000 Principal	Series 2011 $68,000,000 Interest	Series 2012 $80,000,000 Principal	Series 2012 $80,000,000 Interest
2018	$ 2,935,000	$ 2,104,000	$ 1,375,000	$ 2,468,938
2019	3,020,000	2,015,950	1,425,000	2,448,313
2020	3,110,000	1,925,350	1,500,000	2,426,938
2021	3,220,000	1,800,950	1,550,000	2,366,938
2022	3,350,000	1,672,150	1,650,000	2,304,938
2023	3,485,000	1,538,150	5,350,000	2,238,938
2024	3,620,000	1,398,750	5,625,000	2,078,438
2025	3,765,000	1,253,950	5,900,000	1,853,438
2026	3,920,000	1,103,350	6,150,000	1,676,438
2027	4,075,000	946,550	6,350,000	1,461,188
2028	4,240,000	783,550	6,600,000	1,207,188
2029	4,400,000	608,650	6,850,000	943,188
2030	4,590,000	421,650	7,050,000	737,688
2031	4,780,000	215,100	7,325,000	455,688
2032	-	-	7,550,000	235,938
	$ 52,510,000	$ 17,788,100	$ 72,250,000	$ 24,904,195

Year Ending June 30,	Series 2013 $60,000,000 Principal	Series 2013 $60,000,000 Interest	Series 2015 $42,000,000 Principal	Series 2015 $42,000,000 Interest	Total
2018	$ 700,000	$ 2,333,338	$ 1,300,000	$ 1,819,350	$ 15,035,626
2019	725,000	2,312,338	1,775,000	1,754,350	15,475,951
2020	760,000	2,290,588	1,860,000	1,665,600	15,538,476
2021	790,000	2,252,588	1,950,000	1,572,600	15,503,076
2022	835,000	2,213,088	2,050,000	1,475,100	15,550,276
2023	3,875,000	2,171,338	2,175,000	1,372,600	22,206,026
2024	4,040,000	1,977,588	2,275,000	1,263,850	22,278,626
2025	4,200,000	1,775,588	2,375,000	1,150,100	22,273,076
2026	4,370,000	1,639,088	2,500,000	1,031,350	22,390,226
2027	4,550,000	1,464,288	2,575,000	906,350	22,328,376
2028	4,735,000	1,282,288	2,650,000	777,600	22,275,626
2029	4,930,000	1,092,888	2,725,000	645,100	22,194,826
2030	5,150,000	895,688	2,815,000	536,100	22,196,126
2031	5,375,000	689,688	2,875,000	423,500	22,138,976
2032	5,625,000	474,688	2,975,000	322,875	17,183,501
2033	5,875,000	249,688	6,250,000	218,750	12,593,438
	$ 56,535,000	$ 25,114,758	$ 41,125,000	$ 16,935,175	$ 307,162,228

Source: District records

CANYONS SCHOOL DISTRICT
Direct and Overlapping General Obligation Debt
June 30, 2017

Taxing Entity (1)	2016 Taxable Value (3)	Canyons School District's Portion of Taxable Value	Canyons School District's Percentage (4)	Entity's General Obligation Debt	Canyons School District's Portion of G.O. Debt
Overlapping:					
CUWCD (2)	$ 141,171,178,097	$ 19,772,830,487	14.0%	$ 229,525,000	$ 32,147,914
Salt Lake County	91,899,101,491	19,390,710,415	21.1%	206,123,714	43,492,103.65
Draper City	5,097,749,072	5,097,749,072	100.0%	4,090,000	4,090,000
Midvale City	2,199,732,877	2,199,732,877	100.0%	1,130,000	1,130,000
Cottonwood Heights Parks and Recreation Service Area	2,170,775,624	2,170,775,624	100.0%	4,120,000	4,120,000
Sandy Suburban Improvement District	3,551,271,836	3,551,271,836	100.0%	8,130,000	8,130,000
Total overlapping general obligation debt					93,110,018
Direct:					
General obligation debt					273,990,000
Deferred amounts for bond premiums					19,233,191
Total direct debt					293,223,191
Total direct and overlapping general obligation debt					$ 386,333,209

Notes:

(1) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.

(2) Central Utah Water Conservancy District's (CUWCD) outstanding general obligation bonds are limited to ad valorem tax bonds. These bonds are the only limited ad valorem tax bonds in the State issued under the Water Conservancy Act. By law, CUWCD may levy a tax rate of up to 0.000400 to pay operation and maintenance expenses and any outstanding limited ad valorem tax bonds.

(3) Taxable value used in this table excludes the taxable value used to determine uniform fees on tangible personal property.

(4) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the District's boundaries and dividing it by each unit's total taxable assessed value.

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

Source: Salt Lake County-Comprehensive Annual Financial Report for 2016

CANYONS SCHOOL DISTRICT
Legal Debt Margin Information
Last Eight Tax Years

Tax Year	Estimated Fair Market Value	Debt Limit (1)	Less Net General Obligation Debt (2)	Legal Debt Margin	Percentage of Debt to Debt Limit
2009	$ 24,484,628,961	$ 979,385,158	$ 154,455,650	$ 824,929,508	15.77%
2010	23,814,114,992	952,564,600	206,608,333	745,956,267	21.69%
2011	22,984,491,191	919,379,648	186,581,954	732,797,694	20.29%
2012	22,981,512,941	919,260,518	250,687,602	668,572,916	27.27%
2013	24,189,952,711	967,598,108	300,491,591	667,106,517	31.06%
2014	25,670,400,546	1,026,816,022	330,766,657	696,049,365	32.21%
2015	27,357,289,514	1,094,291,581	312,441,693	781,849,888	28.55%
2016	29,904,083,647	1,196,163,346	293,223,191	902,940,155	24.51%

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

(2) Includes unamortized deferred amounts for bond premiums.

Source: District records

CANYONS SCHOOL DISTRICT
Demographic and Economic Statistics
Last Eight Fiscal Years

Year Ended June 30,	Canyons School District Estimated Population *	Salt Lake County Estimated Population **	Salt Lake County Total Personal Income (in thousands) **	Salt Lake County Per Capita Income **	Salt Lake County Unemployment Rate **	Salt Lake County Estimated New Construction **	Number of Students of Minority Ancestry
2010	189,773	1,029,655	$ 38,580,658	$ 37,057	6.8%	$ 1,545,119,400	5,049
2011	190,426	1,033,196	39,083,765	37,827	7.8%	1,042,645,900	5,755
2012	193,107	1,047,746	40,995,436	39,081	6.5%	1,560,324,400	8,442
2013	196,074	1,063,842	43,658,167	41,038	5.5%	1,581,414,900	8,450
2014	199,001	1,079,721	45,552,565	42,189	4.2%	1,568,718,500	8,486
2015	201,216	1,091,742	46,437,317	42,535	3.7%	1,868,836,000	8,486
2016	204,086	1,107,314	49,488,031	44,692	3.3%	2,059,529,200	8,566
2017	206,674	1,121,354	N/A	N/A	2.9%	3,266,939,500	8,691

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

** The District covers the southeast section of Salt Lake County, which encompasses several municipalities and unincorporated areas making statistics for the District impractical to obtain. These statistics for Salt Lake County are given since those are representative of the District. These statistics were obtained from the County's year-end financial reports. The actual per capita income as provided by the Bureau of Economic Analysis lags one year behind. Therefore, it is not available for 2017.

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

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

	2016				2009			
Employer *	Number of Employees	Rank	Percent of District's Total Estimated Population	Percent of District's Total Estimated Workforce	Number of Employees	Rank	Percent of District's Total Estimated Population	Percent of District's Total Estimated Workforce
Intermountain Healthcare	5,000	1	2.6%	3.7%	5,000	1	2.6%	3.8%
Canyons School District	5,000	2	2.6%	3.7%	5,000	2	2.6%	3.8%
Wal-Mart Stores	2,000	3	1.0%	1.5%	2,000	3	1.1%	1.5%
Smith's Food Stores	1,500	4	0.8%	1.1%	1,500	4	0.8%	1.1%
Jet Blue Airways Corporation	1,500	5	0.8%	1.1%				
Utah State Prison	1,500	6	0.8%	1.1%	1,500	5	0.8%	1.1%
eBay	1,500	7	0.8%	1.1%	1,500	6	0.8%	1.1%
Snowbird Corporation	1,500	8	0.8%	1.1%				
General Dynamics	1,400	9	0.7%	1.0%				
Becton Dickinson	1,000	10	0.5%	0.7%	1,000	10	0.5%	0.8%
1-800 Contacts					1,000	9	0.5%	0.8%
ACS Business Solutions					1,500	7	0.8%	1.1%
Coca-Cola					1,000	8	0.5%	0.8%
Totals	21,900		11.4%	16.1%	21,000		11.0%	15.9%

* The number of employees within the District's boundaries for these employers is unavailable. Therefore, the number of employees listed represents an approximate range of the number of employees per the Utah Department of Workforce Services and the Salt Lake County, Sandy, Draper and Cottonwood Heights comprehensive annual financial reports by year.

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

Function:	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	1,671.9	1,667.2	1,674.1	1,708.2	1,763.2	1,740.4	1,752.0	1,789.0
Supporting services:								
Students	96.9	98.3	106.7	110.8	118.6	118.3	119.5	117.1
Instructional staff	65.4	70.3	70.1	78.8	83.1	84.2	135.8	130.6
District administration	15.0	15.0	10.1	9.1	9.0	12.0	12.0	12.0
School administration	163.0	165.5	173.8	174.8	173.9	177.7	190.2	187.9
Central	96.0	92.0	99.0	98.0	99.0	101.8	101.0	102.0
Operation and maintenance of school buildings	180.0	179.0	189.6	188.6	187.6	184.0	183.0	189.0
Student transportation	102.3	102.5	109.3	115.9	112.4	111.9	116.2	116.2
Nutrition services	130.4	124.3	119.2	114.7	110.2	106.1	91.4	85.3
Non K-12 programs	77.0	101.2	64.1	67.9	67.3	69.5	7.1	7.6
Capital outlay	12.0	10.0	11.0	12.0	13.0	12.0	12.0	11.0
Total full-time equivalents	2,609.9	2,625.3	2,627.0	2,678.8	2,737.3	2,717.9	2,720.2	2,747.7

Source: District records - contract employees only

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

	2010	2011	2012	2013	2014	2015	2016	2017
Function:								
Instruction	$ 148,539,711	$ 156,986,377	$ 160,383,775	$ 175,359,995	$ 176,722,124	$ 170,720,170	$ 181,436,410	$ 186,467,728
	59.66%	60.39%	59.53%	61.07%	60.02%	58.26%	58.29%	58.55%
Support services:								
Students	7,390,809	7,723,388	8,433,794	9,089,873	9,744,940	9,986,468	11,008,439	11,793,573
	2.97%	2.97%	3.13%	3.17%	3.31%	3.41%	3.54%	3.70%
Instructional staff	11,709,415	12,969,300	12,187,116	10,984,333	12,170,323	11,499,804	16,248,963	17,539,626
	4.70%	4.99%	4.52%	3.83%	4.13%	3.92%	5.22%	5.51%
District administration	2,334,128	2,254,582	2,119,628	2,799,252	2,386,958	2,760,688	2,466,002	2,672,412
	0.94%	0.87%	0.79%	0.97%	0.81%	0.94%	0.79%	0.84%
School administration	13,773,164	13,944,188	14,976,976	15,769,736	16,888,958	16,610,365	18,506,081	19,303,709
	5.53%	5.36%	5.56%	5.49%	5.74%	5.67%	5.95%	6.06%
Central	11,304,689	11,154,831	12,124,999	12,378,486	12,102,194	12,325,943	13,414,345	13,294,303
	4.54%	4.29%	4.50%	4.31%	4.11%	4.21%	4.31%	4.17%
Operation and maintenance of school buildings	20,325,380	21,586,479	21,957,201	23,332,856	24,709,276	23,415,762	24,470,385	25,283,368
	8.16%	8.30%	8.15%	8.13%	8.39%	7.99%	7.86%	7.94%
Student transportation	7,138,925	7,475,764	8,139,130	8,725,403	9,062,643	8,673,079	9,047,092	9,642,728
	2.87%	2.88%	3.02%	3.04%	3.08%	2.96%	2.91%	3.03%
Nutrition services	12,408,460	12,204,115	12,563,572	12,678,765	12,923,579	12,910,906	13,251,932	13,694,604
	4.98%	4.69%	4.66%	4.42%	4.39%	4.41%	4.26%	4.30%
Contributions to other governments	-	-	-	-	-	8,764,277	9,978,475	8,329,503
	0.00%	0.00%	0.00%	0.00%	0.00%	2.99%	3.21%	2.62%
Community services	-	-	-	-	-	-	291,441	221,366
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.07%
Non K-12 programs	6,301,400	6,652,431	6,905,505	6,785,693	7,155,707	5,296,554	-	-
	2.53%	2.56%	2.56%	2.36%	2.43%	1.81%	0.00%	0.00%
Interest on long-term liabilities	7,757,267	7,000,592	9,640,250	9,227,299	10,573,788	10,091,030	11,158,159	10,212,199
	3.12%	2.69%	3.58%	3.21%	3.59%	3.44%	3.58%	3.21%
Total expenses	$ 248,983,348	$ 259,952,047	$ 269,431,946	$ 287,131,691	$ 294,440,490	$ 293,055,046	$ 311,277,724	$ 318,455,119
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598	33,069	32,946
Average Expenses Per Pupil	$ 7,499	$ 7,796	$ 8,047	$ 8,571	$ 8,752	$ 8,722	$ 9,413	$ 9,666

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

Function:	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	$ 4,474	$ 4,708	$ 4,790	$ 5,235	$ 5,253	$ 5,081	$ 5,487	$ 5,660
	59.66%	60.39%	59.53%	61.07%	60.02%	58.26%	58.29%	58.55%
Support services:								
Students	223	232	252	271	290	297	333	358
	2.97%	2.97%	3.13%	3.17%	3.31%	3.41%	3.54%	3.70%
Instructional staff	353	389	364	328	362	342	491	532
	4.70%	4.99%	4.52%	3.83%	4.13%	3.92%	5.22%	5.51%
District administration	70	68	63	84	71	82	75	81
	0.94%	0.87%	0.79%	0.97%	0.81%	0.94%	0.79%	0.84%
School administration	415	418	447	471	502	494	560	586
	5.53%	5.36%	5.56%	5.49%	5.74%	5.67%	5.95%	6.06%
Central	340	335	362	370	360	367	406	404
	4.54%	4.29%	4.50%	4.31%	4.11%	4.21%	4.31%	4.17%
Operation and maintenance of school buildings	612	647	656	697	734	697	740	767
	8.16%	8.30%	8.15%	8.13%	8.39%	7.99%	7.86%	7.94%
Student transportation	215	224	243	260	269	258	274	293
	2.87%	2.88%	3.02%	3.04%	3.08%	2.96%	2.91%	3.03%
Nutrition services	374	366	375	378	384	384	401	416
	4.98%	4.69%	4.66%	4.42%	4.39%	4.41%	4.26%	4.30%
Contributions to other governments	-	-	-	-	-	261	302	253
	0.00%	0.00%	0.00%	0.00%	0.00%	2.99%	3.21%	2.62%
Community services	-	-	-	-	-	-	9	7
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.07%
Non K-12 programs	190	200	206	203	213	158	-	-
	2.53%	2.56%	2.56%	2.36%	2.43%	1.81%	0.00%	0.00%
Interest on long-tem liabilities	234	210	288	275	314	300	337	310
	3.12%	2.69%	3.58%	3.21%	3.59%	3.44%	3.58%	3.21%
Total expenses	$ 7,499	$ 7,796	$ 8,047	$ 8,571	$ 8,752	$ 8,722	$ 9,413	$ 9,666
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598	33,069	32,946

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

Function:	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	$ 118,816,244	$ 124,029,593	$ 127,852,245	$ 134,456,779	$ 136,863,789	$ 138,398,131	$ 146,258,365	$ 146,664,649
	62.58%	62.90%	62.55%	63.25%	62.24%	62.21%	61.08%	60.50%
Support services:								
Students	7,336,484	7,575,667	8,347,281	8,925,363	9,510,956	10,099,532	10,931,039	11,511,907
	3.86%	3.84%	4.08%	4.20%	4.32%	4.54%	4.57%	4.75%
Instructional staff	11,483,579	12,649,687	11,908,506	10,710,531	11,977,361	11,536,564	16,254,028	17,197,160
	6.05%	6.41%	5.83%	5.04%	5.45%	5.19%	6.79%	7.09%
District administration	2,272,323	2,086,863	1,999,219	2,013,203	1,862,037	2,377,553	2,408,396	2,507,402
	1.20%	1.06%	0.98%	0.95%	0.85%	1.07%	1.01%	1.03%
School administration	13,618,836	13,615,074	14,754,707	15,361,909	16,408,467	16,654,114	18,313,983	18,715,088
	7.17%	6.90%	7.22%	7.23%	7.46%	7.49%	7.65%	7.72%
Central	10,503,447	10,146,693	11,210,661	11,564,452	12,069,592	12,693,640	13,510,173	13,251,568
	5.53%	5.15%	5.48%	5.44%	5.49%	5.71%	5.64%	5.47%
Operation and maintenance of school buildings	19,819,997	20,911,730	21,550,141	22,305,809	23,711,132	23,180,718	23,770,303	24,087,814
	10.44%	10.60%	10.54%	10.49%	10.78%	10.42%	9.93%	9.94%
Student transportation	6,027,206	6,175,797	6,768,574	7,243,946	7,506,685	7,520,312	7,702,864	8,253,809
	3.17%	3.13%	3.31%	3.41%	3.41%	3.38%	3.22%	3.40%
Community services	-	-	-	-	-	-	288,934	218,011
	-	-	-	-	-	-	0.12%	0.09%
Total expenditures	$ 189,878,116	$ 197,191,104	$ 204,391,334	$ 212,581,992	$ 219,910,019	$ 222,460,564	$ 239,438,085	$ 242,407,408
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598	33,069	32,946
Average Expenditures Per Pupil	$ 5,719	$ 5,914	$ 6,104	$ 6,346	$ 6,536	$ 6,621	$ 7,241	$ 7,358

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

Function:	2010	2011	2012	2013	2014	2015	2016	2017
Instruction	$ 3,579	$ 3,721	$ 3,817	$ 4,014	$ 4,067	$ 4,117	$ 4,422	$ 4,453
	62.58%	62.90%	62.55%	63.25%	62.24%	62.21%	61.08%	60.50%
Support services:								
Students	221	227	249	266	282	301	331	349
	3.86%	3.84%	4.08%	4.20%	4.32%	4.54%	4.57%	4.75%
Instructional staff	346	379	356	320	356	344	492	522
	6.05%	6.41%	5.83%	5.04%	5.45%	5.19%	6.79%	7.09%
District administration	68	63	60	60	56	71	73	76
	1.20%	1.06%	0.98%	0.95%	0.85%	1.07%	1.01%	1.03%
School administration	410	408	441	459	488	496	554	568
	7.17%	6.90%	7.22%	7.23%	7.46%	7.49%	7.65%	7.72%
Central	316	304	335	345	359	378	408	402
	5.53%	5.15%	5.48%	5.44%	5.49%	5.71%	5.64%	5.47%
Operation and maintenance of school buildings	597	627	644	666	705	690	719	731
	10.44%	10.60%	10.54%	10.49%	10.78%	10.42%	9.93%	9.94%
Student transportation	182	185	202	216	223	224	233	250
	3.17%	3.13%	3.31%	3.41%	3.41%	3.38%	3.22%	3.40%
Community services	-	-	-	-	-	-	9	7
	-	-	-	-	-	-	0.12%	0.09%
Total expenditures	$ 5,719	$ 5,914	$ 6,104	$ 6,346	$ 6,536	$ 6,621	$ 7,241	$ 7,358
Average Daily Membership	33,202	33,343	33,483	33,500	33,644	33,598	33,069	32,946

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

Year Ended June 30	Average Daily Membership	Average Daily Attendance	Ratio of ADA to ADM	Official State October 1 Enrollment Count
2010	33,202	31,756	95.64%	33,184
2011	33,343	31,931	95.77%	33,469
2012	33,483	32,106	95.89%	33,490
2013	33,500	32,106	95.84%	33,528
2014	33,644	32,441	96.42%	33,677
2015	33,598	31,800	94.65%	33,676
2016	33,069	31,983	96.72%	33,899
2017	32,946	31,949	96.97%	34,017

Source: District records

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Alta*	716	753	815	721	787	794	535	419	365	515
Brighton*	622	645	570	613	565	579	562	546	483	573
Corner Canyon***	-	-	-	-	-	-	257	391	490	680
Hillcrest*	405	386	435	422	368	444	480	423	429	426
Jordan*	523	527	478	478	507	491	510	473	433	486
Diamond Ridge****	-	-	-	-	-	-	-	-	15	39
Entrada**	-	-	254	145	104	136	78	140	69	37
South Park**	-	-	331	378	338	358	276	241	107	106
Total	2,266	2,311	2,883	2,757	2,669	2,802	2,698	2,633	2,391	2,862

*Graduates for these traditional schools are comparable to when these schools were in the former Jordan School District (JSD), 2008-2009.

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

***Corner Canyon opened in 2014.

****Diamond Ridge opened in 2016

Source: District records

CANYONS SCHOOL DISTRICT
Capital Asset Information
Last Eight Fiscal Years

	2010	2011	2012	2013	2014**	2015	2016	2017
Buildings:								
Elementary:								
Number	29	29	29	29	29	29	29	29
Square feet	1,805,833	1,805,833	1,805,833	1,844,813	1,844,777	1,844,777	1,849,736	1,872,516
Capacity	19,509	19,509	19,509	20,375	20,375	19,215	19,215	19,390
Enrollment	17,958	18,108	18,208	18,295	15,488	15,389	15,465	15,312
Middle Schools:								
Number	8	8	8	8	8	8	8	8
Square feet	1,267,103	1,267,103	1,267,103	1,290,263	1,304,281	1,304,281	1,347,426	1,351,296
Capacity	10,565	10,565	10,565	10,450	9,418	9,506	9,506	9,776
Enrollment	7,499	7,403	7,441	7,491	7,762	7,723	7,800	7,826
High Schools:								
Number	4	4	4	4	5	5	5	5
Square feet	1,372,991	1,372,991	1,372,991	1,372,991	1,748,503	1,748,503	1,748,503	1,748,503
Capacity	9,321	9,321	9,321	9,321	12,431	11,553	11,553	11,553
Enrollment	7,592	7,725	7,624	7,624	10,178	10,355	10,424	10,597
Special Schools:								
Number	3	3	4	4	4	4	2	2
Square feet	148,569	148,569	147,719	136,757	136,757	136,757	136,757	136,757
Capacity *								
Enrollment	135	233	217	220	249	209	210	282
Total School Buildings:	44	44	45	45	46	46	44	44
Square feet	4,594,496	4,594,496	4,593,646	4,644,824	5,034,318	5,034,318	5,082,422	5,109,072
Capacity	39,395	39,395	39,395	40,146	42,224	40,274	40,274	40,719
Enrollment	33,184	33,469	33,490	33,630	33,677	33,676	33,899	34,017
Other Buildings:								
Number	7	6	6	5	6	5	7	7
Square feet	397,990	336,950	336,950	340,426	340,426	340,426	251,505	251,505
Acres of Land	784	784	784	794	794	794	770	784
Number of Portables	82	82	88	91	81	82	82	85
Number of Vehicles	289	329	346	345	338	347	329	338

* Information for special school varies depending on needs of students.
** Grade configuration occurred in 2014 with the sixth graders moving to the middle schools and the ninth graders moving to the high schools.
Source: District records

CANYONS SCHOOL DISTRICT
Teacher Compensation Data
Last Ten Fiscal Years

Year Ending June 30,	Bachelor Degree 1st Year Teacher Wage	Doctorate Degree Veteran Teacher Wage	District Average* Teacher Wage	District Average* Teacher Benefits**	Total District Average* Teacher Compensation	State Median* Teacher Compensation
2008	$ 30,139	$ 58,794	$ 42,299	$ 20,256	$ 62,555	$ 66,397
2009	34,168	65,457	44,921	21,713	62,555	69,757
2010	33,640	63,264	45,230	19,195	64,425	69,531
2011	32,759	61,608	45,230	19,008	64,238	69,785
2012	34,157	64,237	45,165	19,580	64,745	70,883
2013	33,343	62,694	45,707	20,390	66,097	71,099
2014	33,831	62,799	45,522	20,536	66,058	74,028
2015	33,215	62,571	46,453	27,722	74,175	76,664
2016	33,998	64,147	47,596	29,077	76,673	76,243
2017	34,334	66,323	N/A	N/A	N/A	N/A

* 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.

N/A - The 2017 numbers were not available when this schedule was prepared.

Note 1 - Data from 2008-2009 is from Jordan School District. The numbers will be used for comparability purposes.

Note 2 - The 2011 teacher compensation data for the District is shown net of a decrease due to 5 furlough days.

CANYONS SCHOOL DISTRICT
Students Per Teacher
Last Ten Fiscal Years

Grade	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Kindergarten	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0	44.0
1	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
2	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3	22.3
4	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3
5	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3
6	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3	26.3
7	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3
8	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3	27.3
9	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	25.3	25.3
10	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3
11	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3
12	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3	28.3

Note - Data from 2008 - 2009 is from Jordan School District. The numbers will be used for comparability purposes.

Source: District Records

CANYONS SCHOOL DISTRICT
Nutrition Services - Facts and Figures
Last Eight Fiscal Years

	2010	2011	2012	2013	2014	2015	2016	2017
Participating schools:								
Lunch	43	43	43	43	44	43	44	44
Breakfast	25	25	25	26	30	33	36	37
Student lunches served:								
Free	944,856	1,028,671	1,129,915	1,090,227	1,040,685	1,041,709	1,034,851	1,037,271
Reduced	217,170	211,707	219,019	204,531	183,451	183,443	190,927	158,665
Fully paid	2,179,799	1,999,634	1,990,611	1,712,160	1,614,055	1,648,908	1,666,635	1,644,115
Total	3,341,825	3,240,012	3,339,545	3,006,918	2,838,191	2,874,060	2,892,413	2,840,051
Student breakfasts served:								
Free	230,401	243,532	275,848	260,808	261,970	313,316	443,942	434,835
Reduced	27,922	24,960	26,102	19,918	22,264	31,820	55,369	45,072
Fully paid	74,021	63,926	67,336	54,474	63,393	84,961	158,914	166,115
Total	332,344	332,418	369,286	335,200	347,627	430,097	658,225	646,022
Percentage of free/reduced/fully paid lunch:								
Free	28.27%	31.75%	33.83%	36.26%	36.67%	36.25%	35.78%	36.52%
Reduced	6.50%	6.53%	6.56%	6.80%	6.46%	6.38%	6.60%	5.59%
Fully paid	65.23%	61.72%	59.61%	56.94%	56.87%	57.37%	57.62%	57.89%
Percentage of free/reduced fully paid breakfast:								
Free	69.33%	73.26%	74.70%	77.81%	75.36%	72.85%	67.45%	67.31%
Reduced	8.40%	7.51%	7.07%	5.94%	6.40%	7.40%	8.41%	6.98%
Fully paid	22.27%	19.23%	18.23%	16.25%	18.24%	19.75%	24.14%	25.71%
Average daily participation:								
Lunch	18,774	18,514	18,761	16,893	15,945	16,146	16,250	15,955
Breakfast	1,867	1,900	2,075	1,883	1,953	2,416	3,698	3,629
Average daily membership	33,202	33,343	33,483	33,500	33,644	33,598	33,069	32,946
Percentage participating in school lunch/breakfast								
Lunch	56.55%	55.53%	56.03%	50.43%	47.39%	48.06%	49.14%	48.43%
Breakfast	5.62%	5.70%	6.20%	5.62%	5.80%	7.19%	11.18%	11.02%

Source: District records

APPENDIX B

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING SALT LAKE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the "County"), the general area in which the District is located. The County is the economic and population center of the State. Based on 2010 Census data, the County has approximately 37% of the total population of the State. The State capital, Salt Lake City, is located in the County.

County and State Population

Year	County	% Change	State	% Change
2017 Estimate	1,135,649	1.27%	3,101,833	1.89%
2016 Estimate	1,121,379	1.54	3,044,321	1.99
2015 Estimate	1,104,372	1.20	2,984,917	1.57
2014 Estimate	1,091,271	0.97	2,938,671	1.33
2013 Estimate	1,080,830	1.54	2,899,961	1.60
2012 Estimate	1,064,489	1.54	2,854,222	1.38
2011 Estimate	1,048,313	1.81	2,815,430	1.86
2010 Census	1,029,655	–	2,763,885	–

Rate of Unemployment – Annual Average

Year	County	State	United States
2017	3.1%	3.2%	4.4%
2016	3.2	3.4	4.9
2015	3.4	3.6	5.3
2014	3.7	3.8	6.2
2013	4.4	4.6	7.4
2012	5.3	5.4	8.1

(Source: Utah Department of Workforce Services and the U.S. Department of Labor.)

Economic Indicators in the County

LABOR FORCE (1)	2017	2016	2015	2014	2013
Labor Force (annual average)	621,759	605,535	587,026	577,159	571,160
Employed (annual average)	602,541	586,393	567,497	555,908	546,034
Unemployed (annual average)	19,218	19,142	19,529	21,251	25,126
Average Employment (Non-Farm Jobs)	700,603	684,445	661,271	639,511	624,309
% Change Prior Year	2.36	*3.50*	*3.41*	*2.44*	*3.38*
Average Employment by Sector:					
Agriculture, Forestry, Fishing & Hunting	220	214	192	179	194
Mining	2,408	2,428	2,694	2,948	3,399
Utilities	2,640	2,578	2,697	2,617	2,593
Construction	38,288	35,996	33,658	31,831	30,814
Manufacturing	56,004	54,544	53,451	52,521	52,616
Wholesale Trade	32,284	32,050	31,417	30,538	30,758
Retail Trade	72,465	72,078	69,695	67,572	66,700
Transportation and Warehousing	39,895	38,710	37,123	34,653	33,991
Information	20,552	19,234	18,323	18,462	18,265
Finance and Insurance	46,978	45,848	43,847	41,489	40,114
Real Estate and Rental and Leasing	10,665	10,250	9,844	9,609	9,294
Professional, Scientific & Technical Services	52,982	51,753	49,457	46,814	44,135
Management of Companies and Enterprises	16,490	16,263	16,622	16,559	16,319
Administrative, Support, Waste Management, & Remediation	52,981	52,921	50,610	48,470	46,631
Education Services	64,808	62,976	60,809	59,412	56,651
Health Care and Social Assistance	79,144	76,892	73,783	71,319	70,073
Arts, Entertainment, and Recreation	10,598	9,995	8,847	8,522	8,085
Accommodation and Food Services	49,548	48,772	47,810	46,218	44,774
Other Services and Unclassified Establishments	21,529	21,303	21,049	20,331	19,568
Public Administration	30,346	29,856	29,539	29,630	29,532
Total Establishments	43,849	42,765	41,512	40,022	38,702
Total Wages ($Millions)	36,452.1	34,588.9	32,692.7	30,472.0	28,858.2

INCOME AND WAGES	2017	2016	2015	2014	2013
Total Personal Income ($000) (2)	n/a	$52,436,840	$49,871,735	$46,652,307	$44,302,371
Per Capita Income (2)	n/a	46,762	45,148	42,746	40,492
Median Household Income (2)	n/a	68,404	65,549	62,536	59,626
Average Monthly Nonfarm Wage (1)	$4,336	$4,211	$4,120	$3,971	$3,852
SALES & CONSTRUCTION					
Gross Taxable Sales ($000,000) (3)	$27,084.5	$25,415.5	$24,256.5	$22,941.0	$21,986.1
New Dwelling Units (4)	6,567	8,328	6,077	6,529	5,153
Total Construction Value ($000) (4)	2,852,908.3	3,266,939.5	2,222,893.3	2,029,610.8	1,596,248.3
New Residential Value ($000) (4)	1,255,675.4	1,406,216.3	1,171,161.9	994,854.6	901,376.4
New Nonresidential Value ($000) (4)	976,434.1	803,698.8	603,068.7	518,005.1	423,440.4

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated November 17, 2016; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research; Total Construction Value includes additions/alterations/repairs.)

Major Employers in the County

The following is a list of some of the largest employers in the County with 2,000 employees and above.

Company	***Industry***	***Employment Range***
University of Utah	Colleges, Universities, and Professional Schools	20,000+
Intermountain Health Care	Management of Companies and Enterprises	15,000-19,999
State of Utah	Executive, Legislative, and Other General Government Support	10,000-14,999
Granite School District	Elementary and Secondary Schools	7,000-9,999
Jordan School District	Elementary and Secondary Schools	5,000-6,999
Salt Lake County	Executive, Legislative, and Other General Government Support	5,000-6,999
Wal-Mart	Management of Companies and Enterprises	4,000-4,999
Canyons School District	Elementary and Secondary Schools	4,000-4,999
Delta Airlines	Scheduled Air Transportation	3,000-3,999
Smiths Marketplace	Other General Merchandise Stores	3,000-3,999
Discover Products	Nondepository Credit Intermediation	3,000-3,999
U.S. Postal Service	Postal Service	3,000-3,999
Salt Lake City School District	Elementary and Secondary Schools	3,000-3,999
Zions Bank Management Services	Depository Credit Intermediation	3,000-3,999
C.R. England	Specialized Freight Trucking	3,000-3,999
L-3 Communications Corporation	Navigational, Measuring, Electromedical, and Control Instruments Manufacturing	3,000-3,999
Department of Veterans Affairs	General Medical and Surgical Hospitals	3,000-3,999
Salt Lake City Parks	Other Amusement and Recreation Industries	3,000-3,999
ARUP Laboratories	Medical and Diagnostic Laboratories	3,000-3,999
Salt Lake Community College	Junior Colleges	2,000-2,999
Wells Fargo Bank	Depository Credit Intermediation	2,000-2,999
JetBlue Airways Corporation	Travel Arrangement and Reservation Services	2,000-2,999
Dental Select	Insurance Carriers	2,000-2,999
Harmons	Grocery Stores	2,000-2,999
Skywest Airlines	Scheduled Air Transportation	2,000-2,999
Utah Transit Authority	Urban Transit Systems	2,000-2,999

(Source: Utah Department of Workforce Services; as of August 2017.)

APPENDIX C

FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Bonds, Gilmore & Bell, P.C., Bond Counsel to the Board, proposes to issue its approving opinion in substantially the following form:

We have acted as bond counsel for the Board of Education (the "Board") of the Canyons School District, Utah (the "District") in connection with the issuance by the Board of its $__________ General Obligation Bonds (Utah School Bond Guaranty Program), Series 2018B (the "Bonds") pursuant to (i) authorization given by a majority of the qualified electors of the District voting at a special bond election held November 7, 2017; (ii) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended; (iii) a resolution of the Board adopted on September 4, 2018 (the "Resolution"), which provides for the issuance of the Bonds; and (iv) other applicable provisions of law. The Bonds are being issued for the purpose of (i) financing all or a portion of the costs of land acquisition, acquisition, construction and furnishing of new school facilities, and renovating and improving existing facilities; and (ii) paying authorization and issuance expenses incurred in connection with the Bonds.

Our services as bond counsel have been limited to the preparation of the legal proceedings and supporting certificates authorizing the issuance of the Bonds under the applicable laws of the State of Utah and to a review of the transcript of such proceedings and certificates. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials furnished to us without undertaking to verify the same by independent investigation. Our examination has been limited to the foregoing as they exist or are in effect as of the date hereof. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing law, as follows:

1. The Resolution has been duly adopted by the Board and constitutes a valid and binding obligation of the Board enforceable upon the Board.

2. The Bonds are valid and binding general obligations of the Board for the payment of which the full faith and credit of the Board are pledged, and for the payment of which ad valorem taxes may be levied on all taxable property within the boundaries of the District without limit as to rate or amount.

3. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Board complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Board has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

4. Interest on the Bonds is exempt from State of Utah individual income taxes.

We express no opinion herein regarding the accuracy, completeness or sufficiency of any offering material relating to the Bonds.

The rights of the holders of the Bonds and the enforceability thereof and of the documents identified in this opinion may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent applicable, and their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Respectfully submitted,

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by the Board of Education of Canyons School District, Utah (the “Issuer”) in connection with the issuance of the Issuer’s General Obligation Bonds (Utah School Bond Guaranty Program), Series 2018B in the aggregate principal amount of $__________ (the “Bonds”). The Bonds are being issued pursuant to the resolution of the Issuer adopted on September 4, 2018 (the “Resolution”). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Issuer for the benefit of the Bondholders and Beneficial Owners of the Bonds and in order to assist the Participating Underwriter in complying with the Rule (each as defined below).

Section 2. Definitions. In addition to the definitions set forth in the Resolution or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories, or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Dissemination Agent” shall mean, initially, the Issuer, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; Fax (202) 898-1500, and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the Issuer dated __________, 2018, relating to the Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The Issuer shall prepare an Annual Report and shall, or shall cause the Dissemination Agent to, not later than seven (7) months after the end of each fiscal year of the Issuer (presently June 30) commencing with the fiscal year ending June 30, 2018, provide to the MSRB in electronic format an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) business days prior to said date, the Issuer shall provide its respective Annual Report to the Dissemination Agent (if other than the Issuer). In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the Issuer may be submitted separately from the balance of its Annual Reports.

(b) If the Issuer is unable to provide an Annual Report to the MSRB by the date required in subsection (a), the Issuer shall send a notice to the MSRB in electronic format.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the website address to which the MSRB directs the annual reports to be submitted; and

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. (a) The Issuer's Annual Report shall contain or incorporate by reference the following:

(i) A copy of the Issuer's annual financial statements prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If the Issuer's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(ii) An update of the information of the type contained in the Official Statement under the headings "DEBT STRUCTURE OF CANYONS SCHOOL DISTRICT, UTAH" and "FINANCIAL INFORMATION REGARDING CANYONS SCHOOL DISTRICT, UTAH —Financial Summaries," "—Historical Tax Rates," "—Taxable and Fair Market Value of Property in the District," "—Historical Summaries of Taxable Value of Property," "—Tax Collection Record," and "—Some of the Largest Taxpayers."

(b) Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer shall clearly identify each such document incorporated by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, the Issuer shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds in a timely manner but not more than ten (10) Business Days after the event:

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or 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 Bonds or other material events affecting the tax status of the Bonds;

(vi) Defeasances;

(vii) Tender offers;

(viii) Bankruptcy, insolvency, receivership or similar proceedings; or

(ix) Rating changes.

(b) Pursuant to the provisions of this Section 5, the Issuer shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

(i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;

(ii) Appointment of a successor or additional trustee or paying agent or the change of the name of a trustee or paying agent;

(iii) Non-payment related defaults;

(iv) Modifications to the rights of the owners of the Bonds;

(v) Bond calls; or

(vi) Release, substitution or sale of property securing repayment of the Bonds.

(c) Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, whether because of a notice from the Dissemination Agent or otherwise, the Issuer shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Issuer has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the Issuer determines that the Listed Event would not be material under applicable federal securities laws, the Issuer shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format of the Bonds.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Undertaking shall terminate upon the earlier of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the Issuer shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

Section 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist the Issuer in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment, Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Issuer may amend this Disclosure Undertaking, and any provision of this Disclosure Undertaking may be waived, without the consent of the holders of the Bonds, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver does not, in and of itself, cause the undertakings herein to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The Issuer will provide notice of such amendment or waiver to the MSRB.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Issuer shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Undertaking, any holder or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence, gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

DATE: ___________, 2018.

BOARD OF EDUCATION OF CANYONS SCHOOL DISTRICT, UTAH

By:____
President

Attest & Countersign:

____
Business Administrator

APPENDIX E

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Bonds. The 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 Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 3.5 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 Standard & Poor's 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 www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each 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 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 Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all 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 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 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 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the 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 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 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 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the 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 detail 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 interest 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 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, 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, 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.