

NEW ISSUE

Rating: Moody's "Aaa" (State of Utah Guaranty; underlying "Aa3")

S&P "AAA" (State of Utah Guaranty; underlying "AA-")

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

Subject to compliance by the Board with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the 2014 Bonds is excludable from gross income of the owners thereof for federal income tax purpose and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2014 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See "TAX MATTERS—Federal Income Taxation Of 2014 Bonds" and "—State Tax Exemption For The 2014 Bonds" herein for a more complete discussion.

\$13,195,000

**Board of Education of
Tooele County School District, Utah**

**General Obligation Refunding Bonds
(Utah School Bond Guaranty Program), Series 2014**

The \$13,195,000 General Obligation Refunding Bonds (Utah School Bond Guaranty Program), Series 2014 are issuable by the Board of Education of Tooele County School District, Utah, as fully-registered bonds and, when initially issued, will be in book-entry only form, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. DTC will act as securities depository for the 2014 Bonds.

Principal of and interest on the 2014 Bonds (interest payable June 1 and December 1 of each year, commencing June 1, 2014) are payable by Zions Bank, Corporate Trust Department, Salt Lake City, Utah, as Paying Agent, to the registered owners thereof, initially DTC. See "THE 2014 BONDS—Book-Entry System" herein.

The 2014 Bonds are not subject to optional redemption prior to maturity. See "THE 2014 BONDS—No Redemption" herein.

The 2014 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 Tooele County School District, Utah, fully sufficient to pay the 2014 Bonds as to both principal and interest.

Payment of the principal of and interest on the 2014 Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the

State of Utah

under the provisions of the Utah School Bond Guaranty Act. See "STATE OF UTAH GUARANTY" herein.

Dated: Date of Delivery¹

Due: June 1, as shown on inside front cover

See the inside front cover for the maturity schedule of the 2014 Bonds.

The 2014 Bonds were awarded pursuant to competitive bidding received by means of the *PARITY*® electronic bid submission system on April 16, 2014 as set forth in the OFFICIAL NOTICE OF BOND SALE (dated April 3, 2014 and amended April 14, 2014) to the successful bidder at a "true interest rate" of 1.39%.

Zions Bank Public Finance, Salt Lake City, Utah, acted as Financial Advisor.

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

This OFFICIAL STATEMENT is dated April 16, 2014, and the information contained herein speaks only as of that date.

¹ The anticipated date of delivery is Wednesday, April 30, 2014.

\$13,195,000

**General Obligation Refunding Bonds
(Utah School Bond Guaranty Program), Series 2014**

Dated: Date of Delivery¹

Due: June 1, as shown below

Due June 1	CUSIP® 890346	Principal Amount	Interest Rate	Yield
2015.....	LB3	\$ 50,000	2.00%	0.20%
2016.....	KV0	1,355,000	4.00	0.38
2017.....	KW8	2,205,000	4.00	0.68
2018.....	KX6	2,280,000	3.00	0.97
2019.....	KY4	2,350,000	2.00	1.23
2020.....	KZ1	2,420,000	4.00	1.56
2021.....	LA5	2,535,000	4.00	1.83

¹ The anticipated date of delivery is Wednesday, April 30, 2014.

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This OFFICIAL STATEMENT does not constitute an offer to sell, or the solicitation of an offer to buy, nor shall there be any sale of, the 2014 Bonds (as defined herein), by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained herein, and if given or made, such other informational representations must not be relied upon as having been authorized by any of: the Board of Education of Tooele County School District, Utah (the “Board”); Zions Bank Public Finance, Salt Lake City, Utah (as Financial Advisor); Zions Bank, Corporate Trust Department (as Paying Agent); the State of Utah; the successful bidder(s); or any other entity. The information contained herein has been obtained from the Board, The Depository Trust Company, New York, New York, the State of Utah, and from other sources which are believed to be reliable. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this OFFICIAL STATEMENT nor the issuance, sale, delivery or exchange of the 2014 Bonds, shall under any circumstance create any implication that there has been no change in the affairs of the Board, since the date hereof.

The 2014 Bonds have not been registered under the Securities Act of 1933, as amended, or any state securities laws in reliance upon exemptions contained in such act and laws. Neither the Securities and Exchange Commission nor any state securities commission has passed upon the accuracy or adequacy of this OFFICIAL STATEMENT. Any representation to the contrary is unlawful.

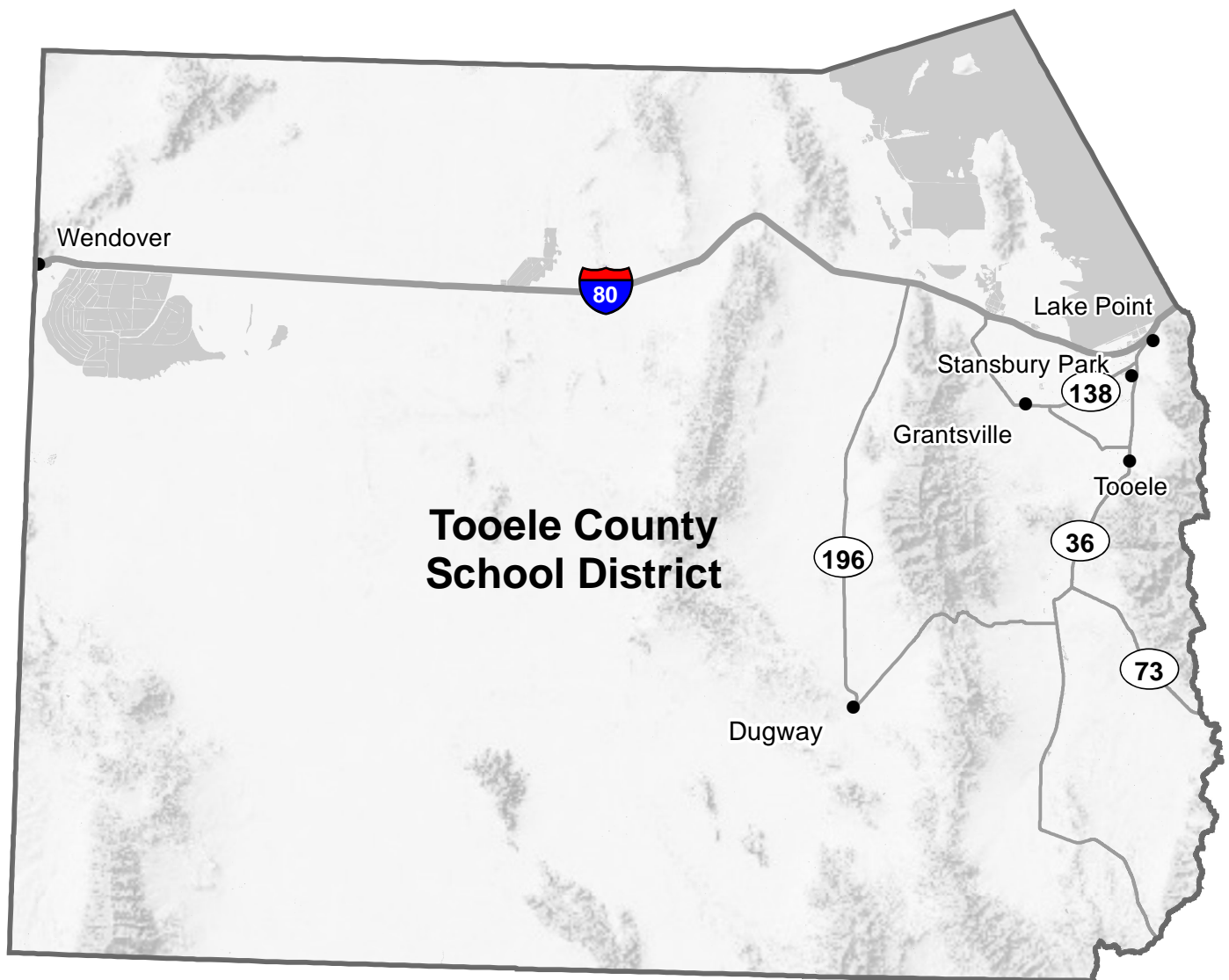
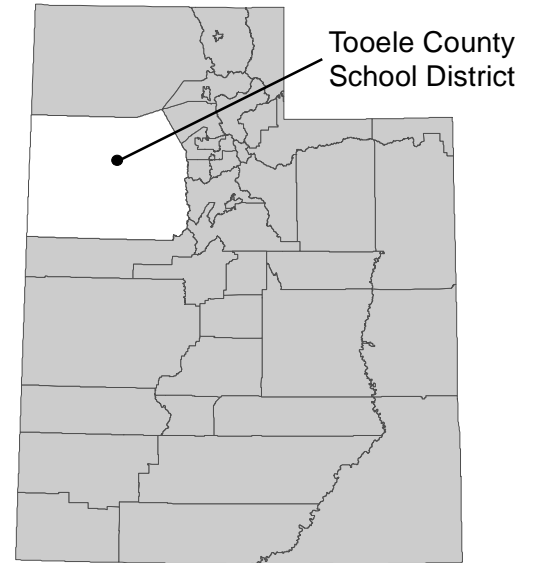
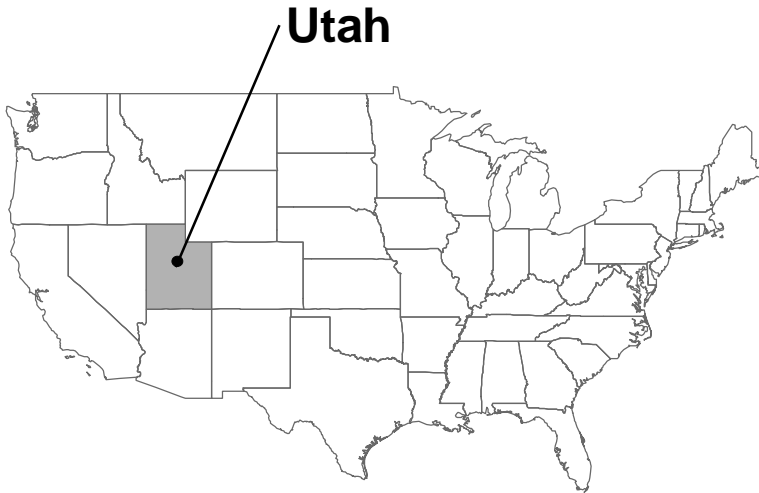
The yields at which the 2014 Bonds are offered to the public may vary from the initial reoffering yields on the inside cover page of this OFFICIAL STATEMENT. In addition, the successful bidder(s) may allow concessions or discounts from the initial offering prices of the 2014 Bonds to dealers and others. In connection with the offering of the 2014 Bonds, the successful bidder(s) may engage in transactions that stabilize, maintain, or otherwise affect the price of the 2014 Bonds. Such transactions may include overallotments in connection with the purchase of 2014 Bonds, the purchase of 2014 Bonds to stabilize their market price and the purchase of 2014 Bonds to cover the successful bidder’s(s’) short positions. Such transactions, if commenced, may be discontinued at any time.

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

The CUSIP® (the Committee on Uniform Securities Identification Procedures) identification numbers are provided on the inside cover page of this OFFICIAL STATEMENT and are being provided solely for the convenience of bondholders only, and the Board does not make any representation with respect to such numbers or undertake any responsibility for their accuracy. The CUSIP® numbers are subject to being changed after the issuance of the 2014 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of the 2014 Bonds.

The information available at Web sites referenced in this OFFICIAL STATEMENT has not been reviewed for accuracy and completeness. Such information has not been provided in connection with the offering of the 2014 Bonds and is not a part of this OFFICIAL STATEMENT.

Utah School Districts



OFFICIAL STATEMENT RELATED TO

\$13,195,000

Board of Education of Tooele County School District, Utah

General Obligation Refunding Bonds (Utah School Bond Guaranty Program), Series 2014

INTRODUCTION

This introduction is only a brief description of the 2014 Bonds, as hereinafter defined, the security and source of payment for the 2014 Bonds and certain information regarding the Board of Education (the “Board”) of Tooele (*pronounced “two–will–a”*) County School District, Utah (the “District”). The information contained herein is expressly qualified by reference to the entire OFFICIAL STATEMENT, including the appendices. Investors are urged to make a full review of the entire OFFICIAL STATEMENT.

See the following appendices that are attached hereto and incorporated herein by reference: “APPENDIX A—FINANCIAL STATEMENTS OF TOOEELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013;” “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL;” “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING;” and “APPENDIX D—BOOK-ENTRY SYSTEM.”

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

Public Sale/Electronic Bid

The 2014 Bonds were awarded pursuant to competitive bidding received by means of the **PARITY®** electronic bid submission system on April 16, 2014, pursuant to the OFFICIAL NOTICE OF BOND SALE (dated April 3, 2014 and amended April 14, 2014) to J.P. Morgan Securities, New York, New York, at a “true interest rate” of 1.39%.

The 2014 Bonds may be offered and sold to certain dealers (including dealers depositing the 2014 Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the inside cover page of the OFFICIAL STATEMENT and such public offering prices may be changed from time to time.

Tooele County School District, Utah

The District, established in 1915, shares common boundaries with Tooele County, Utah (the “County”). The County was established in 1850 and is situated in the northwestern portion of the State of Utah (the “State”), located approximately 30 miles west of Salt Lake City (Salt Lake County), Utah. The County is bordered on the west by the State of Nevada, on the north by Box Elder County, on the east by Da-

vis, Salt Lake and Utah Counties, and on the south by Juab County. The County is the second largest county in the State, covering an area of approximately 6,930 square miles. The County had 60,762 residents according to the 2013 U.S. Census Bureau estimates and ranked as the 7th most populous county (out of 29 counties). See location maps above.

The 2014 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 \$13,195,000 General Obligation Refunding Bonds (Utah School Bond Guaranty Program), Series 2014 (the “2014 Bond” or “2014 Bonds”), initially issued in book–entry form only.

Security

The 2014 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 2014 Bonds as to both principal and interest. See “THE 2014 BONDS—Security And Sources Of Payment” and “FINANCIAL INFORMATION REGARDING TOOELE COUNTY SCHOOL DISTRICT, UTAH—Tax Levy And Collection” below.

Payment of the principal of and interest on the 2014 Bonds when due is guaranteed by the full faith and credit and unlimited taxing power of the State under the provisions of the Utah School Bond Guaranty Act, Title 53A, Chapter 28 (the “Guaranty Act”), Utah Code Annotated 1953, as amended (the “Utah Code”). See “STATE OF UTAH GUARANTY” below.

Authorization For And Purpose Of The 2014 Bonds

The 2014 Bonds are being issued pursuant to the Utah Refunding Bond Act, Title 11, Chapter 27 and the Resolution of the Board adopted on February 11, 2014 (the “Resolution”), which provide for the issuance of the 2014 Bonds; and other applicable provisions of law.

The 2014 Bonds are being issued for the purpose of refunding in advance of their maturity \$1,475,000 of the Board’s currently outstanding General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2005, dated May 10, 2005, which mature on June 1, 2016 and \$11,475,000 of the Board’s currently outstanding General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2006, dated September 13, 2006, which mature on June 1, 2017 through June 1, 2021. The 2014 Bonds are also being issued to pay certain costs of issuance. See “THE 2014 BONDS—Plan Of Refunding For The 2014 Bonds” below.

No Redemption

The 2014 Bonds are not subject to optional redemption prior to maturity.

Registration, Denominations, Manner Of Payment

The 2014 Bonds are issuable only as fully–registered bonds and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the 2014 Bonds. Purchases of 2014 Bonds will be made in book–entry form only, in the principal amount of \$5,000 or any whole multiple thereof, through brokers and dealers who are, or who act through, DTC’s Direct Participants (as defined herein). Beneficial Owners (as defined herein) of the 2014 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 2014 Bonds. “Direct Participants,” “Indirect Participants” and “Beneficial Owners” are defined under “APPENDIX D—BOOK–ENTRY SYSTEM.”

Principal of and interest on the 2014 Bonds (interest payable June 1 and December 1 of each year, commencing June 1, 2014) are payable by Zions Bank, Corporate Trust Department, Salt Lake City, Utah (“Zions Bank”), as paying agent (the “Paying Agent”) for the 2014 Bonds, to the registered owners of the 2014 Bonds. So long as Cede & Co. is the registered owner of the 2014 Bonds, DTC will, in turn, remit such principal and interest to its Direct Participants, for subsequent disbursements to the Beneficial Owners of the 2014 Bonds, as described in “APPENDIX D—BOOK-ENTRY SYSTEM.”

So long as DTC or its nominee is the registered owner of the 2014 Bonds, neither the Board nor the Paying Agent will have any responsibility or obligation to any Direct or Indirect Participants of DTC, or the persons for whom they act as nominees, with respect to the payments to or the providing of notice for the Direct Participants, Indirect Participants or the Beneficial Owners of the 2014 Bonds. Under these same circumstances, references herein and in the Resolution to the “Bondowners” or “Registered Owners” of the 2014 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the 2014 Bonds.

Tax Matters

Subject to compliance by the Board with certain covenants, in the opinion of Chapman and Cutler LLP, Bond Counsel, under present law, interest on the 2014 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the 2014 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See “TAX MATTERS—Federal Income Taxation Of 2014 Bonds” and “—State Tax Exemption For The 2014 Bonds” below for a more complete discussion.

Professional Services

In connection with the issuance of the 2014 Bonds, the following have served the Board in the capacity indicated.

Bond Counsel

Chapman and Cutler LLP
201 S Main St Ste 2000
Salt Lake City UT 84111-2266
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Attorney for the Board

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ptanner@burbidgewhite.com

Escrow Agent, Bond Registrar, and Paying Agent

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Corporate Trust Department
One S Main St 12th Fl
Salt Lake City UT 84133
801.844.7546 | f 801.524.4838
dan.ellison@zionsbank.com

Financial Advisor

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801.844.7373 | f 801.844.4484
alex.buxton@zionsbank.com

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

The 2014 Bonds are offered, subject to prior sale, when, as and if issued and received by the successful bidder(s), subject to the approval of legality of the 2014 Bonds by Chapman and Cutler LLP, Bond Counsel to the Board, and certain other conditions. Certain legal matters will be passed on for the Board

by the attorney for the Board, Burbidge & White LLC, Salt Lake City, Utah. It is expected that the 2014 Bonds, in book-entry form only, will be available for delivery in Salt Lake City, Utah for deposit with Zions Bank, a “fast agent” of DTC, on or about Wednesday, April 30, 2014.

Continuing Disclosure Undertaking

The Board will enter into a continuing disclosure undertaking for the benefit of the Beneficial Owners of the 2014 Bonds. For a detailed discussion of this disclosure undertaking, previous undertakings and timing of submissions see “CONTINUING DISCLOSURE UNDERTAKING” below and “APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

Basic Documentation

This OFFICIAL STATEMENT speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the Board, the District, the 2014 Bonds, and the Resolution are included in this OFFICIAL STATEMENT. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Resolution are qualified in their entirety by reference to such document, and references herein to the 2014 Bonds are qualified in their entirety by reference to the form thereof included in the Resolution. The “basic documentation” which includes the Resolution, the closing documents and other documentation, authorizing the issuance of the 2014 Bonds and establishing the rights and responsibilities of the Board and other parties to the transaction, may be obtained from the “contact persons” as indicated below.

Contact Persons

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

Alex Buxton, Vice President, alex.buxton@zionsbank.com
Eric John Pehrson, Vice President, eric.pehrson@zionsbank.com

Zions Bank Public Finance
Zions Bank Building
One S Main St 18th Fl
Salt Lake City UT 84133–1109
801.844.7373 | f 801.844.4484

As of the date of this OFFICIAL STATEMENT, the chief contact person for the Board concerning the 2014 Bonds is:

Lark Reynolds, Business Administrator
lreynolds@tooeleschools.org
Tooele County School District
92 S Lodestone Way
Tooele UT 84074
435.833.1900 | f 435.833.1912

As of the date of this OFFICIAL STATEMENT, the chief contact person for the State concerning the State guaranty for the 2014 Bonds is:

Richard K. Ellis, Utah State Treasurer, rellis@utah.gov

Utah State Treasurer's Office
350 N State St Ste C-180
(PO Box 142315)
Salt Lake City UT 84114-2315
801.538.1042 | f 801.538.1465
<http://www.treasurer.state.ut.us>

CONTINUING DISCLOSURE UNDERTAKING

Continuing Disclosure Undertaking For 2014 Bonds

The Board will enter into a Continuing Disclosure Undertaking (the "Disclosure Undertaking") for the benefit of the Beneficial Owners of the 2014 Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access system ("EMMA") pursuant to the requirements of paragraph (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and other terms of the Disclosure Undertaking, including termination, amendment and remedies, are set forth in the proposed form of Disclosure Undertaking in "APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING."

The Board has complied in all material respects with each and every disclosure undertaking previously entered into by it pursuant to the Rule in the last five years.

Based on prior disclosure undertakings the Board submits its annual financial statements for Fiscal Year Ending June 30 and other operating and financial information not more than 185 days from the end of the Fiscal Year (on or before January 1). The Board will submit the Fiscal Year 2014 financial statements and other required operating and financial information for the 2014 Bonds on or before January 1, 2015, and annually thereafter on or before each January 1.

A failure by the Board to comply with the Disclosure Undertaking will not constitute a default under the Resolution and Beneficial Owners of the 2014 Bonds are limited to the remedies described in the Disclosure Undertaking. See "APPENDIX C—PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING." A failure by the Board to comply with the Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the 2014 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the 2014 Bonds and their market price.

The State has entered into a Master Continuing Disclosure Agreement (the "Master Agreement") for the benefit of the Beneficial Owners of the bonds, including the 2014 Bonds, guaranteed by the State pursuant to the Guaranty Act. See "STATE OF UTAH GUARANTY" below. In the Master Agreement, the State has undertaken to send certain information annually and to provide notice of certain events to MSRB through EMMA pursuant to the Rule, but solely as to its responsibilities under its guaranty. See "STATE OF UTAH GUARANTY—State Of Utah—Financial And Operating Information" below. The State has complied in all material respects with the Master Agreement previously entered into by it pursuant to the Rule. Based on prior disclosure undertakings the State submits its Fiscal Year Ending June 30 Comprehensive Annual Financial Report ("CAFR") and other operating and financial information on or before January 15 (on or before 199 days from the end of the Fiscal Year). The State has agreed to submit the State's Fiscal Year 2014 CAFR and other operating and financial information on or before January 15, 2015 (and annually thereafter on or before each January 15).

The Board is responsible for continuing disclosure under the Rule for all other matters relating to the 2014 Bonds.

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

STATE OF UTAH GUARANTY

Guaranty Provisions

Payment of the principal of and interest on the 2014 Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the State under the provisions of the Guaranty Act. The Guaranty Act establishes the Utah School Bond Default Avoidance Program (the “Program” or the “Utah School Bond Guaranty Program”). The State’s guaranty is contained in Section 53A–28–201(2)(a) of the Guaranty Act, which provides as follows:

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

In addition, the Guaranty Act provides that the State pledges to and agrees with the holders of bonds guaranteed under the Guaranty Act that the State will not alter, impair, or limit the rights vested by the Program with respect to said bonds until said bonds, together with applicable interest, are fully paid and discharged. However, this pledge does not preclude an alteration, impairment, or limitation if adequate provision is made by law for the protection of the holders of the bonds.

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

Guaranty Procedures

Under the Guaranty Act, the Business Administrator of the Board (the “Business Administrator”) is required to transfer moneys sufficient for scheduled debt service payments on the 2014 Bonds to the Paying Agent at least 15 days before any principal or interest payment date for the 2014 Bonds. If the Business Administrator is unable to transfer the scheduled debt service payment to the Paying Agent at least 15 days before the payment date, the Business Administrator must immediately notify the Paying Agent and the Utah State Treasurer (the “State Treasurer”) by (i) telephone and (ii) a writing sent by (a) facsimile transmission and (b) first-class United States mail. In addition, if the Paying Agent has not received the scheduled debt service payment at least 15 days prior to the scheduled debt service payment date for the 2014 Bonds, then the Paying Agent must at least 10 days before the scheduled debt service payment notify the State Treasurer of that failure by (i) telephone and (ii) a writing sent by (a) facsimile transmission and (b) first-class United States mail. The Guaranty Act further provides that if sufficient moneys to pay the scheduled debt service payment have not been transferred to the Paying Agent, then the State Treasurer shall, on or before the scheduled payment date, transfer sufficient moneys to the Pay-

ing Agent to make the scheduled debt service payment. Payment by the State of a debt service payment on the 2014 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 2014 Bonds on behalf of the Board, the State will use cash on hand (or from other legally available moneys) to make the payment. Under the Guaranty Act, the State Treasurer is required to immediately intercept any payments from the Uniform School Fund or from any other source of operating moneys provided by the State to the Board. The intercepted payments will be used to reimburse the State until all obligations of the Board to the State, including interest and penalties, are paid in full. The State does not currently expect to have to advance moneys to the Board pursuant to its guaranty. If, however, at the time the State is required to make a debt service payment under its guaranty on behalf of the Board, sufficient moneys are not on hand and available for that purpose, then the Guaranty Act provides that the State may seek a short-term loan from the Permanent School Fund sufficient to make the required payment (the Permanent School Fund is not required to make such a loan) or issue short-term State debt in the form of general obligation notes as provided in the Guaranty Act. The provisions of the Guaranty Act relating to short-term debt provide that such debt will carry the full faith and credit of the State and will be issued with a maturity of not more than 18 months so that the State could, if necessary, obtain liquidity financing on short notice. Under the State Constitution, debt incurred for this purpose does not count toward the constitutional debt limit of the State.

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

Number of school districts (out of 41 school districts in the State)	39
Number of bond issues.....	276

Aggregate total principal amount outstanding within the State’s Fiscal Year 2014..... \$2,943,556,722

The approximate aggregate total annual principal and interest payments (interest payments include anticipated federal interest subsidies on “Build America Bonds” and “Qualified School Construction Bonds”) due on bonds guaranteed by the State under the Program during Fiscal Years 2014 through 2019, inclusive, is as follows (currently, the Program’s annual principal and interest payments extend to Fiscal Year 2035):

Fiscal Year 2014	\$328,779,440
Fiscal Year 2015	320,707,049
Fiscal Year 2016	309,989,563
Fiscal Year 2017	303,692,511
Fiscal Year 2018	270,322,026
Fiscal Year 2019	261,425,809

(Source: Zions Bank Public Finance.)

Purpose Of The Guaranty

The Guaranty Act is for the protection of the bondholders. Ultimate liability for the payment of the 2014 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 2014 Bonds.

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

Since the Guaranty Act's inception in January 1997, the State has not been called upon to pay the principal of and interest on any bonds guaranteed under the Guaranty Act.

State Of Utah—Financial And Operating Information

The CAFR of the State for Fiscal Year 2013 (the “State CAFR”), its most recent official statements and current continuing disclosure information for its general obligation (base CUSIP® 917542) and lease revenue (base CUSIP® 917547) bond debt are currently on file with EMMA (<http://www.emma.msrb.org/>). The financial and operating information with respect to the State contained in the State CAFR, such official statements and continuing disclosure information, and the Master Agreement are hereby included by reference in this OFFICIAL STATEMENT; provided, however, the Board has not reviewed or approved and taken the responsibility for such financial and operating information incorporated herein by reference.

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

THE 2014 BONDS

General

The 2014 Bonds will be dated the date of their original issuance and delivery¹ (the “Dated Date”) and will mature on June 1 of the years and in the amounts as set forth on the inside cover page of this OFFICIAL STATEMENT. The 2014 Bonds will bear interest from their Dated Date at the rates set forth on the inside cover page of this OFFICIAL STATEMENT. Interest on the 2014 Bonds is payable semiannually on each June 1 and December 1, commencing June 1, 2014. Interest on the 2014 Bonds will be computed on the basis of a 360-day year comprised of 12, 30-day months.

Zions Bank is the Bond Registrar (the initial “Bond Registrar”) and Paying Agent for the 2014 Bonds under the Resolution.

The 2014 Bonds will be issued as fully-registered bonds, initially in book-entry form, in the denomination of \$5,000 or any whole multiple thereof, not exceeding the amount of each maturity.

The 2014 Bonds are being issued within the constitutional debt limit imposed on boards of education of school districts in the State. See “DEBT STRUCTURE OF TOOELE COUNTY SCHOOL DISTRICT, UTAH—General Obligation Legal Debt Limit And Additional Debt Incurring Capacity” below.

Plan Of Refunding For The 2014 Bonds

The Board previously issued its \$18,000,000 (original principal amount) General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2005, dated May 10, 2005, currently outstanding in the aggregate principal amount of \$2,765,000 (the “2005 Bonds”) and \$21,000,000 (original principal amount) General Obligation School Building Bonds (Utah School Bond Guaranty Program),

¹ The anticipated date of delivery is Wednesday, April 30, 2014.

Series 2006, dated September 13, 2006, currently outstanding in the aggregate principal amount of \$5,200,000 (the “2006 Bonds”). The original proceeds on the 2005 Bonds and 2006 Bonds were used by the Board for the acquisition, construction, and renovation of school buildings within the District.

Proceeds from the 2014 Bonds, together with other legally available moneys, in the aggregate amount of \$14,373,487.37 will be deposited with Zions Bank, as Escrow Agent (the “Escrow Agent”), pursuant to an Escrow Agreement dated as of April 1, 2014 (the “Escrow Agreement”) to establish an irrevocable trust escrow account (the “Escrow Account”), consisting of cash and government obligations of the United States of America.

Amounts in the Escrow Account shall be used to pay principal of and interest on all of the callable portion of the 2005 Bonds maturing on and after June 1, 2016 (the “2005 Refunded Bonds”) at a redemption price of 100% of the principal amount thereof on June 1, 2015 (the “2005 Redemption Date”). The 2005 Refunded Bonds mature on the dates and in the amounts, and bear interest at the rates, as follows:

<u>Scheduled Maturity (June 1)</u>	<u>Redemption Date</u>	<u>CUSIP® 890346</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Price</u>
2016.....	June 1, 2015	HU6	<u>\$1,475,000</u>	4.50%	100%

Amounts in the Escrow Account shall be used to pay principal of and interest on all of the callable portion of the 2006 Bonds maturing on and after June 1, 2017 (the “2006 Refunded Bonds”), at a redemption price of 100% of the principal amount thereof on December 1, 2016 (the “2006 Redemption Date”). The 2006 Refunded Bonds mature on the dates and in the amounts, and bear interest at the rates, as follows:

<u>Scheduled Maturity (June 1)</u>	<u>Redemption Date</u>	<u>CUSIP® 890346</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Redemption Price</u>
2017.....	December 1, 2016	JL4	\$ 2,100,000	4.25 %	100%
2018.....	December 1, 2016	JM2	2,175,000	4.375	100%
2019.....	December 1, 2016	JN0	2,275,000	4.50	100%
2020.....	December 1, 2016	JP5	2,400,000	4.50	100%
2021.....	December 1, 2016	JQ3	<u>2,525,000</u>	4.50	100%
Totals.....			<u>\$11,475,000</u>		

The cash and investments held in the Escrow Account will be sufficient to pay (a) the interest falling due on the 2005 Refunded Bonds through the 2005 Redemption Date and on the 2006 Refunded Bonds through the 2006 Redemption Date and (b) the redemption price of the 2005 Refunded Bonds, due and payable on the 2005 Redemption Date and the redemption price of the 2006 Refunded Bonds, due and payable on the 2006 Redemption Date.

Certain mathematical computations regarding the sufficiency of and the yield on the investments held in the Escrow Account will be verified by Grant Thornton LLP, Minneapolis, Minnesota. See “MISCELLANEOUS—Escrow Verification” below.

Sources And Uses Of Funds

The proceeds from the sale of the 2014 Bonds are estimated to be applied as set forth below:

Sources:

Par amount of 2014 Bonds.....	\$13,195,000.00
Original issue premium.....	<u>1,305,345.75</u>
Total	<u>\$14,500,345.75</u>

Uses:

Deposit to Escrow Account	\$14,373,487.37
Costs of Issuance (1).....	95,782.17
Underwriter's discount.....	<u>31,076.21</u>
Total	<u>\$14,500,345.75</u>

- (1) Includes legal fees, Financial Advisor fees, rating agency fees, Bond Registrar and Paying Agent fees, Escrow Agent fees, escrow verification agent fees, rounding amounts and other miscellaneous costs of issuance.

Security And Sources Of Payment

The 2014 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 2014 Bonds as to both principal and interest.

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

Payment of the principal of and interest on the 2014 Bonds when due is guaranteed by the full faith and credit and unlimited ad valorem taxing power of the State under the provisions of the Guaranty Act. See "STATE OF UTAH GUARANTY" above.

No Redemption

The 2014 Bonds are not subject to optional redemption prior to maturity.

Registration And Transfer; Record Date

In the event the book-entry system is discontinued, any 2014 Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by such owner's duly authorized attorney, upon surrender of such 2014 Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Bond Registrar. No transfer will be effective until entered on the registration books kept by the Bond Registrar. Whenever any 2014 Bond is surrendered for transfer, the Bond Registrar will authenticate and deliver a new fully-registered 2014 Bond or 2014 Bonds of the same series, designation, maturity and interest rate and of authorized denominations duly executed by the Board, for a like aggregate principal amount.

The 2014 Bonds may be exchanged at the office of the Bond Registrar for a like aggregate principal amount of fully-registered 2014 Bonds of the same series, designation, maturity and interest rate of other authorized denominations.

For every such exchange or transfer of the 2014 Bonds, the Bond Registrar must make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer of the 2014 Bonds.

The term “Record Date” means the day that is 15 days preceding such interest payment date. The Bond Registrar will not be required to transfer or exchange any 2014 Bond after the Record Date.

The Board, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2014 Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever.

Book–Entry System

DTC will act as securities depository for the 2014 Bonds. The 2014 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 2014 Bond certificate will be issued for each maturity of the 2014 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See “APPENDIX D—BOOK–ENTRY SYSTEM” for a more detailed discussion of the book–entry system and DTC.

In the event the book–entry system is discontinued, interest on the 2014 Bonds will be payable by check or draft of the Paying Agent, mailed to the registered owners thereof at the addresses shown on the registration books of the Board kept for that purpose by the Bond Registrar. The principal of all 2014 Bonds will be payable at the principal office of the Paying Agent.

Debt Service On The 2014 Bonds

<u>Payment Date</u>	<u>The 2014 Bonds</u>		<u>Period Total</u>	<u>Fiscal Total</u>
	<u>Principal</u>	<u>Interest</u>		
June 1, 2014.....	\$ 0.00	\$ 39,352.78	\$ 39,352.78	\$ 39,352.78
December 1, 2014.....	0.00	228,500.00	228,500.00	
June 1, 2015.....	50,000.00	228,500.00	278,500.00	507,000.00
December 1, 2015.....	0.00	228,000.00	228,000.00	
June 1, 2016.....	1,355,000.00	228,000.00	1,583,000.00	1,811,000.00
December 1, 2016.....	0.00	200,900.00	200,900.00	
June 1, 2017.....	2,205,000.00	200,900.00	2,405,900.00	2,606,800.00
December 1, 2017.....	0.00	156,800.00	156,800.00	
June 1, 2018.....	2,280,000.00	156,800.00	2,436,800.00	2,593,600.00
December 1, 2018.....	0.00	122,600.00	122,600.00	
June 1, 2019.....	2,350,000.00	122,600.00	2,472,600.00	2,595,200.00
December 1, 2019.....	0.00	99,100.00	99,100.00	
June 1, 2020.....	2,420,000.00	99,100.00	2,519,100.00	2,618,200.00
December 1, 2020.....	0.00	50,700.00	50,700.00	
June 1, 2021.....	<u>2,535,000.00</u>	<u>50,700.00</u>	<u>2,585,700.00</u>	2,636,400.00
Totals.....	<u>\$13,195,000.00</u>	<u>\$2,212,552.78</u>	<u>\$15,407,552.78</u>	

TOOELE COUNTY SCHOOL DISTRICT, UTAH

General

The District, established in 1915, shares common boundaries with the County. The County was established in 1850 and is situated in the northwestern portion of the State, located approximately 30 miles west of Salt Lake City (Salt Lake County), Utah. The County is bordered on the west by the State of Nevada, on the north by Box Elder County, on the east by Davis, Salt Lake and Utah Counties, and on the south by Juab County. The County is the second largest county in the State, covering an area of approxi-

mately 6,930 square miles. The County had 60,762 residents according to the 2013 U.S. Census Bureau estimates and ranked as the 7th most populated county (out of 29 counties). See location map above.

The Board's office is located in Tooele City, Utah and maintains a web site that may be accessed at <http://www.tooeleschools.org>. For the contact person for the Board see "INTRODCUTION—Contact Persons" above.

Tooele City, Utah (the "City"), incorporated in 1853, is located approximately 30 miles from Salt Lake City, is the largest city in the County with a 2012 Census of 32,115 people and ranks the City as the 22nd most populous city in the State (out of approximately 245 municipal entities). The City is the headquarters for the District and is also the county seat of the County. Grantsville City is the other major city within the County and is situated on the shore of the Great Salt Lake about 10 miles northwest of the City.

The District presently operates 27 schools consisting of 16 elementary schools, three junior high schools, six high schools and two special purpose schools. The District operates schools in the communities of the City (eight elementary, two junior high, two high and two special schools), Grantsville City (two elementary, one junior high, and one high school), the City of Wendover (one elementary and one high school), Vernon Town (one elementary school), the unincorporated area of Dugway (one elementary and one high school), the unincorporated areas of Ibapah and Stansbury (one elementary and two elementary schools, and one high school, respectively).

The historical enrollment within the District is as follows:

<u>October 1</u>	<u>Total</u>	<u>% Change Over Prior Year</u>
2013	14,107	0.5%
2012	14,034	2.6
2011	13,675	1.8
2010	13,439	2.0
2009	13,180	(1.7)
2008	13,406	3.2
2007	12,988	3.8
2006	12,507	6.0
2005	11,793	6.8
2004	11,039	5.1

(Source: State Office of Education.)

Additional Information. Student Enrollment Projections. For a 10 year history of student enrollment by schools see "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information—Student Enrollment by School" (page A–54) and "—Comparison of Per Pupil Expenditures in the General Fund" (page A–53).

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 five 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.

The Board is empowered, among other things, to: (i) implement core curriculum; (ii) administer tests which measure the progress of each student, and create plans to improve the student's progress; (iii) implement training programs for school administrators; (iv) purchase, sell and improve school sites,

buildings and equipment; (v) construct and furnish school buildings; (vi) establish, locate and maintain elementary, secondary and applied technology schools; (vii) maintain school libraries; (viii) make and enforce all necessary rules and regulations for the control and management of the public schools in the District; (ix) adopt bylaws and rules for its own procedure; and (x) appoint a superintendent of schools, business administrator, and such officers or employees as are deemed necessary for the promotion of the interests of the schools.

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

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

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

Office	Person	Years in Position	Expiration of Current Term
President.....	Maresa Manzione	3	January 2017
Vice President	Carol Jensen	6	January 2015
Member.....	Scott Bryan	5	January 2017
Member.....	Julia Holt	12	January 2017
Member.....	Alan Mouritsen	1	January 2015
Member.....	Karen Nelson	6	January 2015
Member.....	Kathy Taylor	1	January 2017
Superintendent	Dr. Scott Rogers	1	Appointed/June 2015
Business Administrator.....	Lark Reynolds	2	Appointed/June 2015

Employee Workforce And Retirement System; Early Retirement Incentive; Post-Employment Benefits

Employee Workforce and Retirement System. As of Fiscal Year 2013 the District employed approximately 960 full-time equivalent employees and 760 part-time employees. The District participates in cost-sharing multiple employer defined benefit pension plans covering public employees of the State and employees of participating local government entities administered by the Utah State Retirement Systems (“URS”). The retirement system provides refunds, retirement benefits, annual cost of living adjustment and death benefits to plan members and beneficiaries in accordance with retirement statutes. For a detailed discussion regarding retirement benefits and contributions see “APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Notes to Basic Financial Statements—Note 5. Retirement Plans” (page A-27).

A copy of the Fiscal Year 2012 CAFR for the URS retirement system may be found at <https://www.urs.org/mango/pdf/urs/AnnualReport/2012/annualReport.pdf>.

Early Retirement Incentive. The District provides an early retirement incentive program. Eligibility is restricted to those employees with a minimum of 30 years prior service with a minimum of 10 years of service in the District, and who meet the eligibility requirements for and will be receiving URS benefits. Eligible retirees will receive amounts based on age and classification for up to five consecutive years. In addition to early retirement compensation, the District provides medical insurance coverage to qualified early retirees up to age 65. The District's payments for these benefits totaled \$298,491 for Fiscal Year 2013. See "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Notes to Basic Financial Statements—Note 5. Retirement Plans—Early retirement incentive" (page A-28).

Post-Employment Benefits. The District provides a life-time Medicare supplemental insurance for retired employees who have completed at least 15 years of service with the District and 25 years in public education. Eligibility in this benefit was restricted in June 2000 to only those who had previously retired and those current employees who had earned at least 25 years of service (currently 224 retirees receiving benefits coverage in addition to five present employees). The Board currently pays for post-employment benefits on a "pay-as-you-go" basis. For Fiscal Year 2013 the Board's required annual contribution was \$666,922 and the Board contributed \$538,479. The Board's unfunded accrued actuarial liability as of Fiscal Year 2013 was approximately \$10.85 million. For a detailed discussion regarding the post-employment benefit plans see "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Notes to Basic Financial Statements—Note 6. Postemployment Benefits Other Than Pensions" (page A-29).

Risk Management

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

As of Fiscal Year 2013, the Administrative Services Risk Management Fund contained approximately \$44.7 million in reserve available to pay for claims incurred. In the opinion of the State's Risk Manager, the available balance will be adequate to cover claims through Fiscal Year 2014.

For a general discussion of coverage, limits of coverage, unemployment compensation and payment claims see "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Notes to Basic Financial Statements—Note. 7. Risk Management" (page A-30).

Investment Of Funds

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

appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

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

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

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

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

See "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Notes to Basic Financial Statements—Note 2. Deposits and Investments" (page A-24).

Population

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

	<u>County</u>	<u>% Change From Prior Period</u>	<u>State of Utah</u>	<u>% Change From Prior Period</u>
2013 Estimate (1).....	60,762	4.4%	2,900,872	5.0%
2010 Census.....	58,218	42.9	2,763,885	23.8
2000 Census.....	40,735	53.1	2,233,169	29.6
1990 Census.....	26,601	2.2	1,722,850	17.9
1980 Census.....	26,033	20.8	1,461,037	37.9
1970 Census.....	21,545	20.6	1,059,273	18.9
1960 Census.....	17,868	22.1	890,627	29.3
1950 Census.....	14,636	60.3	688,862	25.2
1940 Census.....	9,133	(3.0)	550,310	8.4
1930 Census.....	9,413	18.2	507,847	13.0
1920 Census.....	7,965	0.5	449,396	20.4
1910 Census.....	7,924	7.6	373,351	34.9

(1) U.S. Bureau of the Census estimates for July 1, 2012. Percentage change is calculated from the 2010 Census.

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

Employment, Income, Construction, And Sales Taxes Within Tooele County And The State of Utah

Labor Force, Nonfarm Jobs and Wages within Tooele County

	Calendar Year (1)						% change from prior year				
	2013 (2)	2012	2011	2010	2009	2008	2012-13	2011-12	2010-11	2009-10	2008-09
Civilian labor force (3).....	29,521	28,188	27,754	28,247	28,563	28,335	4.7	1.6	(1.7)	(1.1)	0.8
Employed persons.....	28,007	26,424	25,837	25,908	26,170	26,791	6.0	2.3	(0.3)	(1.0)	(2.3)
Unemployed persons.....	1,514	1,764	1,917	2,339	2,393	1,544	(14.2)	(8.0)	(18.0)	(2.3)	55.0
Total private sector (average).....	11,606	11,446	11,450	11,131	10,915	11,216	1.4	(0.0)	2.9	2.0	(2.7)
Agriculture, forestry, fishing and hunting.....	116	94	88	85	78	73	23.4	6.8	3.5	9.0	6.8
Mining.....	80	74	80	77	69	0	8.1	(7.5)	3.9	11.6	-
Utilities.....	25	27	26	0	0	0	(7.4)	3.8	-	-	-
Construction.....	768	750	705	581	534	709	2.4	6.4	21.3	8.8	(24.7)
Manufacturing.....	1,684	1,707	1,661	1,462	1,488	1,668	(1.3)	2.8	13.6	(1.7)	(10.8)
Wholesale trade.....	126	127	129	124	123	149	(0.8)	(1.6)	4.0	0.8	(17.4)
Retail trade.....	1,760	1,719	1,619	1,628	1,704	1,724	2.4	6.2	(0.6)	(4.5)	(1.2)
Transportation and warehousing.....	977	945	892	922	1,004	1,066	3.4	5.9	(3.3)	(8.2)	(5.8)
Information.....	162	172	219	207	216	231	(5.8)	(21.5)	5.8	(4.2)	(6.5)
Finance and insurance.....	193	200	219	217	213	219	(3.5)	(8.7)	0.9	1.9	(2.7)
Real estate, rental and leasing.....	109	109	104	109	131	123	0.0	4.8	(4.6)	(16.8)	6.5
Professional, scientific, and technical services.....	644	668	634	665	668	646	(3.6)	5.4	(4.7)	(0.4)	3.4
Management of companies and enterprises.....	0	13	12	0	0	0	(100.0)	8.3	-	-	-
Admin., support, waste mgmt., remediation.....	1,637	1,734	2,057	2,077	1,884	1,825	(5.6)	(15.7)	(1.0)	10.2	3.2
Education services.....	131	127	123	103	42	14	3.1	3.3	19.4	145.2	200.0
Health care and social assistance.....	1,285	1,268	1,239	1,223	1,185	1,118	1.3	2.3	1.3	3.2	6.0
Arts, entertainment and recreation.....	350	266	262	282	267	244	31.6	1.5	(7.1)	5.6	9.4
Accommodation and food services.....	1,263	1,177	1,114	1,081	1,002	1,075	7.3	5.7	3.1	7.9	(6.8)
Other services.....	401	374	355	346	364	362	7.2	5.4	2.6	(4.9)	0.6
Total public sector (average).....	4,076	4,368	4,532	4,514	4,533	1,301	(6.7)	(3.6)	0.4	(0.4)	248.4
Federal.....	1,464	1,635	1,813	1,815	1,879	1,721	(10.5)	(9.8)	(0.1)	(3.4)	9.2
State.....	184	184	182	183	188	189	0.0	1.1	(0.5)	(2.7)	(0.5)
Local.....	2,428	2,549	2,537	2,515	2,466	2,391	(4.7)	0.5	0.9	2.0	3.1
Total payroll (in millions)..... \$	171	\$ 672	\$ 674	\$ 639	\$ 611	\$ 585	(74.6)	(0.3)	5.5	4.7	4.3
Average monthly wage..... \$	3,631	\$ 3,543	\$ 3,516	\$ 3,409	\$ 3,294	\$ 3,143	2.5	0.8	3.1	3.5	4.8
Average employment.....	15,682	15,813	15,981	15,644	15,447	15,517	(0.8)	(1.1)	2.2	1.3	(0.5)
Establishments.....	1,015	977	978	971	968	974	3.9	(0.1)	0.7	0.3	(0.6)

(1) Utah Department of Workforce Services.

(2) Information as of 2nd Quarter, 2013.

(3) For 2013, information is based on the seasonally adjusted numbers from January 1 through October 31.

Employment, Income, Construction, And Sales Taxes Within Tooele County And The State of Utah--continued

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

	Calendar Year						% change from prior year				
	2012	2011	2010	2009	2008	2007	2011-12	2010-11	2009-10	2008-09	2007-08
Total Personal Income:											
Tooele County.....	\$ 1,766,487	\$ 1,685,048	\$ 1,584,998	\$ 1,539,562	\$ 1,519,217	\$ 1,440,825	4.8	6.3	3.0	1.3	5.4
State of Utah.....	101,162,690	96,175,091	90,112,698	88,270,188	91,248,703	87,387,489	5.2	6.7	2.1	(3.3)	4.4
Total Per Capita Personal Income:											
Tooele County.....	\$ 29,505	28,429	27,084	26,907	27,173	26,771	3.8	5.0	0.7	(1.0)	1.5
State of Utah.....	35,430	34,173	32,472	32,412	34,265	33,640	3.7	5.2	0.2	(5.4)	1.9
Median Household Income:											
Tooele County.....	\$ 51,371	50,502	50,046	50,221	50,029	63,632	1.7	0.9	(0.3)	0.4	(21.4)
State of Utah.....	57,067	55,802	54,740	55,183	56,820	55,220	2.3	1.9	(0.8)	(2.9)	2.9

Construction within Tooele County (2)

	Calendar Year						% change from prior year				
	2013 (3)	2012	2011	2010	2009	2008	2012-13 (3)	2011-12	2010-11	2009-10	2008-09
Number new dwelling units.....	72.0	248.0	219.0	283.0	187.0	237.0	9.1	13.2	(22.6)	51.3	(21.1)
New (in \$1,000's):											
Residential value.....	\$ 13,047.5	\$ 36,712.8	\$ 29,414.1	\$ 35,390.6	\$ 27,685.9	\$ 36,817.9	32.5	24.8	(16.9)	27.8	(24.8)
Non-residential value.....	1,054.3	9,705.1	29,860.6	10,633.9	47,647.3	57,007.3	(64.4)	(67.5)	180.8	(77.7)	(16.4)
Additions, alterations, repairs (in \$1,000's):											
Residential value.....	285.0	1,244.5	1,448.6	2,254.9	1,833.2	2,069.1	(31.6)	(14.1)	(35.8)	23.0	(11.4)
Non-residential value.....	292.0	2,197.9	4,550.6	4,761.0	9,605.3	10,403.9	116.9	(51.7)	(4.4)	(50.4)	(7.7)
Total construction value (in \$1,000's).....	<u>\$ 14,678.8</u>	<u>\$ 49,860.3</u>	<u>\$ 65,273.9</u>	<u>\$ 53,040.4</u>	<u>\$ 86,771.7</u>	<u>\$ 106,298.2</u>	9.9	(23.6)	23.1	(38.9)	(18.4)

Sales Taxes Within Tooele County and the State of Utah (4)

	Calendar Year						% change from prior year				
	2012	2011	2010	2009	2008	2007	2011-12	2010-11	2009-10	2008-09	2007-08
Gross Taxable Sales (in \$1,000's):											
Tooele County.....	\$ 656,289	\$ 600,905	\$ 581,219	\$ 541,570	\$ 575,461	\$ 547,127	9.2	3.4	7.3	(5.9)	5.2
State of Utah.....	47,806,989	44,335,559	41,907,568	41,924,223	47,383,203	47,690,034	7.8	5.8	(0.0)	(11.5)	(0.6)
	Fiscal Year						% change from prior year				
	2012	2011	2010	2009	2008	2007	2011-12	2010-11	2009-10	2008-09	2007-08
Local Sales and Use Tax Distribution:											
Tooele County (and all cities).....	\$ 7,777,049	\$ 7,101,735	\$ 6,696,446	\$ 7,146,505	\$ 7,632,416	\$ 7,241,107	9.5	6.1	(6.3)	(6.4)	5.4

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

(2) University of Utah Bureau of Economic and Business Research, Utah Construction Report.

(3) Construction information from January 2013 through April 2013. Percentage change compared to same period from prior year.

(4) Utah State Tax Commission.

Largest Employers

The following is a list of the largest employers in the County with employment over 100 individuals.

<u>Firm (location)</u>	<u>Business</u>	<u>Employees</u>
Tooele County School District (county-wide)	Primary education	1,250–2,750
Department of Defense (county-wide)	Public administration	1,250–2,500
EG and G Defense Materials, Inc. (unincorporated County)	Admin. support, waste mgmt., remediation	500–1,000
Wal-Mart (Grantsville City)	Transportation and warehousing	500–1,000
Detroit Diesel Remanufacturing (Tooele City)	Manufacturing	250–500
Envirocare of Utah (Grantsville)	Admin. support, waste mgmt., remediation	250–500
Mountain West Medical Center (Tooele City)	Health care and social assistance	250–500
U.S. Magnesium LLC (Rowley)	Manufacturing	250–500
Wal-Mart (Tooele City)	Retail trade	250–500
Tooele County (county-wide)	Public administration	110–270
ATI Titanium LLC (Grantsville)	Manufacturing	100–250
C Martin Company Inc. (Dugway)	Admin. support, waste mgmt., remediation	100–250
Clean Harbors Inc. (Grantsville)	Admin. support, waste mgmt., remediation	100–250
Home Depot (Tooele City)	Retail trade	100–250
Jacobs Technology Inc. (Dugway)	Professional, scientific & technical	100–250
Maceys (Tooele City)	Retail trade	100–250
Miller Motorsports Park, Utah LL (Tooele City)	Arts, entertainment and recreation	100–250
Morton International (Grantsville)	Manufacturing	100–250
T&D Power, Inc. (Stockton)	Construction	100–250

(Source: Utah Department of Workforce Services. Updated April 2013, reflecting information as of September 2012.)

Rate Of Unemployment—Annual Average

<u>Year</u>	<u>Tooele County</u>	<u>State of Utah</u>	<u>United States</u>
2014 (1)	5.1%	4.1%	6.7%
2013	5.2	4.4	7.4
2012	5.9	5.4	8.1
2011	7.0	6.8	8.9
2010	8.2	8.1	9.6
2009	8.4	7.8	9.3

(1) Preliminary, subject to change. As of March 2014, seasonally adjusted.

(Source: Utah Department of Workforce Services.)

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DEBT STRUCTURE OF TOOELE COUNTY SCHOOL DISTRICT, UTAH

Outstanding General Obligation Bonded Indebtedness

Series (1)	Purpose	Original Principal Amount	Final Maturity Date	Current Principal Outstanding
2014 (a)	Refunding	\$13,195,000	June 1, 2021	\$13,195,000
2011	Refunding	6,395,000	June 1, 2020	5,795,000
2007	School Building	37,000,000	June 1, 2027	30,200,000
2006 (2)	School Building	21,000,000	June 1, 2016 (4)	5,200,000
2005 (2) (3)	School Building	18,000,000	June 1, 2015 (4)	2,765,000
2004B (3)	School Building	10,000,000	June 1, 2014 (5)	965,000
2004A	Refunding	25,965,000	June 1, 2017	<u>13,700,000</u>
Total direct general obligation debt				<u>\$71,820,000</u>

- (a) For purposes of this OFFICIAL STATEMENT, the 2014 Bonds will be considered issued and outstanding.
- (1) All bonds of the Board are rated “Aaa” (State of Utah Guaranty; underlying “Aa3”) by Moody’s and “AAA” (State of Utah Guaranty; underlying “AA-”) by S&P, as of the date of this OFFICIAL STATEMENT.
- (2) Portions of this bond issue will be refunded by the 2014 Bonds
- (3) Portions of this bond issue were refunded by the 2011 Bonds.
- (4) Final maturity date after portions of this bond issue will be refunded by the 2014 Bonds.
- (5) Final Maturity date after portions of this bond issue was refunded by the 2011 Bonds.

Municipal Building Authority of Tooele County School District, Utah

The Board created the Municipal Building Authority of Tooele County School District, Utah (the “Authority”) as a nonprofit corporation in accordance with the provisions of the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code (the “Nonprofit Corporation Act”) and as provided in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code. The Authority is to be of perpetual duration as set forth in its Articles of Incorporation.

The Authority at the present time has no full-time employees or other personnel other than its governing board as described below. The Authority has no property, money or other assets, except for the projects that are or have been constructed by the Authority. The principal place of business of the Authority is at the Board offices.

Corporate And Statutory Powers. The Authority has been incorporated for the purpose of acquiring, improving or extending one or more projects and financing their costs on behalf of the Board in accordance with the procedures and subject to the limitations of State law, in order to accomplish the public purposes for which the Board exists.

Organization. According to the By-Laws of the Authority, the affairs of the Authority are managed by a Board of Trustees (the “Board of Trustees”). The Board of Trustees consists of five members of the Board, as may from time to time serve. Each Trustee serves on the Board of Trustees until death, incapacity or removal from the Board. Whenever a Trustee shall cease to be a member of the Board, the successor, upon the election and qualifying for office, thereupon becomes a Trustee of the Authority. Trustees may be removed and replaced by the Board at any time at its discretion.

Debt Issuance. The Authority’s debt does not constitute legal debt within the meaning of any constitutional provision or statutory limitation which is applicable to the Board. The Authority has entered into certain annual leases with the Board for each project on an “all or none” basis. The leases may be ter-

minated by the Board in any year and payments by the Board may be made only from moneys which are annually budgeted and appropriated by the Board for such purpose.

Debt issued by the Authority is being paid from rental payments received by the Authority from the Board. The Board's rental payments are being made from the capital projects fund from property taxes and earnings on investments. *The lease revenue bonds issued by the Authority **are not** secured or issued under the same indenture or master lease and **are not** issued on a parity with each other.* As of the date of this OFFICIAL STATEMENT, the Authority has outstanding the following lease revenue bonds:

- (i) In 2009, the Authority issued \$21,545,000 Lease Revenue Bonds, Series 2009 (the "2009 MBA Bonds"), under a 2009 Indenture (the "2009 Indenture"), which bond proceeds were used for the construction and equipping of an educational building (the "2009 Project"). The Authority may, from time to time, issue additional bonds under the 2009 Indenture, but the Authority has not done so. The Authority has leased the 2009 Project to the Board, pursuant to a 2009 Master Lease (the "2009 Master Lease"). The Authority has granted to a trustee, for the benefit of the owners of the 2009 MBA Bonds, a security interest in all of the Authority's right, title and interest in the 2009 Project financed with the 2009 MBA Bonds issued under the 2009 Indenture.
- (ii) In 2010, the Authority issued \$6,000,000 Lease Revenue Bonds, Series 2010 (the "2010 MBA Bonds"), under a 2010 Indenture (the "2010 Indenture"), which bond proceeds (together with other legally available moneys) were used for the construction and equipping of a elementary school building (the "2010 Project"). The Authority may, from time to time, issue additional bonds under the 2010 Indenture, but the Authority has not done so. The Authority has leased the 2010 Project to the Board, pursuant to a 2010 Master Lease (the "2010 Master Lease"). The Authority has granted to a trustee, for the benefit of the owners of the 2010 MBA Bonds, a security interest in all of the Authority's right, title and interest in the 2010 Project financed with the 2010 MBA Bonds issued under the 2010 Indenture.
- (iii) In 2012, the Authority issued \$2,643,000 Lease Revenue Refunding Bonds, Series 2012 (the "2012 MBA Bonds"), under a 2012 Indenture (the "2012 Indenture"), which bond proceeds were used to refund lease revenue bonds issued by the Authority in 2003. In 2003 the Authority issued \$5,000,000 of lease revenue bonds for the construction and equipping of an elementary school building (the "2003 Project"). The Authority may, from time to time, issue additional bonds under the 2012 Indenture, but the Authority has not done so. The Authority has leased the 2003 Project to the Board, pursuant to a 2012 Master Lease (the "2012 Master Lease"). The Authority has granted to a trustee, for the benefit of the owners of the 2012 MBA Bonds, a security interest in all of the Authority's right, title and interest in the 2003 Project refinanced with the 2012 MBA Bonds issued under the 2012 Indenture.

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Current Principal Outstanding</u>
2012 Indenture				
2012 (1).....	Refunding	\$2,643,000	June 1, 2020	<u>\$2,335,000</u>
2010 Indenture				
2010 (2) (3)....	Building/QSCB (elementary)	\$6,000,000	June 1, 2027	<u>\$6,000,000</u>
2009 Indenture				
2009 (2).....	Building (career & technology)	\$21,545,000	June 1, 2029	<u>\$19,115,000</u>
Total principal amount of outstanding lease revenue bonds				<u>\$27,450,000</u>

- (1) These bonds were placed with a private investor and were not rated (no rating was applied for).
- (2) Rated "A1" by Moody's; and "A+" by S&P, as of the date of this OFFICIAL STATEMENT.
- (3) These bonds are federally taxable, Qualified School Construction Bonds and were issued with a coupon rate of 5.625% per annum. The 2010 Lease Revenue Bonds will mature on June 1, 2027. However, the Authority is required to make an annual sinking fund deposit of \$375,000 (or less, depending on interest earnings) into a sinking fund held by Zions Bank, as escrow agent for the 2010 Lease Revenue Bonds (the current deposit in this sinking fund is approximately \$750,000).

See “Debt Schedule Of Outstanding Lease Revenue Bonds Of The Municipal Building Authority of Tooele County School District, Utah By Fiscal Year” below (page 24).

Other Financial Considerations

Other than the outstanding general obligation bonds of the Board, the Board has no other outstanding debt.

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Debt Service Schedule of Outstanding General Obligation Bonds By Fiscal Year

Fiscal Year Ending June 30	\$13,195,000 Series 2014		\$6,395,000 Series 2011		\$37,000,000 Series 2007		\$21,000,000 Series 2006		\$18,000,000 Series 2005	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2013.....	\$ 0	\$ 0	\$ 250,000	\$ 218,050	\$ 1,525,000	\$ 1,499,938	\$ 750,000	\$ 751,406	\$ 1,300,000	\$ 242,800
2014.....	0	39,353	0	213,050	1,575,000	1,438,938	1,275,000	467,203	1,350,000	157,613
2015.....	50,000	457,000	1,200,000	213,050	1,650,000	1,375,938	1,925,000	162,000	1,415,000	63,675
2016.....	1,355,000	456,000	570,000	165,050	1,725,000	1,307,875	2,000,000	85,000	0	0 (1)
2017.....	2,205,000	401,800	2,150,000	142,250	1,800,000	1,230,250	0	0 (1)	0	0 (2)
2018.....	2,280,000	313,600	600,000	56,250	1,875,000	1,140,250	0	0 (1)	0	0 (2)
2019.....	2,350,000	245,200	625,000	38,250	1,975,000	1,046,500	0	0 (1)	0	0 (2)
2020.....	2,420,000	198,200	650,000	19,500	2,075,000	955,156	0	0 (1)	0	0 (2)
2021.....	2,535,000	101,400	—	—	2,175,000	859,188	0	0 (1)	—	—
2022.....	—	—	—	—	2,275,000	755,875	—	—	—	—
2023.....	—	—	—	—	2,375,000	647,813	—	—	—	—
2024.....	—	—	—	—	2,475,000	535,000	—	—	—	—
2025.....	—	—	—	—	2,600,000	411,250	—	—	—	—
2026.....	—	—	—	—	2,750,000	281,250	—	—	—	—
2027.....	—	—	—	—	2,875,000	143,750	—	—	—	—
Totals.....	<u>\$ 13,195,000</u>	<u>\$ 2,212,553</u>	<u>\$ 6,045,000</u>	<u>\$ 1,065,450</u>	<u>\$ 31,725,000</u>	<u>\$ 13,628,969</u>	<u>\$ 5,950,000</u>	<u>\$ 1,465,609</u>	<u>\$ 4,065,000</u>	<u>\$ 464,088</u>

Fiscal Year Ending June 30	\$10,000,000 Series 2004B		\$25,965,000 Series 2004A		Totals		
	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total Debt Service
2013.....	\$ 950,000	\$ 71,850	\$ 4,000,000	\$ 885,000	\$ 8,775,000	\$ 3,669,044	\$ 12,444,044
2014.....	965,000	38,600	4,000,000	685,000	9,165,000	3,039,756	12,204,756
2015.....	0	0 (2)	3,385,000	485,000	9,625,000	2,756,663	12,381,663
2016.....	0	0 (2)	3,550,000	315,750	9,200,000	2,329,675	11,529,675
2017.....	0	0 (2)	2,765,000	138,250	8,920,000	1,912,550	10,832,550
2018.....	—	—	—	—	4,755,000	1,510,100	6,265,100
2019.....	—	—	—	—	4,950,000	1,329,950	6,279,950
2020.....	—	—	—	—	5,145,000	1,172,856	6,317,856
2021.....	—	—	—	—	4,710,000	960,588	5,670,588
2022.....	—	—	—	—	2,275,000	755,875	3,030,875
2023.....	—	—	—	—	2,375,000	647,813	3,022,813
2024.....	—	—	—	—	2,475,000	535,000	3,010,000
2025.....	—	—	—	—	2,600,000	411,250	3,011,250
2026.....	—	—	—	—	2,750,000	281,250	3,031,250
2027.....	—	—	—	—	2,875,000	143,750	3,018,750
Totals.....	<u>\$ 1,915,000</u>	<u>\$ 110,450</u>	<u>\$ 17,700,000</u>	<u>\$ 2,509,000</u>	<u>\$ 80,595,000</u>	<u>\$ 21,456,118</u>	<u>\$ 102,051,118</u>

(1) Principal and interest will be refunded by the 2014 Bonds.

(2) Principal and interest were refunded by the Series 2011 Bonds.

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

Fiscal Year Ending June 30	Issued under the 2010 Indenture										Issued under the 2009 Indenture			Totals All Lease Revenue Debt		
	Series 2010; \$6,000,000															
	Issued under the 2012 Indenture			Principal	Interest (2)	Federal Interest Rate Subsidy (3)	Remaining Debt Service Interest Pay- ment on the 2010 Bonds	Estimated Annual Contributions to Sinking Account (4)	Total Payment Required For Debt Service (4)	Series 2009; \$21,545,000			Total Principal (8)	Total Interest (9)	Total Debt Service	
	Principal	Interest	Total Debt Service							Principal	Interest	Total Debt Service				
2013.....	\$ 308,000 (1)	\$ 52,596	\$ 360,596	\$ 0	\$ 337,500	\$ (316,800)	\$ 20,700	\$ 375,000	\$ 395,700	\$ 835,000	\$ 896,194	\$ 1,731,194	\$ 1,518,000	\$ 1,286,289	\$ 2,804,289	
2014.....	311,000 (1)	46,467	357,467	0	337,500	(316,800)	20,700	375,000	395,700	860,000	871,144	1,731,144	1,546,000	1,255,110	2,801,110	
2015.....	320,000 (1)	40,278	360,278	0	337,500	(316,800)	20,700	375,000	395,700	890,000	836,744	1,726,744	1,585,000	1,214,521	2,799,521	
2016.....	328,000 (1)	33,910	361,910	0	337,500	(316,800)	20,700	375,000	395,700	930,000	801,144	1,731,144	1,633,000	1,172,553	2,805,553	
2017.....	331,000 (1)	27,382	358,382	0	337,500	(316,800)	20,700	375,000	395,700	965,000	763,944	1,728,944	1,671,000	1,128,826	2,799,826	
2018.....	338,000 (1)	20,796	358,796	0	337,500	(316,800)	20,700	375,000	395,700	1,005,000 (5)	725,344	1,730,344	1,718,000	1,083,639	2,801,639	
2019.....	354,000 (1)	14,069	368,069	0	337,500	(316,800)	20,700	375,000	395,700	1,045,000 (5)	685,144	1,730,144	1,774,000	1,036,713	2,810,713	
2020.....	353,000 (1)	7,025	360,025	0	337,500	(316,800)	20,700	375,000	395,700	1,085,000	643,344	1,728,344	1,813,000	987,868	2,800,868	
2021.....	—	—	—	0	337,500	(316,800)	20,700	375,000	395,700	1,130,000 (6)	597,231	1,727,231	1,505,000	934,731	2,439,731	
2022.....	—	—	—	0	337,500	(316,800)	20,700	375,000	395,700	1,185,000 (6)	546,381	1,731,381	1,560,000	883,881	2,443,881	
2023.....	—	—	—	0	337,500	(316,800)	20,700	375,000	395,700	1,235,000	493,056	1,728,056	1,610,000	830,556	2,440,556	
2024.....	—	—	—	0	337,500	(316,800)	20,700	375,000	395,700	1,295,000 (7)	435,938	1,730,938	1,670,000	773,438	2,443,438	
2025.....	—	—	—	0	337,500	(316,800)	20,700	375,000	395,700	1,355,000 (7)	372,806	1,727,806	1,730,000	710,306	2,440,306	
2026.....	—	—	—	0	337,500	(316,800)	20,700	375,000	395,700	1,425,000	306,750	1,731,750	1,800,000	644,250	2,444,250	
2027.....	—	—	—	6,000,000	337,500	(316,800)	20,700	375,000	395,700	1,495,000	235,500	1,730,500	1,870,000	573,000	2,443,000	
2028.....	—	—	—	—	—	—	—	—	—	1,570,000	160,750	1,730,750	1,570,000	160,750	1,730,750	
2029.....	—	—	—	—	—	—	—	—	—	1,645,000	82,250	1,727,250	1,645,000	82,250	1,727,250	
Totals.....	<u>\$2,643,000</u>	<u>\$242,521</u>	<u>\$ 2,885,521</u>	<u>\$ 6,000,000</u>	<u>\$ 5,062,500</u>	<u>\$ (4,752,000)</u>	<u>\$ 310,500</u>	<u>\$ 5,625,000</u>	<u>\$ 5,935,500</u>	<u>\$ 19,950,000</u>	<u>\$9,453,663</u>	<u>\$29,403,663</u>	<u>\$ 28,218,000</u>	<u>\$14,758,684</u>	<u>\$42,976,684</u>	

(1) Mandatory sinking fund principal payments from a \$2,643,000 1.99% term bond due June 1, 2020.

(2) Federally taxable bonds. Interest based on a coupon rate of 5.625% per annum.

(3) Assumes a portion of the interest due will be paid from the federal interest rate subsidy up to 5.28% per annum.

(4) The Authority will contribute \$375,000 on June 1, 2012 and approximately \$375,000 (or less, depending on interest earnings) on June 1, 2013 through 2027 into a sinking account, which account may earn interest up to a limit of 4.33%.

Contributions of principal amounts, together with interest earnings and the reserve fund amount, should be sufficient to retire the Series 2010 Bonds on June 1, 2027.

(5) Mandatory sinking fund principal payments from a \$2,050,000 4.00% term bond due June 1, 2019.

(6) Mandatory sinking fund principal payments from a \$2,315,000 4.50% term bond due June 1, 2022.

(7) Mandatory sinking fund principal payments from a \$2,650,000 4.875% term bond due June 1, 2025.

(8) Includes sinking fund principal amount contribution payment on the Series 2010 Bonds.

(9) Does not include federal interest subsidy payment on the Series 2010 Bonds.

Overlapping And Underlying General Obligation Debt

<u>Taxing Entity</u>	<u>2013 Taxable Value (1)</u>	<u>Board's Portion of Tax- able Value</u>	<u>Board's Per- centage</u>	<u>Entity's General Obligation Debt</u>	<u>Board's Portion of G.O. Debt</u>
Overlapping:					
State of Utah	\$196,948,032,879	\$3,788,985,658	1.9%	\$3,136,755,000	<u>\$59,598,345</u>
Total overlapping					<u>59,598,345</u>
Underlying:					
Total underlying					<u>0</u>
Total overlapping and underlying general obligation debt					<u>\$59,598,345</u>
Total overlapping general obligation debt (excluding the State) (2)					\$ 0
Total direct general obligation bonded indebtedness.....					<u>71,820,000</u>
Total direct and overlapping general obligation debt (excluding the State) (2).....					<u>\$71,820,000</u>

This table excludes any additional principal amounts attributable to unamortized original issue bond premium and deferred amount on refunding.

- (1) Preliminary and subject to change. Taxable value used in this table *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (2) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of general obligation bonds.

Debt Ratios

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

	<u>To 2013 Estimated Taxable Value (1)</u>	<u>To 2013 Estimated Market Value (2)</u>	<u>To 2013 Population Estimate Per Capita (3)</u>
Direct general obligation debt.....	1.90%	1.43%	\$1,182
Direct and overlapping general obligation debt.....	1.90	1.43	\$1,182

- (1) Based on an estimated 2013 Taxable Value of \$3,788,985,658, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (2) Based on an estimated 2013 Market Value of \$5,037,239,297, which value *excludes* the taxable value used to determine uniform fees on tangible personal property.
- (3) Based on the 2013 U.S. Census Bureau population estimate of 60,762.

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

Additional Information. For a 10 year history of the ratio of annual debt service to total General Fund expenditures see “APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information—Ratio of Annual Debt Service to Total General Fund Expenditures” (page A–50).

General Obligation Legal Debt Limit And Additional Debt Incurring Capacity

The general obligation indebtedness of the Board is limited by State law to 4% of the fair market value of taxable property in the District. The legal debt limit and additional debt incurring capacity of the Board (after the issuance of the 2014 Bonds and the refunding of the 2005 Refunded Bonds and the 2006 Refunded Bonds) are based on the estimated fair market value for 2013 and the calculated valuation value from 2012 uniform fees, and are calculated as follows:

Estimated 2013 “Fair Market Value”.....	\$5,037,239,297
2012 valuation from uniform fees (1).....	<u>165,594,867</u>
Estimated 2013 “Fair Market Value for Debt Incurring Capacity”	<u>\$5,202,834,164</u>
“Fair Market Value for Debt Incurring Capacity” times 4% (the “Debt Limit”)	\$208,113,367
Less: current outstanding general obligation debt (2).....	<u>(72,470,792)</u>
Estimated additional debt incurring capacity.....	<u>\$135,642,575</u>

-
- (1) 2013 final information is not available. For debt incurring capacity only, in computing the fair market value of taxable property in the District, the value of all motor vehicles and state–assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) will be included as a part of the fair market value of the taxable property in the District.
 - (2) For legal debt limit purposes, the outstanding general obligation debt as shown above is increased by the premium associated with debt issued and reduced by deferred amounts on refundings that are reported in the long–term debt footnotes of the Board’s financial statements. The total unamortized bond premium was \$2,168,808 and the total deferred amount was \$1,518,016 (as of June 30, 2013), and together with current outstanding direct debt of \$71,820,000, results in total outstanding direct debt (net) of \$72,470,792.

Additional Information. For Fiscal Year 2013 (Calendar Year 2012) computation of the Board’s general obligation legal debt limit and debt capacity see “APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information—Computation of Legal Debt Limit Margin For the Year Ended June 30, 2013” (page A–50).

No Defaulted Obligations

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

FINANCIAL INFORMATION REGARDING TOOELE COUNTY SCHOOL DISTRICT, UTAH

Fund Structure; Accounting Basis

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

The accounts of the District are organized on the basis of funds or groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self–balancing accounts which comprise its assets, liabilities, fund balances, revenues and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The

various funds are grouped by type in the combined financial statements. See “APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Notes to Basic Financial Statements—Note 1. Summary of Significant Accounting Policies” (page A–19).

Budgets And Budgetary Accounting

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

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

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

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

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

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

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

The General Fund, the Capital Projects Fund, the Non K–12 Programs, and the Food Service 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 maintenance and operation budget adopted by each local board in accordance with a scale developed by the State Board of Education. The scale is based on the size of the school district’s budget.

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

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

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

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

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

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

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

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

School District Interfund Transfers. The State Board of Education may authorize school district inter-fund transfers for financially distressed districts if the State Board of Education determines the following: (a) the school district has a significant deficit in its maintenance and operations fund which has resulted from circumstances not subject to the administrative decisions of the school district and which cannot be reasonably reduced under Section 53A-19-104 of the Utah Code; and (b) without the transfer, the school district will not be capable of meeting statewide educational standards adopted by the State Board of Education.

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

Management's Discussion And Analysis

The administration of the District prepared a narrative discussion, overview, and analysis of the financial activities of the District for Fiscal Year 2013. See "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Management's Discussion and Analysis" (page A-4).

The Management's Discussion and Analysis for Fiscal Year 2014 is not available. Under State law the Board must complete its annual financial report for Fiscal Year 2014 by November 30, 2014.

Financial Summaries

The summaries contained herein were extracted from the District's basic financial statements. The summaries have not been audited. See "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013."

Tooele County School District

Statement of Net Position

Governmental Activities

(This summary has not been audited)

	June 30				
	2013	2012	2011	2010	2009
Assets					
Cash and investments.....	\$ 25,947,315	\$ 26,918,591	\$ 38,562,489	\$ 41,375,234	\$ 57,398,696
Receivables:					
Property taxes.....	29,369,695	27,415,281	29,739,070	30,750,615	25,296,378
Other local.....	13,602	22,908	2,381,855	5,235,629	14,739
State.....	492,163	362,463	272,636	269,130	1,880,952
Federal.....	982,894	559,759	1,214,155	2,703,511	752,296
Investments restricted for debt service.....	3,464,938	3,090,925	3,160,282	2,805,903	3,727,305
Inventories, deposits and prepaids.....	376,705	253,824	322,045	290,628	300,546
Bond issuance costs, net of accumulated amortization.....	—	780,841	917,195	891,247	978,242
Net OPEB asset.....	18,883	147,326	248,639	108,351	—
Capital assets:					
Land, water shares and construction in progress.....	4,858,462	5,076,457	15,985,927	21,557,394	60,362,934
Other capital assets, net of accumulated depreciation.....	184,256,307	189,176,630	182,945,531	171,788,215	120,168,435
Total assets.....	<u>249,780,964</u>	<u>253,805,005</u>	<u>275,749,824</u>	<u>277,775,857</u>	<u>270,880,523</u>
Deferred outflows of resources:					
Deferred charge on refunding.....	1,722,339	—	—	—	—
Liabilities:					
Accounts payable.....	573,598	708,269	1,175,631	1,467,597	2,203,792
Contracts and retainage payable.....	—	—	583,385	801,478	1,513,576
Accrued interest.....	378,576	412,945	441,950	469,466	495,349
Accrued salaries and benefits.....	8,107,706	7,898,786	7,643,504	7,572,846	7,323,810
Unearned revenue:					
State of Utah.....	868,317	—	—	—	—
Deferred revenue:					
State.....	—	9,668	1,583,593	3,088,913	4,236,683
Federal.....	—	788,756	80,114	—	—
Local.....	—	—	—	—	24,000
Noncurrent liabilities:					
Due or payable within one year.....	11,291,353	10,796,383	10,103,631	9,522,199	9,699,474
Due or payable after one year.....	91,802,734	100,369,515	115,104,570	121,063,566	130,146,655
Total liabilities.....	<u>113,022,284</u>	<u>120,984,322</u>	<u>136,716,378</u>	<u>143,986,065</u>	<u>155,643,339</u>
Deferred inflows of resources:					
Property taxes levied for future year.....	27,205,136	25,230,666	26,945,530	28,128,469	22,864,681
Net Position:					
Invested in capital assets, net of related debt.....	93,312,153	88,470,287	81,238,459	72,286,557	71,930,066
Restricted for:					
Debt service.....	1,289,738	1,198,618	5,947,387	3,503,803	2,647,870
Capital projects.....	7,572,128	8,597,961	13,001,234	20,862,638	10,829,628
Food services.....	362,257	633,678	818,211	771,342	538,111
Other programs.....	—	—	612,020	486,656	346,399
Student activities.....	—	—	—	1,202,610	1,137,470
Unrestricted.....	8,739,607	8,689,473	10,470,605	6,547,717	4,942,959
Total net position.....	<u>\$ 111,275,883</u>	<u>\$ 107,590,017</u>	<u>\$ 112,087,916</u>	<u>\$ 105,661,323</u>	<u>\$ 92,372,503</u>

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

Tooele County School District

Statement of Activities (1)

Total Governmental Activities

(This summary has not been audited)

	Net (Expense) Revenue and Changes in Net Assets Fiscal Year Ended June 30				
	2013	2012	2011	2010	2009
Governmental activities:					
Instructional services.....	\$ (47,669,279)	\$ (48,346,479)	\$ (41,894,298)	\$ (45,685,276)	\$ (48,291,682)
Supporting services:					
Counseling and health services.....	(2,485,776)	(2,608,300)	(2,558,585)	(2,125,796)	(2,106,427)
Media services and supervision.....	(1,118,165)	(931,984)	(1,355,825)	(1,244,600)	(1,153,739)
District administration services.....	(836,872)	(815,246)	(669,847)	(619,464)	(620,994)
School administration services.....	(5,793,053)	(5,206,933)	(4,919,941)	(4,951,018)	(5,038,220)
Central.....	(1,154,003)	—	—	—	—
Business services.....	—	(798,985)	(778,469)	(791,465)	(841,508)
Operation and maintenance of facilities.....	(7,686,462)	(7,478,466)	(7,903,763)	(8,455,197)	(8,636,694)
Student transportation services.....	(1,767,210)	(1,698,793)	(1,860,817)	(1,360,158)	(991,298)
Personnel services.....	—	(322,968)	(304,372)	(281,938)	(269,086)
Food services.....	92,684	(255,536)	(21,970)	162,615	(133,587)
Interest on long-term liabilities.....	(4,869,601)	(5,409,365)	(5,532,116)	(5,814,173)	(5,200,164)
Total school district.....	<u>(73,287,737)</u>	<u>(73,873,055)</u>	<u>(67,800,003)</u>	<u>(71,166,470)</u>	<u>(73,283,399)</u>
General revenues:					
Property taxes levied for:					
Basic.....	5,176,961	4,336,510	5,139,068	4,470,727	3,827,588
Voted local.....	1,881,391	—	—	—	—
Board local.....	8,068,033	—	—	—	—
Debt service.....	13,326,521	12,348,177	14,633,452	13,281,148	12,943,373
Capital local.....	3,044,718	—	—	—	—
Voted leeway for K–12 instruction.....	—	1,740,405	2,062,502	1,884,382	1,837,242
Board leeway for class size reduction.....	—	1,160,270	1,375,001	1,247,935	—
Board leeway for reading program.....	—	350,982	415,938	324,463	370,511
Special transportation.....	—	498,916	591,251	564,691	551,173
Tort liability.....	—	278,465	330,000	315,104	306,207
Community recreation.....	—	736,772	873,126	832,997	658,345
Capital outlay.....	—	107,325	127,188	374,381	762,456
10% of basic for capital outlay, textbooks and supplies....	—	3,283,565	3,891,254	3,675,169	4,498,182
Federal and state aid not restricted to specific purposes.....	39,930,302	39,972,845	41,656,363	46,802,958	50,176,757
Earnings on investments.....	181,380	269,654	274,076	366,664	1,207,567
Miscellaneous.....	6,145,138	4,291,270	2,857,377	2,918,304	3,912,873
Extraordinary item: gain on insurance recovery.....	—	—	—	7,396,367	—
Total general revenues.....	<u>77,754,444</u>	<u>69,375,156</u>	<u>74,226,596</u>	<u>84,455,290</u>	<u>81,052,274</u>
Change in net assets.....	<u>4,466,707</u>	<u>(4,497,899)</u>	<u>6,426,593</u>	<u>13,288,820</u>	<u>7,768,875</u>
Net position—beginning, as restated.....	<u>106,809,176</u>	<u>112,087,916</u>	<u>105,661,323</u>	<u>92,372,503</u>	<u>84,603,628</u>
Net position—ending.....	<u>\$ 111,275,883</u>	<u>\$ 107,590,017</u>	<u>\$ 112,087,916</u>	<u>\$ 105,661,323</u>	<u>\$ 92,372,503</u>

(1) This report is presented in summary format concerning the single item of “Net (Expense) Revenue and Changes in Net Assets” and is not intended to be complete. For a detailed itemized report see “APPENDIX A—FINANCIAL STATEMENTS OF TOOEE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Statement of Activities for the Fiscal Year Ended June 30, 2013” below.

(Source: Information taken from the District’s basic financial statements. This summary itself has not been audited.)

Tooele County School District

Balance Sheet—Governmental Funds	14

Major Funds—General Fund

(This summary has not been audited.)

	June 30				
	2013	2012	2011	2010	2009
Assets					
Cash and investments.....	\$ 16,172,995	\$ 16,261,971	\$ 17,851,519	\$ 18,026,289	\$ 18,895,949
Receivables:					
Property taxes.....	14,548,917	13,226,521	14,744,904	10,349,982	8,117,181
Other local.....	3,909	11,173	15,555	595	8,769
State.....	53,636	26,146	685	101,939	1,715,015
Federal.....	928,059	472,249	1,145,479	2,222,316	752,296
Due from other friends.....	172,330	216,235	—	—	—
Inventories, deposits and prepaids.....	159,181	104,511	165,221	70,133	46,170
Total assets.....	\$ 32,039,027	\$ 30,318,806	\$ 33,923,363	\$ 30,771,254	\$ 29,535,380
Liabilities and fund balances					
Liabilities:					
Accounts payable.....	\$ 462,202	\$ 546,374	\$ 394,328	\$ 191,790	\$ 246,631
Accrued salaries and benefits.....	8,107,706	7,898,786	7,643,504	7,572,846	7,323,810
Deferred revenue:					
Property taxes.....	—	12,978,895	14,467,654	10,172,512	7,949,155
State.....	763,525	650,882	1,236,593	2,732,936	3,889,542
Federal.....	—	9,668	80,114	—	—
Other local.....	—	—	—	—	24,000
Total liabilities.....	9,333,433	22,084,605	23,822,193	20,670,084	19,433,138
Deferred inflows of resources:					
Unavailable property tax revenue.....	884,744	—	—	—	—
Property taxes levied for future year.....	13,482,041	—	—	—	—
Total deferred inflows of resources.....	14,366,785	—	—	—	—
Fund balances:					
Nonspendable:					
Inventories, deposits and prepaids.....	159,181	104,511	165,221	70,133	46,170
Committed to:					
Economic stabilization.....	3,500,000	3,500,000	3,500,000	—	—
Employee benefit obligations.....	1,499,934	1,490,125	1,479,660	—	—
Property tax refunds.....	—	—	—	150,000	150,000
Transportation tax levy.....	—	—	—	329,969	200,864
New schools.....	—	—	—	—	1,847,000
Post retirement health insurance.....	—	—	—	1,471,835	1,462,100
Undistributed reserve.....	—	—	—	3,500,000	3,500,000
Unassigned.....	3,179,694	3,139,565	4,956,289	4,579,233	2,896,108
Total fund balances.....	8,338,809	8,234,201	10,101,170	10,101,170	10,102,242
Total liabilities and fund balances.....	\$ 32,039,027	\$ 30,318,806	\$ 33,923,363	\$ 30,771,254	\$ 29,535,380

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

Tooele County School District

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds—Major Funds—General Fund

(This summary has not been audited)

	Fiscal Year Ended June 30				
	2013	2012	2011	2010	2009
Revenues:					
Property taxes.....	\$ 15,084,052	\$ 12,875,268	\$ 13,747,034	\$ 8,717,562	\$ 6,699,277
Interest on investments.....	99,019	162,723	181,772	218,637	632,852
Tuition and fees.....	319,633	221,983	193,619	187,868	198,880
Other local sources.....	1,559,915	771,122	446,089	436,799	1,595,501
State sources.....	57,606,436	55,392,140	54,426,444	54,764,186	54,061,557
Federal sources.....	5,816,753	5,843,868	8,405,983	9,602,196	9,361,076
Total revenues.....	<u>80,485,808</u>	<u>75,267,104</u>	<u>77,400,941</u>	<u>73,927,248</u>	<u>72,549,143</u>
Expenditures:					
Current:					
Instructional services.....	53,912,687	52,710,918	53,325,910	52,350,800	51,851,153
Supporting services:					
Counseling and health services.....	3,233,001	3,087,259	3,096,278	2,817,561	2,806,260
Media services and supervision.....	2,362,295	2,141,767	2,165,291	1,987,701	2,204,689
General administration services.....	749,241	732,619	589,027	543,502	556,478
School administration services.....	5,837,309	5,360,325	5,208,595	5,127,658	4,844,623
Central.....	1,154,003	—	—	—	—
Business services.....	—	798,985	778,469	791,465	841,508
Operation and maintenance of facilities.....	9,051,032	9,004,073	8,851,228	8,827,017	9,020,605
Student transportation services.....	3,246,496	2,975,159	3,081,771	2,570,222	2,566,025
Personnel services.....	835,136	322,968	304,372	281,938	269,086
Total expenditures.....	<u>80,381,200</u>	<u>77,134,073</u>	<u>77,400,941</u>	<u>75,297,864</u>	<u>74,960,427</u>
Excess (deficiency) revenues over expenditures.....	104,608	(1,866,969)	0	(1,370,616)	(2,411,284)
Other financing sources (uses):					
Interfund transfers in.....	—	—	—	1,408,000	3,113,765
Interfund transfers (out).....	—	—	—	(38,456)	(38,605)
Total other financing sources (uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,369,544</u>	<u>3,075,160</u>
Net change in fund balance.....	104,608	(1,866,969)	0	(1,072)	663,876
Fund balances at beginning of year.....	<u>8,234,201</u>	<u>10,101,170</u>	<u>10,101,170</u>	<u>10,102,242</u>	<u>9,438,366</u>
Fund balances at end of year.....	<u>\$ 8,338,809</u>	<u>\$ 8,234,201</u>	<u>\$ 10,101,170</u>	<u>\$ 10,101,170</u>	<u>\$ 10,102,242</u>

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

Additional Information. For a 10 year financial history of various District funds see “APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information” at the indicated pages as set forth below.

- (i) Percent of unrestricted fund balance to general fund expenditures see “Percent of Unrestricted Fund Balance to General Fund Expenditures” (page A-43);
- (ii) Revenues by source for the general fund see “Revenues by Source for the General Fund” (page A-44); and
- (iii) Expenditure by function for the general fund see “Expenditure by Function for the General Fund” (page A-45).

Tax Levy And Collection

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

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county boards of equalization will meet to hear complaints. Taxpayers owning property assessed by a county assessor may file an application within statutorily defined time limits based on the nature of the contest with the appropriate county board of equalization for the purpose of contesting the assessed valuation of their property. The county board of equalization must render a decision on each appeal in the time frame prescribed by the Property Tax Act. Under certain circumstances, the county board of equalization must hold a hearing regarding the application, at which the taxpayer has the burden of proving that the property sustained a decrease in fair market value. Decisions of the county board of equalization may be appealed to the State Tax Commission, which must decide all appeals relating to real property by March 1 of the following year. Owners of centrally-assessed property or any county with a showing of reasonable cause, may, on or before the later of June 1 or a day within 30 days of the date the notice of assessment is mailed by the State Tax Commission, apply to the State Tax Commission for a hearing to contest the assessment of centrally-assessed property. The State Tax Commission must render a written decision within 120 days after the hearing is completed and all post-hearing briefs are submitted. The county auditor makes a record of all changes, corrections and orders, and delivers before November 1 the corrected assessment rolls to the county treasurers. By November 1, each county treasurer furnishes each taxpayer a notice containing the kind and value of the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year the property is subject to a detailed review.

Taxes are due November 30 (and if a Saturday, Sunday or holiday, the next business day). Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay to the State and each taxing entity within the county its proportionate share of the taxes, on or before the tenth day of each month. Delinquent taxes are subject to a penalty of 2.5% of the amount of the taxes or \$10 whichever is greater. Unless the delinquent taxes and penalty are paid before January 31 of the following year, the amount of delinquent taxes and penalty bears interest at the federal funds rate target established by the Federal Open Market Committee plus 6% from the January 1 following the delinquency date until paid (provided that said interest may not be less than 7% nor more than 10%). If delinquent taxes have not been paid by March 15 following the lapse of four years from the delinquency date, the affected county advertises and sells the property at a final tax sale held in May or June of the fifth year after assessment.

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

Public Hearing On Certain Tax Increases

Each taxing entity that proposes to levy a tax rate that exceeds the “certified tax rate” may do so, by resolution, only after holding a properly noticed public hearing. Generally, the certified tax rate is the rate necessary to generate the same property tax revenue that the taxing entity collected for the prior year, with certain exclusions. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of new growth. New growth is any increase in taxable value of the taxing entity from the previous calendar year to the current year less the amount of increase to locally-assessed real property taxable values resulting from factoring, reappraisal, other adjustments, or changes in the method of apportioning taxable value. With certain exceptions, the certified tax rate for the minimum school levy, debt service voted on by the public and certain state and county assessing and collecting levies are the actual levies imposed for such purposes and no hearing is required for these levies.

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

Property Tax Matters

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

multiple residential properties may exempt his or her primary residence and each residential property that is the primary residence of a tenant.

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

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

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

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Historical Tax Rates Of The District

	Maximum Tax Rate (1)	Tax Rate				
		(2)	(2)	(2)	(2)	(2)
		2013-14	2012-13	2011-12	2010-11	2009-10
General Fund:						
Board local levy (3).....	.002500	.002619	.002573	—	—	—
Basic school levy (4).....	formula	.001535	.001651	.001591	.001495	.001433
Voted local levy (5).....	.000600	.000600	.000600	.000600	.000600	.000604
Board-approved voted leeway	—	—	—	.000400	.000400	.000400
Recreation	—	—	—	.000265	.000254	.000267
Special transportation.....	—	—	—	.000179	.000172	.000181
K-3 reading program	—	—	—	.000121	.000121	.000104
Tort liability	—	—	—	.000100	.000096	.000101
Totals		<u>.004754</u>	<u>.004824</u>	<u>.003256</u>	<u>.003138</u>	<u>.003090</u>
Capital outlay:						
Capital local levy (6).....	.003000	.000989	.000971	.000042	.000037	.000120
10% of basic program	—	—	—	.001203	.001132	.001178
Totals		<u>.000989</u>	<u>.000971</u>	<u>.001245</u>	<u>.001169</u>	<u>.001298</u>
Debt service (general obligation bonds):						
Debt service (7).....	none	<u>.003850</u>	<u>.004250</u>	<u>.003755</u>	<u>.004257</u>	<u>.004257</u>
Judgment recovery levy (8)	none	—	—	—	—	—
Total		<u>.009593</u>	<u>.010045</u>	<u>.008256</u>	<u>.008564</u>	<u>.008645</u>

- (1) Maximum tax rate where applicable under current State law.
- (2) The State changed its accounting/funding classifications for school districts beginning in Fiscal Year 2013.
- (3) Under certain circumstances authorized by the Utah State Tax Commission the tax rate may exceed the legal maximum tax rate limit.
- (4) Set by law for the District's portion of the State Minimum School Program.
- (5) General maintenance and operation revenue. *In November 1998, District residents approved a voted leeway program of not to exceed a .000600 tax rate.*
- (6) Construction remodeling projects and purchase of school sites/equipment, etc.
- (7) This maximum limitation is not applicable to levies made to provide for payment of the principal of and interest on general obligation bonds authorized by vote of school district electors.
- (8) A "judgment levy" is levied for the purpose of collecting additional revenues. The Board has the legal right to levy a "Judgment Levy" in the succeeding tax year to make up for any tax revenue shortfall due to tax or re-valuation "judgment" circumstances that the Board had no control over.

(Source: Utah State Tax Commission.)

See "STATE OF UTAH SCHOOL FINANCE" below.

Additional Information. For the District's presentation of a ten year history of property tax rates see "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information—Schedule of Property Tax Rates (Per \$1) by Fund" (page A-47).

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Comparative Total Property Tax Rates Within Tooele County

This table reflects those municipal entities and the total property tax rates within the County.

Tax Levying Entity (1)	Total Tax Rate Within Taxing Area				
	2013	2012	2011	2010	2009
Tooele County School District:					
Grantsville City.....	.015523	.015115	.013183	.013356	.012865
Ophir Town.....	.011844	.011487	.009551	.009799	.009883
Rush Valley Town.....	.012823	.012460	.010532	.010796	.010883
Stockton Town.....	.015032	.014689	.012394	.012802	.012943
Tooele City .....	.014651	.014331	.011831	.011952	.011954
Vernon City .....	.011769	.012278	.010400	.011696	.010726
City of Wendover .....	.014715	.014337	.013256	.013051	.013662
Unincorporated areas (2) .....	.015879	.015497	.012737	.012715	.012949

- (1) These tax rates represent a taxing district within the city or town with the highest combined total tax rates of all overlapping taxing districts.
- (2) These tax rates represent a taxing district within the unincorporated municipalities within the County with the highest combined total tax rates of all overlapping taxing districts.

(Source: Reports from the Utah State Tax Commission.)

Taxable, Fair Market And Market Value Of Property Within The District

Year	Taxable Value (1)	% Change Over Prior Year	Fair Market/Market Value (2)	% Change Over Prior Year
2013 (3).....	\$3,788,985,658	6.3%	\$5,037,239,297	6.4%
2012	3,564,993,856	4.9	4,733,833,054	1.9
2011	3,397,928,868	(5.5)	4,643,459,126	(6.1)
2010	3,597,548,388	9.2	4,947,067,097	6.9
2009	3,295,188,469	13.1	4,626,756,403	10.5

- (1) Taxable valuation includes redevelopment agency valuation. The estimated redevelopment agency valuation for Calendar Year 2013 was approximately \$604.9 million; Calendar Year 2012 was approximately \$728.9 million; Calendar Year 2011 was approximately \$572.3 million; Calendar Year 2010 was approximately \$455.4 million; and Calendar Year 2009 was approximately \$277.1 million.
- (2) Estimated fair market values were calculated by dividing the taxable value of primary residential property by 55%, which eliminates the 45% exemption on primary residential property granted under the Property Tax Act.
- (3) Preliminary; subject to change.

(Source: Reports from the State Tax Commission.)

See “Historical Summaries Of Taxable Value Of Property” below.

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Historical Summaries Of Taxable Values Of Property

	2013		2012	2011	2010	2009
	Taxable Value (1)	% of T.V.	Taxable Value	Taxable Value	Taxable Value	Taxable Value
<i>Set by State Tax Commission (Centrally Assessed)</i>						
Total centrally assessed.....	\$ 671,789,008	17.7 %	\$ 558,381,156	\$ 397,729,410	\$ 368,252,632	\$ 326,858,638
<i>Set by County Assessor (Locally Assessed)</i>						
Real property:						
Primary residential.....	1,520,143,313	40.1	1,423,081,218	1,512,092,777	1,639,583,323	1,617,311,531
Other residential.....	15,000,000	0.4	14,630,442	13,739,150	22,423,350	20,084,831
Commercial and industrial.....	795,000,000	21.0	792,342,740	789,823,500	770,049,680	636,553,517
FAA.....	7,000,000	0.2	6,446,591	6,458,809	6,869,970	6,981,592
Unimproved non FAA.....	225,000,000	5.9	215,515,272	224,546,366	254,395,451	275,205,642
Agricultural.....	16,000,000	0.4	15,543,100	14,818,076	14,433,648	13,584,270
Total real property.....	2,578,143,313	68.0	2,467,559,363	2,561,478,678	2,707,755,422	2,569,721,383
Personal property (2):						
Primary mobile homes.....	5,500,024	0.1	5,500,024	10,221,983	9,828,432	10,160,388
Secondary mobile homes.....	122,149	0.0	122,149	240,247	232,731	265,581
Other business personal.....	533,431,164	14.1	533,431,164	428,258,550	511,479,171	388,182,479
Total personal property.....	539,053,337	14.2	539,053,337	438,720,780	521,540,334	398,608,448
Total locally assessed.....	3,117,196,650	82.3	3,006,612,700	3,000,199,458	3,229,295,756	2,968,329,831
Total taxable value.....	\$ 3,788,985,658	100.0 %	\$ 3,564,993,856	\$ 3,397,928,868	\$ 3,597,548,388	\$ 3,295,188,469

(1) Preliminary; subject to change.

(2) Does not include taxable valuation associated with SCME (semi-conductor manufacturing equipment).

(Source: Property Tax Division, Utah State Tax Commission.)

Tax Collection Record

Ad valorem property taxes are due on November 30th of each year. Final Calendar Year 2013 tax collections are not available.

Tax Year End 12/31	(1) Total Taxes Levied	(2) Trea- surer's Relief	Net Taxes Assessed	Current Col- lections	(3) Deliq., Personal Property and Miscel- leous Col- lections	(4) Total Col- lections	% of Current Collec- tions to Net Taxes Assessed	% of Total Collec- tions to Net Taxes Assessed
2012	\$30,154,927	\$479,902	\$29,675,025	\$26,934,716	\$1,900,986	\$28,835,702	90.8%	97.2%
2011	23,638,340	435,468	23,202,872	21,787,003	1,358,491	23,145,494	93.9	99.8
2010	26,125,512	432,653	25,692,859	23,453,825	1,818,705	25,272,530	91.3	98.4
2009	26,042,962	359,728	25,683,234	25,936,805	1,086,596	27,023,401	101.0	105.2
2008	22,568,073	300,132	22,267,941	21,506,422	1,138,734	22,645,156	96.6	101.7

(1) Excludes redevelopment agencies valuation.

(2) Treasurer's Relief includes abatements. These Treasurer's Relief items are levied against the property, but are never collected and paid to the entity.

(3) Delinquent Collections include interest; sales of real and personal property; and miscellaneous delinquent collections.

(4) In addition to the Total Collections indicated above, the District also collected Uniform Fees (fees-in-lieu payments) for tax year 2012 of \$2,483,923; for tax year 2011 of \$2,491,148; for tax year 2010 of \$2,646,742; for tax year 2009 of \$2,794,912; and for tax year 2008 of \$2,898,869; from tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State.

(Source: Information taken from Utah State Tax Commission reports.)

Additional Information. For the District's presentation of a 10 year history of (i) property tax levies and collections see "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information—Property Tax Levies and Collections" (page A-48) and (ii) property tax revenues by fund see "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013—Other Information—Property Tax Revenues by Fund" (page A-46).

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Some Of The Largest Taxpayers

Taxpayer	Type of Business	2013 Taxable Value (1)	% of the Dist- rict's 2013 Prelim. Tax- able Value
PacifiCorp	Electric utility	\$ 371,589,985	9.8%
ATI Titanium.....	Metal refining	321,317,766	8.5
Union Pacific Railroad.....	Transportation	175,453,012	4.6
Intrepid Potash–Wendover LLC	Mineral mining	160,864,040	4.2
Magnesium Corp of America.....	Mineral mining	82,355,309	2.2
Energy Solutions, LLC	Hazardous waste disposal	69,634,925	1.8
Wal Mart	Warehouse/transportation	37,400,000	1.0
UNEV Pipeline	Oil and gas pipeline	37,034,184	1.0
ARC RBS.....	Real estate	28,705,300	0.8
Tooele Hospital Corporation.....	Health care	<u>25,360,892</u>	0.7
Totals		<u>\$1,309,715,413</u>	34.6%

(1) Taxable Value used in this table *excludes* the taxable value used to determine Uniform Fees on tangible personal property. See “Taxable, Fair Market And Market Value Of Property Within The District” above.

(Source: County Treasurer.)

For a list of the District’s 10 largest property tax payers for Fiscal Year 2012 (Calendar Year 2012) see “FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013–Other Information–Ten Largest Taxpayers in Tooele County School District December 31, 2012” Principal Property Tax Payers Current Year and Nine Years Ago December 31, 2012” (page A–49).

STATE OF UTAH SCHOOL FINANCE

Sources Of Funds

Funding for schools in the State is provided from local school district sources consisting of property taxes imposed by the local school district (“Local District Funding”), State sources that are funded primarily by State imposed personal income taxes and corporate franchise taxes (“State Funding”) and federal sources (“Federal Funding”). For Fiscal Year 2013, approximately 72% of the District’s funding was from State Funding, approximately 21% from Local District Funding, and approximately 7% from Federal Funding. See “APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013.”

Local District Funding

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

essary for the taxes it currently levies. See “FINANCIAL INFORMATION REGARDING TOOELE COUNTY SCHOOL DISTRICT, UTAH—Historical Tax Rates Of The District” above.

State Funding

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

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

Federal Funding

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

Summary Of State And Federal Funding

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

	Fiscal Year Ended June 30 (Unaudited)				
	2013	2012	2011	2010	2009
State Funds					
General	\$57,606,436	\$55,392,140	\$54,426,444	\$54,764,186	\$54,061,557
Capital projects	502,077	1,265,864	2,402,331	3,018,013	5,319,248
Other governmental	<u>3,465,899</u>	<u>2,727,217</u>	<u>2,365,252</u>	<u>2,476,726</u>	<u>2,530,600</u>
Total	<u>\$59,912,172</u>	<u>\$59,385,221</u>	<u>\$59,194,027</u>	<u>\$60,258,925</u>	<u>\$61,911,405</u>
% change over prior year	0.9%	0.3%	(1.8)%	(2.7)%	(4.0)%
Federal Funds					
General	\$5,816,753	\$5,483,868	\$8,405,983	\$9,602,196	\$9,361,076
Other governmental	3,465,899	3,606,417	3,363,743	3,196,900	2,578,488
Capital projects	<u>303,019</u>	<u>316,800</u>	—	—	—
Total	<u>\$9,585,671</u>	<u>\$9,767,085</u>	<u>\$11,769,726</u>	<u>\$12,799,096</u>	<u>\$11,939,146</u>
% change over prior year	(1.9)%	(17.0)%	(8.0)%	7.2%	93.8%

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

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

LEGAL MATTERS

Absence Of Litigation

The attorney for the Board, Burbidge & White LLC, Salt Lake City, Utah, has advised that, to the best of their knowledge after due inquiry, there is no pending or threatened litigation that would legally stop, enjoin, or prohibit the issuance, sale or delivery of the 2014 Bonds.

TAX EXEMPTION

Federal Income Taxation Of 2014 Bonds

Federal tax law contains a number of requirements and restrictions which apply to the 2014 Bonds, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Board has covenanted to comply with all requirements that must be satisfied in order for the interest on the 2014 Bonds to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the 2014 Bonds to become includable in gross income for federal income tax purposes retroactively to the date of issuance of the 2014 Bonds.

Subject to the Board's compliance with the above referenced covenants, under present law, in the opinion of Bond Counsel, interest on the 2014 Bonds is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the 2014 Bonds is taken into account, however, in computing an adjustment in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the Board with respect to certain material facts within the Board's knowledge and upon the mathematical computation of the yield on the 2014 Bonds and the yield on certain investments by Grant Thornton LLP, Certified Public Accountants, Minneapolis, Minnesota. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the corporate regular tax in certain cases. The AMT, if any, depends upon the corporation's alternative minimum taxable income ("AMTI"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the 2014 Bonds

Ownership of the 2014 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the 2014 Bonds should consult their tax advisors as to applicability of any such collateral consequences.

The issue price (the "Issue Price") for each maturity of the 2014 Bonds is the price at which a substantial amount of such maturity of the 2014 Bonds is first sold to the public. The Issue Price of a maturi-

ty of the 2014 Bonds may be different from the price set forth, or the price corresponding to the yield set forth, on the inside cover page hereof.

Owners of 2014 Bonds who dispose of 2014 Bonds prior to the stated maturity (whether by sale, redemption or otherwise), purchase 2014 Bonds in the initial public offering, but at a price different from the Issue Price or purchase 2014 Bonds subsequent to the initial public offering should consult their own tax advisors.

If a 2014 Bond is purchased at any time for a price that is less than the 2014 Bond's stated redemption price at maturity the purchaser will be treated as having purchased a 2014 Bond with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a 2014 Bond is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such 2014 Bond. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the 2014 Bonds.

An investor may purchase a 2014 Bond at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as "bond premium" and must be amortized by an investor on a constant yield basis over the remaining term of the 2014 Bond in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt bond. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor's basis in the 2014 Bond. Investors who purchase a 2014 Bond at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the 2014 Bond's basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the 2014 Bond.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the 2014 Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. Prospective purchasers of the 2014 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the 2014 Bonds. If an audit is commenced, under current procedures the Service may treat the Board as a taxpayer and the Bondholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2014 Bonds until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the 2014 Bonds, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any 2014 Bond owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any 2014 Bond owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

State Tax Exemption For The 2014 Bonds

In the opinion of Bond Counsel, under the existing laws of the State, as presently enacted and construed, interest on the 2014 Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. Bond Counsel expresses no opinion with respect to any other taxes imposed by the State or any political subdivision thereof. Ownership of the 2014 Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the 2014 Bonds. Prospective purchasers of the 2014 Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

MISCELLANEOUS

General

The authorization and issuance of the 2014 Bonds are subject to the approval of Chapman and Cutler LLP, Bond Counsel to the Board. Certain legal matters will be passed upon for the Board by the attorney for the Board, Burbidge & White LLC, Salt Lake City, Utah. The approving opinion of Bond Counsel will be delivered with the 2014 Bonds. A copy of the opinion of Bond Counsel in substantially the form set forth in “APPENDIX B—PROPOSED FORM OF OPINION OF BOND COUNSEL” will be made available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness, or sufficiency of the OFFICIAL STATEMENT or other offering material relating to the 2014 Bonds and assumes no responsibility for the statements or information contained in or incorporated by reference in this OFFICIAL STATEMENT.

The various legal opinions to be delivered concurrently with the delivery of the 2014 Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Bond Ratings

As of the date of this OFFICIAL STATEMENT, the 2014 Bonds have been rated “Aaa” by Moody’s and “AAA” by S&P based upon the Guaranty Act. An explanation of the above ratings may be obtained from Moody’s and S&P. The Board has not directly applied to Fitch for a rating on the 2014 Bonds.

Additionally, as of the date of this OFFICIAL STATEMENT, Moody’s and S&P have given the 2014 Bonds an underlying rating of “Aa3” and “AA–”, respectively.

Any explanation of the significance of these outstanding ratings may only be obtained from the rating service furnishing the same. There is no assurance that the ratings given the outstanding general obligation bonds will continue for any given period of time or that the ratings will not be revised downward or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2014 Bonds.

Escrow Verification

Grant Thornton LLP, Minneapolis, Minnesota, Certified Public Accountants, will verify the accuracy of the mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the obligations of the United States of America, together with other escrowed moneys to be placed in the Escrow Account to pay when due pursuant to prior redemption the redemption price of, and interest on the 2005 Refunded Bonds and the 2006 Refunded Bonds and the mathematical computations of the yield on the 2014 Bonds and the yield on the government obligations purchased with a portion of the proceeds of the sale of the 2014 Bonds. Such verifications shall be based in part upon information supplied by the successful bidder(s).

Financial Advisor

The Board has entered into an agreement with the Financial Advisor whereunder the Financial Advisor provides financial recommendations and guidance to the Board with respect to preparation for sale of the 2014 Bonds, timing of sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the 2014 Bonds. The Financial Advisor has read and participated in the drafting of certain portions of this OFFICIAL STATEMENT and has supervised the completion and editing thereof. The Financial 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 Financial Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the OFFICIAL STATEMENT or any other matter related to the OFFICIAL STATEMENT.

Independent Auditors

The financial statements of the Board as of June 30, 2013 and for the year then ended, included in this OFFICIAL STATEMENT, have been audited by Squire & Company, PC, Certified Public Accountants and Business Consultants, Orem, Utah ("Squire"), as stated in their report in "APPENDIX A—FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013" to this OFFICIAL STATEMENT.

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

Additional Information

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

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

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

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

Board of Education of Tooele County School District, Utah

By: /s/ Maresa Manzione

Maresa Manzione, Board President

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APPENDIX A

FINANCIAL STATEMENTS OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FOR FISCAL YEAR 2013

The financial statements of the Board for Fiscal Year 2013 are contained herein. Copies of current and prior financial statements are available upon request from the contact persons as indicated under “INTRODUCTION—Contact Persons” above.

The District’s basic financial statements for Fiscal Year 2014 must be completed under State law by November 30, 2014.

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TOOELE COUNTY SCHOOL DISTRICT

**Basic Financial Statements
With Supplementary and Other Information**

Year Ended June 30, 2013

INTRODUCTORY SECTION

TOOELE COUNTY SCHOOL DISTRICT

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TOOELE COUNTY SCHOOL DISTRICT

List of Elected and Appointed Officials
Year Ended June 30, 2013

Elected Officials

<u>Members of the Board of Education</u>	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Voting Precinct</u>
Maresa Manzione President of the Board District 4	January 2013	December 2016	Tooele 13, 14, 15, & 16 Erda 1
Carol Jensen Vice President of the Board District 6	January 2011	December 2014	Stansbury Park 1, 2, 3, & 6 Erda 2
Kathy Taylor Member of the Board District 1	January 2013	December 2016	Tooele 17, 18, 19, 20, & 21
Julia Holt Member of the Board District 2	January 2013	December 2016	Tooele 1, 2, 3, 4, 5, 6, & 8
Scott Bryan Member of the Board District 3	January 2013	December 2016	Tooele 7, 9, 10, 11, & 12 Lincoln
Karen Nelson Member of the Board District 5	January 2011	December 2014	Grantsville 1.2, 2 & 5 Stansbury Park 4, 5, & 7 Ibapah, Lake Point, & Wendover
Alan Mouritsen Member of the Board District 7	November 2013	December 2014	Granstville 1.1, 3, 4, & 6 Dugway, Ophir, Rush Valley, Stockton, Terra, & Vernon

The term of office for a board member is four years, beginning in January following the November election.

Appointed Officials

	<u>Present Term Began</u>	<u>Present Term Expires</u>	<u>Initial Appointment</u>
Dr. Scott Rogers Superintendent	July 2013	June 2015	July 2013
Lark N. Reynolds Business Administrator	July 2013	June 2015	July 2012

FINANCIAL SECTION



1329 South 800 East • Orem, Utah 84097-7700 • (801) 225-6900 • Fax (801) 226-7739 • www.squire.com

Independent Auditor's Report

Board of Education
Tooele County 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 Tooele County School District (the District) as of and for the year ended June 30, 2013, and the related notes to the basic financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tooele County School District as of June 30, 2013, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

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 financial statements and schedules, introductory section, and other information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relates 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 section and other information 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 29, 2013, 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 29, 2013

Management's Discussion and Analysis

This section of Tooele County School District's (the District) annual financial report presents management's discussion and analysis of the District's financial performance during the year ended June 30, 2013. Please read it in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The District's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$111.3 million at the close of the most recent fiscal year.
- During the year, expenses were \$4.5 million less than the \$109.2 million generated in taxes and state, federal, and other revenues from governmental activities.
- The District's student enrollment increased by 359 students to a total of 14,034 during 2013.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplementary and other 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 of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the District, with the difference being 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 (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 12 to 13 of this report.

The government-wide financial statements of the District are reported as governmental activities; the District has no business-type activities. Governmental activities and functions include instructional services, supporting services, food services, and interest on long-term liabilities. Property taxes and state and federal grants finance most of these activities.

Fund financial statements – A fund is a group of related accounts that is used to maintain control over resources that have been 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 are governmental 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 government'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 funds balance sheet and the governmental funds 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 five individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the *general fund*, the *debt service fund*, and the *capital projects fund*, each of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each governmental fund is provided in the form of combining and individual fund financial statements and schedules elsewhere in this report.
- The District adopts an annual appropriated budget for its *general fund*. A budgetary comparison statement has been provided for the *general fund* to demonstrate compliance with this budget.

The basic governmental funds financial statements can be found on pages 14 to 18 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 19 to 34 of this report.

Supplementary information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligations to provide other postemployment benefits to its employees and retirees. Required supplementary information can be found on page 35 of this report.

The combining and individual statements and schedules referred to earlier in connection with governmental funds are presented immediately following the notes to the basic financial statements. Combining and individual fund financial statements and schedules can be found on pages 36 to 42 of this report.

Other information – Other information is included which contains substantial financial information, but presents tables that differ from financial statements in that they present non-accounting data, cover several years, and are designed to reflect social and economic data and financial and fiscal trends as well as the fiscal capacity of the District. This other information begins on page 43.

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 \$111.3 million at the close of the most recent fiscal year.

TOOELE COUNTY SCHOOL DISTRICT'S Net Position
June 30, 2013 and 2012
(in millions of dollars)

	Governmental Activities		Total Change
	2013	2012	2013-2012
Current and other assets	\$ 60.7	\$ 58.7	\$ 2.0
Capital assets	189.1	194.3	(5.2)
Total assets	249.8	253.0	(3.2)
Deferred outflows of resources	1.7	2.0	(0.3)
Current and other liabilities	9.9	9.8	0.1
Long-term liabilities outstanding	103.1	113.2	(10.1)
Total liabilities	113.0	123.0	(10.0)
Deferred inflows of resources	27.2	25.2	2.0
Net position:			
Net investment in capital assets	93.3	87.7	5.6
Restricted	9.2	10.4	(1.2)
Unrestricted	8.8	8.7	0.1
Total net position (as restated)	<u>\$ 111.3</u>	<u>\$ 106.8</u>	<u>\$ 4.5</u>

- The largest portion of the District's net position (83.8%) reflects its investment in capital assets less any related debt (general obligation bonds payable and lease revenue bonds payable) used to acquire those assets that is still outstanding net of unspent bond proceeds. 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 (8.3%) represents resources that are subject to external restrictions on how they may be used. The majority of the restricted balance is for debt service and capital projects.
- The remaining net position (7.9%) is unrestricted and may be used to meet District obligations to students, employees, and creditors and to honor next year's budget

At the end of the current fiscal year, the District is able to report positive balances in all three categories of net position. The same situation was true for the prior fiscal year.

Restricted net position decreased by \$1.2 million, primarily attributable to using resources restricted for debt service and capital projects.

The District's net position increased by \$4.5 million during the current year. The following discussion and analysis on governmental activities focuses on this increase:

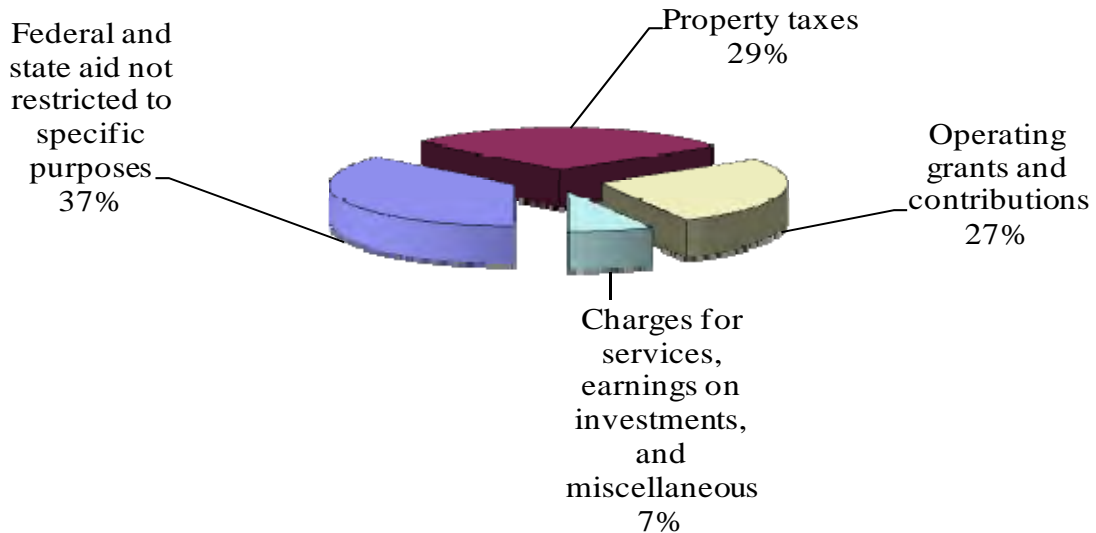
TOOELE COUNTY SCHOOL DISTRICT'S Change in Net Position
Years Ended June 30, 2013 and 2012
(in millions of dollars)

	Governmental Activities		Total Change
	2013	2012	2013-2012
Revenues:			
Program revenues:			
Charges for services	\$ 1.9	\$ 2.0	\$ (0.1)
Operating grants and contributions	29.6	29.2	0.4
General revenues:			
Property taxes	31.5	24.8	6.7
Federal and state aid not restricted to specific programs	39.9	40.0	(0.1)
Earnings on investments	0.2	0.3	(0.1)
Miscellaneous	6.1	4.3	1.8
Total revenues	109.2	100.6	8.6
Expenses:			
Instruction	67.0	68.1	(1.1)
Supporting services:			
Students	3.2	3.1	0.1
Instructional staff	2.4	2.1	0.3
General administration	0.8	0.8	-
School administration	5.9	5.4	0.5
Central	1.2	1.1	0.1
Operation and maintenance of facilities	9.1	9.1	-
Student transportation	3.7	3.5	0.2
Food services	6.5	6.4	0.1
Interest on long-term liabilities	4.9	5.4	(0.5)
Total expenses	104.7	105.0	(0.3)
Change in net position	4.5	(4.4)	8.9
Net position, beginning (as restated)	106.8	111.2	(4.4)
Net position, ending	\$ 111.3	\$ 106.8	\$ 4.5

Governmental activities – The key elements of the increase in the District’s net position for the year ended June 30, 2013 are as follows:

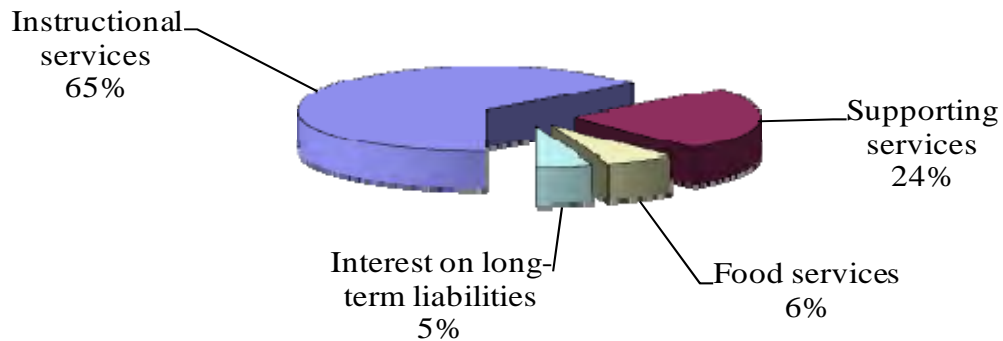
- Property taxes increased by \$6.7 million. This increase was the result of increased tax rates as well as collections of prior years’ delinquent taxes.
- Miscellaneous revenues increased by \$1.8 million due to insurance proceeds and other local sources, including donations and indirect charges to other funds.
- State aid increased by \$0.5 million. State aid is based primarily on weighted pupil units (WPU) and other appropriations. If a student is in membership a full 180 days, the state awards the District one WPU. Certain students receive a weighting greater than one. The state guarantees that, if local taxes do not provide money equal to the amount generated by the WPU, it will make up the difference with state funding. The value of the WPU increased by 0.9% during the year ended June 30, 2013 (\$2,842 during 2013 as compared to \$2,816 in 2012).

**Tooele County School District
Revenues by Source - Governmental Activities
Year Ended June 30, 2013**



- Instruction represents the largest dollar decrease in expense of \$2.0 million which is primarily due to decreased capital outlay costs with the completion of construction projects.

**Tooele County School District
Expenses by Function - Governmental Activities
Year Ended June 30, 2013**



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. As the District completed the year, its governmental funds reported a combined fund balance of \$22.1 million, \$0.2 million less than the previous year. Included in this year's change in combined fund balance is a decrease in the *capital projects fund* of \$1.0 million; this year's change also includes an increase in the fund balance of the *debt service fund* of \$0.8 million. In addition, the following changes in *general fund* balances should be noted:

- Expenditures for general District purposes totaled \$80.4 million. Instruction represents 67.1% of *general fund* expenditures.
- *General fund* salaries totaled \$48.5 million while the associated employee benefits of retirement, social security, and insurance (health and accident, industrial, and unemployment) added \$23.2 million to arrive at 89.2% of total *general fund* expenditures.

Governmental funds report the differences between their assets and liabilities as fund balance, which is divided into nonspendable, restricted, and unrestricted portions. *Nonspendable* includes inventories, deposits, and prepaids that are not expected to be converted to cash. *Restricted* includes net fund resources of the District that are subject to external constraints due to state or federal laws, or externally imposed conditions by grantors or creditors. Restrictions include tax revenues levied for specific purposes and remaining fund balances in the *food services fund*. *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 other governmental funds are those that do not meet the requirements of restricted or committed but that are intended to be used for specific purposes. *Unassigned* balances in the *general fund* are all other available net fund resources. At June 30, 2013, the District's combined governmental fund balance is \$22.1 million (\$0.4 million in nonspendable, \$11.9 million in restricted, \$5.0 million in committed, \$1.6 million in assigned, and \$3.2 million in unassigned fund balances).

General Fund Budgetary Highlights

During the year, the Board revised the District's budget. Budget amendments were to reflect changes in programs and related funding. The difference between the original budget and the final amended budget was an increase of \$1.5 million or 1.9% in total *general fund* expenditures to provide for new programs or increases in existing programs. During the year, final budgeted revenues were higher than original budgetary estimates by \$1.2 million or 1.5%, to account for anticipated increases in state and federal funding.

Even with these adjustments, actual expenditures were \$1.0 million less than final budgeted amounts. The most significant positive variance was \$1.1 million in instruction. Conversely, revenues were \$0.6 million less than the final budgeted amount. Variances primarily result from expenditure-driven federal and state grants that are included in the budgets at their full amounts. Such grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met; unspent grant amounts are carried forward and included in the succeeding year's budget. Therefore, actual grant revenues and expenditures are normally less than the amounts budgeted.

Capital Asset and Debt Administration

Capital assets – The *capital projects fund* is used to account for the costs incurred in acquiring and improving sites, constructing and remodeling facilities, and procuring equipment necessary for providing educational programs for all students within the District. During the year ended June 30, 2013, the District spent \$1.2 million on capital assets.

Capital assets are outlined below:

TOOELE COUNTY SCHOOL DISTRICT'S Capital Assets
June 30, 2013 and 2012

(Net of accumulated depreciation, in millions of dollars)

	Governmental Activities		Total Change
	2013	2012	2013-2012
Land	\$ 4.7	\$ 4.7	\$ -
Water shares	0.1	0.1	-
Construction in progress	-	0.2	(0.2)
Buildings and improvements	177.8	182.6	(4.8)
Equipment	3.2	3.4	(0.2)
School buses	2.5	2.4	0.1
Vehicles	0.8	0.9	(0.1)
Total capital assets, net	<u>\$ 189.1</u>	<u>\$ 194.3</u>	<u>\$ (5.2)</u>

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

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in the District. The legal debt limit at June 30, 2013 is \$196.0 million. Net general obligation debt at June 30, 2013 is \$73.7 million, resulting in a legal debt margin of \$122.3 million.

TOOELE COUNTY SCHOOL DISTRICT'S Outstanding Debt
June 30, 2013 and 2012

(Net of unamortized premiums and discounts, in millions of dollars)

	Governmental Activities		Total Change
	2013	2012	2013-2012
Net general obligation bonds	\$ 73.7	\$ 82.9	\$ (9.2)
Net lease revenue bonds	27.2	28.3	(1.1)
Total outstanding debt	<u>\$ 100.9</u>	<u>\$ 111.2</u>	<u>\$ (10.3)</u>

Additional information on the District's long-term debt can be found in Note 8 to the basic financial statements.

Changing Enrollment within the District

Estimated new growth for the next five years is expected to add 929 students to the District's current enrollment; this is an overall increase of 6.6%. The following enrollment information is based on counts taken on October 1 of each year.

TOOELE COUNTY SCHOOL DISTRICT'S Enrollment

<u>Year</u>	<u>District Enrollment</u>	<u>Annual Increase</u>
Actual:		
2003-2004	10,508	5.19%
2004-2005	11,039	7.04%
2005-2006	11,793	6.83%
2006-2007	12,507	6.05%
2007-2008	12,988	3.85%
2008-2009	13,406	3.22%
2009-2010	13,180	-1.69%
2010-2011	13,439	1.97%
2011-2012	13,675	1.76%
2012-2013	14,034	4.43%
Estimates:		
2013-2014	14,107	0.52%
2014-2015	13,895	-1.50%
2015-2016	14,242	2.50%
2016-2017	14,598	2.50%
2017-2018	14,963	2.50%

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact Tooele County School District, Office of the Business Administrator, 92 Lodestone Way, Tooele, UT 84074.

BASIC FINANCIAL STATEMENTS

TOOELE COUNTY SCHOOL DISTRICT
Statement of Net Position	12
June 30, 2013

	Governmental Activities
Assets:	
Cash and investments	\$ 25,947,315
Receivables:	
Property taxes	29,369,695
Other local	13,602
State	492,163
Federal	982,894
Investments restricted for debt service	3,464,938
Inventories, deposits, and prepaids	376,705
Net OPEB asset	18,883
Capital assets:	
Land, water shares, and construction in progress	4,858,462
Other capital assets, net of accumulated depreciation	<u>184,256,307</u>
Total assets	<u>249,780,964</u>
Deferred outflows of resources:	
Deferred charge on refunding	<u>1,722,339</u>
Liabilities:	
Accounts payable	573,598
Accrued interest	378,576
Accrued salaries and benefits	8,107,706
Unearned revenue:	
State of Utah	868,317
Noncurrent liabilities:	
Due or payable within one year	11,291,353
Due or payable after one year	<u>91,802,734</u>
Total liabilities	<u>113,022,284</u>
Deferred inflows of resources:	
Property taxes levied for future year	<u>27,205,136</u>
Net position:	
Net investment in capital assets	93,312,153
Restricted for:	
Debt service	1,289,738
Capital projects	7,572,128
Food services	362,257
Unrestricted	<u>8,739,607</u>
Total net position	<u><u>\$ 111,275,883</u></u>

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

TOOELE COUNTY SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2013

Functions	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental activities:				
Instruction	\$ 66,980,153	\$ 122,056	\$ 19,188,818	\$ (47,669,279)
Supporting services:				
Students	3,233,001	-	747,225	(2,485,776)
Instructional staff	2,362,295	-	1,244,130	(1,118,165)
District administration	836,872	-	-	(836,872)
School administration	5,928,244	-	135,191	(5,793,053)
Central	1,154,003	-	-	(1,154,003)
Operation and maintenance of facilities	9,108,841	-	1,422,379	(7,686,462)
Student transportation	3,706,682	-	1,939,472	(1,767,210)
Food services	6,567,608	1,769,966	4,890,326	92,684
Interest on long-term liabilities	4,869,601	-	-	(4,869,601)
Total school district	<u>\$ 104,747,300</u>	<u>\$ 1,892,022</u>	<u>\$ 29,567,541</u>	<u>(73,287,737)</u>
General revenues:				
Property taxes levied for:				
Basic				5,176,961
Voted local				1,881,391
Board local				8,068,033
Debt service				13,326,521
Capital local				3,044,718
Federal and state aid not restricted to specific purposes				39,930,302
Earnings on investments				181,380
Miscellaneous				6,145,138
Total general revenues				<u>77,754,444</u>
Change in net position				4,466,707
Net position - beginning, as restated				<u>106,809,176</u>
Net position - ending				<u><u>\$ 111,275,883</u></u>

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

TOOELE COUNTY SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2013

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Assets:					
Cash and investments	\$ 16,172,995	\$ 686,756	\$ 7,351,369	\$ 1,736,195	\$ 25,947,315
Receivables:					
Property taxes	14,548,917	11,795,319	3,025,459	-	29,369,695
Other local	3,909	-	-	9,693	13,602
State	53,636	-	-	438,527	492,163
Federal	928,059	-	-	54,835	982,894
Due from other funds	172,330	-	-	-	172,330
Investments restricted for debt service	-	-	3,464,938	-	3,464,938
Inventories, deposits, and prepaids	159,181	-	147,472	70,052	376,705
Total assets	<u>\$ 32,039,027</u>	<u>\$ 12,482,075</u>	<u>\$ 13,989,238</u>	<u>\$ 2,309,302</u>	<u>\$ 60,819,642</u>
Liabilities:					
Accounts payable	\$ 462,202	\$ -	\$ 77,905	\$ 33,491	\$ 573,598
Due to other funds	-	-	-	172,330	172,330
Accrued salaries and benefits	8,107,706	-	-	-	8,107,706
Unearned revenue:					
State of Utah	763,525	-	-	104,792	868,317
Total liabilities	<u>9,333,433</u>	<u>-</u>	<u>77,905</u>	<u>310,613</u>	<u>9,721,951</u>
Deferred inflows of resources:					
Unavailable property tax revenue	884,744	716,505	184,058	-	1,785,307
Property taxes levied for future year	13,482,041	10,918,354	2,804,741	-	27,205,136
Total deferred inflows of resources	<u>14,366,785</u>	<u>11,634,859</u>	<u>2,988,799</u>	<u>-</u>	<u>28,990,443</u>
Fund balances:					
Nonspendable:					
Inventories, deposits, and prepaids	159,181	-	147,472	70,052	376,705
Restricted for:					
Debt service	-	847,216	-	-	847,216
Capital projects	-	-	10,775,062	-	10,775,062
Food services	-	-	-	292,205	292,205
Committed to:					
Economic stabilization	3,500,000	-	-	-	3,500,000
Employee benefit obligations	1,499,934	-	-	-	1,499,934
Assigned to:					
Schools	-	-	-	1,636,432	1,636,432
Unassigned	3,179,694	-	-	-	3,179,694
Total fund balances	<u>8,338,809</u>	<u>847,216</u>	<u>10,922,534</u>	<u>1,998,689</u>	<u>22,107,248</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 32,039,027</u>	<u>\$ 12,482,075</u>	<u>\$ 13,989,238</u>	<u>\$ 2,309,302</u>	<u>\$ 60,819,642</u>

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

TOOELE COUNTY SCHOOL DISTRICT
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2013

Total fund balances for governmental funds	\$ 22,107,248
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Total net position reported for governmental activities in the statement of net position is different because:

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

Land	\$ 4,712,862	
Water shares	145,600	
Buildings and improvements, net of \$55,830,230 accumulated depreciation	177,826,269	
Equipment, net of \$3,349,444 accumulated depreciation	3,173,903	
School buses, net of \$5,291,667 accumulated depreciation	2,442,809	
Vehicles, net of \$1,283,168 accumulated depreciation	813,326	189,114,769

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 deferred inflows of resources.	1,785,307
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Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. Accrued interest for general obligation bonds is \$273,983 and accrued interest for lease revenue bonds is \$104,593.	(378,576)
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Net OPEB asset is not reported in the governmental funds. This amount represents accumulated plan contributions in excess of annual OPEB costs.	18,883
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Long-term liabilities that pertain to governmental funds, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position. Balances at year-end are:

General obligation bonds payable	(71,575,000)	
Unamortized general obligation bonds premiums	(2,168,808)	
Unamortized deferred amounts on refunding	1,518,016	
Lease revenue bonds payable	(27,450,000)	
Unamortized lease revenue bonds discounts	238,982	
Unamortized lease revenue bonds deferred amounts on refunding	204,323	
Early retirement benefits payable	(1,414,749)	
Compensated absences payable	(724,512)	(101,371,748)

Total net position of governmental activities	\$ 111,275,883
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The notes to the basic financial statements are an integral part of this statement.

TOOELE COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2013

	Major Funds			Other	Total
	General	Debt Service	Capital Projects	Governmental Funds	Governmental Funds
Revenues:					
Property taxes	\$ 15,084,052	\$ 13,289,225	\$ 3,036,197	\$ -	\$ 31,409,474
Interest on investments	99,019	-	82,361	-	181,380
Tuitions and fees	319,633	-	-	2,361,469	2,681,102
Other local sources	1,559,915	-	162,223	3,013,647	4,735,785
State sources	57,606,436	-	502,077	1,803,659	59,912,172
Federal sources	5,816,753	-	303,019	3,465,899	9,585,671
Total revenues	80,485,808	13,289,225	4,085,877	10,644,674	108,505,584
Expenditures:					
Current:					
Instruction	53,912,687	-	-	4,225,097	58,137,784
Supporting services:					
Students	3,233,001	-	-	-	3,233,001
Instructional staff	2,362,295	-	-	-	2,362,295
General administration	749,241	-	-	-	749,241
School administration	5,837,309	-	-	-	5,837,309
Central	1,154,003	-	-	-	1,154,003
Operation and maintenance of facilities	9,051,032	-	-	-	9,051,032
Student transportation	3,246,496	-	-	-	3,246,496
Non instructional	835,136	-	-	-	835,136
Food service	-	-	-	6,500,698	6,500,698
Capital outlay	-	-	3,329,403	-	3,329,403
Debt service:					
Payment of bond principal	-	8,775,000	1,143,000	-	9,918,000
Payment of bond interest and fees	-	3,672,480	1,293,674	-	4,966,154
Total expenditures	80,381,200	12,447,480	5,766,077	10,725,795	109,320,552
Excess (deficiency) of revenues over (under) expenditures	104,608	841,745	(1,680,200)	(81,121)	(814,968)
Other financing sources:					
Proceeds from sale of capital assets	-	-	40,733	-	40,733
Special item:					
Insurance proceeds	-	-	591,034	-	591,034
Net change in fund balances	104,608	841,745	(1,048,433)	(81,121)	(183,201)
Fund balances - beginning	8,234,201	5,471	11,970,967	2,079,810	22,290,449
Fund balances - ending	\$ 8,338,809	\$ 847,216	\$ 10,922,534	\$ 1,998,689	\$ 22,107,248

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

TOOELE COUNTY SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Government Funds to the Statement of Activities
Year Ended June 30, 2013

Net change in fund balances-total governmental funds	\$ (183,201)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 for land, water shares, equipment, school buses, and vehicles and \$100,000 for buildings and improvements are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Capital outlays	\$ 927,297	
Proceeds from sale of capital assets	(40,733)	
Loss on sale of capital assets	29,239	
Depreciation expense	(6,054,121)	(5,138,318)

The governmental funds report bond proceeds as financing sources, while repayment of bond principal is reported as an expenditure. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. 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. Interest is recognized as an expenditure in the governmental funds when it is due. In the statement of activities, however, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of general obligation bonds and related items is as follows:

Repayment of bond principal	8,775,000	
Principal payments on lease revenue bonds	1,143,000	
Amortization of deferred refunding costs	(325,924)	
Interest expense	34,369	
Amortization of bond discounts	(15,015)	
Amortization of bond premiums	403,123	10,014,553

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

88,150

In the statement of activities, certain operating expenses - termination benefits (early retirement benefits) and compensated absences (vacations) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). During this year, early retirement benefits payable increased by \$230,425 and compensated absences payable decreased by \$44,391.

(186,034)

The annual other postemployment benefit (OPEB) cost is the amount that is recognized as an expense in the statement of activities whereas in the governmental funds only the amounts paid are recorded as an expenditure. Payments were less than actuarially required amounts during the year.

(128,443)

Change in net position of governmental activities	\$ 4,466,707
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The notes to the basic financial statements are an integral part of this statement.

TOOELE COUNTY SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues:				
Local sources:				
Property taxes	\$ 15,645,037	\$ 15,000,501	\$ 15,084,052	\$ 83,551
Interest on investments	140,000	100,000	99,019	(981)
Tuitions and fees	211,695	134,199	319,633	185,434
Other local sources	816,088	1,165,851	1,559,915	394,064
State sources	57,344,033	58,252,427	57,606,436	(645,991)
Federal sources	5,737,678	6,468,320	5,816,753	(651,567)
Total revenues	79,894,531	81,121,298	80,485,808	(635,490)
Expenditures:				
Current:				
Instruction	53,926,378	55,058,577	53,912,687	1,145,890
Supporting services:				
Students	3,009,080	3,364,001	3,233,001	131,000
Instructional staff	2,226,186	2,418,813	2,362,295	56,518
General administration	784,428	786,128	749,241	36,887
School administration	5,670,512	5,804,125	5,837,309	(33,184)
Business services	1,155,073	1,146,266	1,154,003	(7,737)
Operation and maintenance of facilities	8,955,884	8,675,050	9,051,032	(375,982)
Student transportation	3,011,853	3,296,509	3,246,496	50,013
Non instructional	1,155,137	844,053	835,136	8,917
Total expenditures	79,894,531	81,393,522	80,381,200	1,012,322
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	-	(272,224)	104,608	376,832
Fund balances - beginning	6,990,354	8,234,201	8,234,201	-
Fund balances - ending	\$ 6,990,354	\$ 7,961,977	\$ 8,338,809	\$ 376,832

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

TOOELE COUNTY SCHOOL DISTRICT
Notes to Basic Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Tooele County 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.

Reporting entity – The Board of Education, comprised of seven elected individuals, is the primary governing authority for the District. The Board establishes District policies, approves the budget, levies taxes, issues bonds, and appoints a superintendent with administrative responsibilities encompassing all District educational activities and a business administrator who oversees fiscal activities.

As required by GAAP, these financial statements present the District and its component unit, the Municipal Building Authority of the Tooele County School District (the Building Authority), a legally separate organization for which the District is considered to be financially accountable. The Building Authority is reported as a blended component unit within the governmental funds of the District. The Building Authority has the same board as the District and provides financing services exclusively to the District. The District has committed resources to service debt obligations of the Building Authority. Financial information for the Building Authority may be obtained at the District’s administrative office.

Government-wide and fund financial statements – The *government-wide financial statements* (the statement of net position and the statement of activities) display information about the government (the District). These statements include the financial activities of the overall government. As a general rule 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 instruction, school administration, operation and maintenance of facilities, and food 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. Program revenues include 1) fees and charges paid by students and other recipients of goods or services offered by a given function, and 2) 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.

The *fund financial statements* provide information about the District’s funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

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.

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

- The *debt service fund* accounts for resources accumulated and payments made for principal and interest on general obligation school building bonds.
- The *capital projects fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities, and procurement of equipment necessary for providing educational programs for all students within the District.

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within thirty days after year-end. Property taxes and interest are considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when the District receives cash. Expenditures generally are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, early retirement and postemployment healthcare benefits, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there is both restricted and unrestricted net position available to finance the program. The District primarily applies cost-reimbursement grant resources first to such programs, followed by categorical block grants, and then by general revenues.

Budgetary data – The District operates within the budget requirements for school districts as specified by Utah State law and as interpreted by the Utah State Superintendent of Public Instruction. Budgets are presented on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at fiscal year-end with the exception of those indicated as a fund balance commitment. The following procedures are used in establishing the budgetary data reflected in the financial statements.

- By June 1 of each year, the District business administrator prepares a proposed annual budget (for the fiscal year beginning July 1) for all applicable funds. The budget is presented to the Board of Education by the superintendent. This budget includes proposed expenditures and the means of financing them. Also included is a final budget for the current fiscal year ending June 30.
- Copies of the proposed budget are made available for public inspection and review by the District's patrons.
- If the District does not exceed the certified property tax rate, a public hearing is held prior to June 22 at which time the budget is legally adopted by resolution of the Board after obtaining taxpayer input.

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

If the District exceeds the certified property tax rate, the budget is adopted in August when additional data is available to set the rates.

- Once adopted, the budget can be amended by subsequent Board action. The Board upon recommendation of the superintendent can approve reductions in appropriations, but increases in appropriations by fund require a public hearing prior to amending the budget. In accordance with Utah State law, interim adjustments may be made by an administrative transfer of money from one appropriation to another within any given fund.
- Certain interim adjustments in estimated revenue and expenditures during the year ended June 30, 2013, have been 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.

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

Inventories – Inventories are valued at cost or, if donated, at fair value when received, stated at the lower of average cost or market. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Inventories reported in the governmental funds are equally offset by a nonspendable portion of the fund balance, indicating that they are not expected to be converted to cash.

Capital assets – Capital assets, which include land, water shares, buildings and improvements, furniture and equipment, and transportation equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$5,000 for land, water shares, equipment, and transportation equipment and \$100,000 for buildings and improvements. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation. 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. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

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

Assets	Years
Buildings	50
Portable classrooms	25
Athletic field improvements	20
Kitchen equipment	15
Maintenance equipment and trucks	15
School buses	12
Audio visual and other equipment	10
Passenger vehicles	10
Computers and copiers	5

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

Compensated absences – Under terms of association agreements, twelve-month or full-year contract employees earn vacation and sick leave in amounts varying with tenure and classification. In the event of termination or death, an employee is reimbursed for current value of accumulated vacation days to a maximum of 30 days. Upon retirement, employees are compensated for accumulated sick leave at \$25 per day with a maximum of 250 days. Vacation pay is accrued when incurred in the government-wide financial statements. No accrual is made for sick leave. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts, as well as refunding costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and refunding costs.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Deferred outflows/inflows of resources – Beginning with 2013, the District implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These statements provide financial reporting guidance to standardize the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. They also establish accounting standards and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities, and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Implementation of these new statements resulted in a restatement of the District's government-wide net position beginning balance (see Note 12).

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 only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 District has two items, one of which arises only under a modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the item, *unavailable property tax revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The item, *property taxes levied for future year*, is reported in both the statement of net position and the governmental funds balance sheet. These amounts account for property taxes levied on January 1, 2013 for the 2013-2014 school year.

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

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, deposits, and prepaids 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 unspent tax revenues levied for specific purposes, such as, capital projects and debt service. Also, the remaining fund balances in the *food services fund* are restricted.
- **Committed** – This category includes amounts that can only be used for specific purposes established by formal action of the District's highest level of decision-making authority. The Board of Education is the highest level of decision making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.
 - a) Economic stabilization (\$3,500,000). As defined in Utah law as an "undistributed reserve," the District maintains for economic stabilization up to five percent of *general fund* budgeted expenditures. Potential state budget cuts, disasters, immediate capital needs, and other significant events are circumstances or conditions that signal the need for stabilization. Additionally, the commitment is necessary to maintain liquidity (i.e., reducing any disparity between when financial resources are available to make payments and the maturity of related liabilities). Also defined by state law, the commitment is not to be used "in the negotiation or settlement of contract salaries for school district employees" and the use of this reserve requires a written resolution adopted by a majority vote of the Board of Education filed with the Utah State Board of Education and Utah State Auditor.
 - b) Employee benefit obligations (\$1,499,934) for unpaid early retirement benefits.
- **Assigned** – This category includes amounts that the District intends to be used for a specific purpose but are neither restricted nor committed. This intent is expressed by written approval of the District's

TOOELE COUNTY SCHOOL DISTRICT
Notes to Basic Financial Statements
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business administrator as authorized by the Board of Education. The District has assigned fund balances held in other governmental funds for schools (\$1,636,432).

- Unassigned – Residual balances in the *general fund* are classified as unassigned.

Net position/fund balance flow assumption – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report in each category of net position and fund balance, a flow assumption must be made about the order in which the resources are considered to be applied.

- Net position – It is the District’s policy to consider restricted net position to have been depleted before unrestricted net position.
- Fund balance – It is the District’s policy to consider restricted fund balance to have been depleted before using any components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

2. DEPOSITS AND INVESTMENTS

A reconciliation of cash and investments at June 30, 2013 as shown on the financial statements is as follows:

Carrying amount of deposits	\$ 506,018
Carrying amount of investments	28,906,235
Total cash and investments	<u>\$ 29,412,253</u>

Total cash and investments reported in the financial statements at June 30, 2013 are summarized as follows:

Cash and investments	\$ 25,947,315
Investments restricted for debt service	3,464,938
Total cash and investments	<u>\$ 29,412,253</u>

The District complies with the State Money Management Act (*Utah Code* Section 51, Chapter 7) (Act) and related Rules of the Money Management Council (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 actions of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

Deposits – The District’s carrying amount of bank deposits at June 30, 2013 is \$506,018 and the bank balance is \$1,858,195. Of the bank balance \$1,061,766 is covered by federal depository insurance and

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

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\$796,429 is uninsured and uncollateralized. No deposits are collateralized, nor are any required to be by state statute.

- 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.

Investments – All of the District's investments are with the PTIF. The Building Authority has investments separate from the District and invests in the PTIF.

The PTIF is an external 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 including certificates of deposit and top-rated domestic commercial paper held by the Utah State Treasurer; the portfolio has a weighted average life of 90 days or less. The reported value of the pool approximates the fair value of the pool shares. The District has \$25,441,297 and the Building Authority has \$3,464,938 invested in the PTIF on June 30, 2013.

- 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 manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments not exceed the period of availability of the funds invested. Except for endowments, the Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years.
- Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District's policy for reducing its exposure to credit risk is to comply with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service, Inc. or by Standard and Poor's Corporation.
- 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's policy for managing this risk is to comply with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5% of the District's total portfolio with a single issuer.
- 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's policy for managing this risk is to comply with the Act and related rules.

3. PROPERTY TAXES

The property tax revenue of the District is collected and distributed by the Tooele County (the County) treasurer as an agent of 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 (the legal lien date) and complete the tax rolls by May 15. By July 21, the county auditor is to mail assessed value and tax notices

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

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to property owners. A taxpayer may then petition the County Board of Equalization between August 1 and August 15 for a revision of the assessed value. The county auditor makes approved changes in assessed value by November 1 and on this same date the county 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, 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; the interest period is from January 1 until date paid.

An annual uniform fee based on the value of motor vehicles is levied in lieu of an ad valorem tax on motor vehicles. This uniform fee was 1.5% of the fair market statewide value of the property, as established by the State Tax Commission. Legislations requires motor vehicles be subject to an “age-based” fee that is due each time a vehicle is registered. The revenues collected in each county from motor vehicle fees is 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. The District recognizes motor vehicle fees as property tax revenue when collected.

As of June 30, 2013, property taxes receivable by the District includes uncollected taxes assessed as of January 1, 2013 or earlier. It is expected that all assessed taxes (including delinquencies plus accrued interest and penalties) will be collected within a five-year period, after which time the county treasurer may force sale of property to collect the delinquent portion.

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

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4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 4,712,862	\$ -	\$ -	\$ 4,712,862
Water shares	145,600	-	-	145,600
Construction in progress	217,995	39,269	(257,264)	-
Total capital assets not being depreciated	5,076,457	39,269	(257,264)	4,858,462
Capital assets being depreciated:				
Buildings and improvements	233,432,923	257,264	(33,688)	233,656,499
Equipment	6,293,875	267,717	(38,245)	6,523,347
School buses	7,164,138	570,338	-	7,734,476
Vehicles	2,060,511	49,973	(13,990)	2,096,494
Total capital assets being depreciated	248,951,447	1,145,292	(85,923)	250,010,816
Accumulated depreciation for:				
Buildings and improvements	(50,909,663)	(4,943,275)	22,708	(55,830,230)
Equipment	(2,890,225)	(496,950)	37,731	(3,349,444)
School buses	(4,825,177)	(466,490)	-	(5,291,667)
Vehicles	(1,149,752)	(147,406)	13,990	(1,283,168)
Total accumulated depreciation	(59,774,817)	(6,054,121)	74,429	(65,754,509)
Total capital assets being depreciated, net	189,176,630	(4,908,829)	(11,494)	184,256,307
Governmental activity capital assets, net	<u>\$ 194,253,087</u>	<u>\$ (4,869,560)</u>	<u>\$ (268,758)</u>	<u>\$ 189,114,769</u>

For the year ended June 30, 2013, depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 5,374,702
Supporting services:	
District administration	87,631
School administration	6,883
Operation and maintenance of facilities	57,809
Student transportation	460,186
Food services	66,910
Total depreciation expense, governmental activities	<u>\$ 6,054,121</u>

5. RETIREMENT PLANS

Defined benefit plans – The District contributes to the State and School Division cost-sharing multiple-employer defined benefit pension plans administered by the Utah Retirement Systems (URS) and Plans (the System).

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

The System provides refunds, retirement benefits, annual cost of living adjustments and death benefits to plan members and beneficiaries in accordance with retirement statutes.

The System is established and governed by the respective sections of *Utah Code* Title 49. The Utah State Retirement and Insurance Benefit Act in Title 49 provides for the administration of the System under the direction of the Utah State Retirement Board whose members are appointed by the Governor. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. A copy of the report may be obtained by writing to the Utah Retirement Systems, 540 East 200 South, Salt Lake City, Utah 84102 or by calling 1-800-365-8772.

The contribution requirements of the System are authorized by state statute and specified by the Utah State Retirement Board. The District's required contribution rates (actuarially determined) to the System for the year ended June 30, 2013 range from 6.65% to 18.76% of covered salaries. Plan members in one of the plans are also required to contribute 1.00% of covered salaries.

For the years ended June 30, 2013, 2012, and 2011, the District contributed \$8,689,985, \$7,816,486, and \$7,407,801, respectively, and employees contributed \$900, \$1,844, and \$3,868, respectively, to the System. Contributions were equal to the required contributions for each year.

Defined contribution plans – The District participates in a deferred compensation plan, under Internal Revenue Code Section 401(k), to supplement retirement benefits accrued by participants in the System. During the year ended June 30, 2013, District contributions for participating employees ranged from 1.50% to 10.00% of covered salaries based on the plan within the System.

Employees participating in the System can make additional contributions up to specified limits. For the year ended June 30, 2013, the District contributed \$734,804 and employee contributions totaled \$793,729. The 401(k) plan funds are fully vested to the participants at the time of deposit. Contributions and earnings may be withdrawn by the employee upon termination or may be used as supplemental income upon retirement. Plan assets are administered and held by URS and URS has the authority to establish or amend contribution requirements and other plan provisions.

The District also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees, permits them to defer a portion of their salary until future years. Employees are eligible to voluntarily participate from the date of employment and are vested immediately upon participating. Employee contributions to the Section 457 plan totaled \$52,137 for the year ended June 30, 2013. The assets of the plan are administered and held by URS and URS has the authority to establish or amend contribution requirements and other plan provisions.

Early retirement incentive – The District provides an early retirement incentive program. Eligibility is restricted to those employees with a minimum of 30 years prior service with a minimum of 10 years of service in the District, and who meet the eligibility requirements for and will be receiving URS benefits. Eligible retirees will receive amounts based on age and classification for up to five consecutive years. In addition to early retirement compensation, the District provides medical insurance coverage to qualified early retirees up to age 65. The District's payments for these benefits totaled \$298,491 for the year ended June 30, 2013. Future retirement payments of employees who have elected early retirement are recognized on an accrual basis as an expense in the government-wide statements in the year of retirement. This liability is paid from the fund from which the employee retires.

TOOELE COUNTY SCHOOL DISTRICT**Notes to Basic Financial Statements***Continued***6. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS**

Plan description – The District provides a life time Medicare supplemental insurance for retired employees who have completed at least 15 years of service with the District and 25 years in public education. Eligibility for this benefit was restricted in June 2000 to only those who had previously retired and those current employees who had earned at least 25 years of service. There are currently 224 retirees receiving benefit coverage in addition to 5 present employees who have earned vested coverage upon retirement. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Funding policy – The District currently pays for postemployment benefits on a “pay-as-you-go” basis. Although the District is studying the establishment of a trust that would be used to accumulate and invest assets necessary to pay for the accumulated liability, these financial statements assume that “pay-as-you-go” funding will continue.

Annual OPEB cost and Net OPEB obligation – The District’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the employer’s annual required contribution (ARC), an amount actuarially determined in accordance with current accounting and reporting standards. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The following table shows the components of the District’s annual OPEB cost for the year ended June 30, 2013, the amount actually contributed to the Plan, and changes in the District’s net OPEB asset in the Plan:

Annual required contribution	\$ 664,140
Interest on net OPEB obligation (asset)	(5,893)
Adjustment to annual required contribution	<u>8,675</u>
Annual OPEB cost	666,922
Contributions made	<u>(538,479)</u>
Decrease in net OPEB asset	128,443
Net OPEB asset beginning of year	<u>(147,326)</u>
Net OPEB asset end of year	<u><u>\$ (18,883)</u></u>

The District’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the current year and the two preceding years were as follows:

Year Ended June, 30	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset
2011	\$ 678,339	\$ 818,627	120.7%	\$ (248,639)
2012	678,673	577,360	85.1%	(147,326)
2013	666,922	538,479	80.7%	(18,883)

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

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Funded status and funding progress – The funded status of the plan as of June 30, 2013 is as follows:

Actuarial accrued liability (AAL)	\$ 10,845,122
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 10,845,122</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	471,592
UAAL as a percentage of covered payroll	2,299.68%

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

Actuarial methods and assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2012 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 7.80% initially, reduced by decrements to an ultimate rate of 4.60% after seventy years. Both rates include a 2.75% inflation assumption. The actuarial value of assets was not determined as the District has not advance funded its obligation. The UAAL is being amortized as a level dollar amount over an open twenty seven year period.

7. RISK MANAGEMENT

The District also maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$10 million per occurrence through policies administered by the Utah State Risk Management Fund (the Fund). The District also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Fund. Property physical damage is insured to replacement value with a \$1,000 deductible; automobile physical damage is insured to actual value with a \$350 deductible; other liability is limited to the lesser of \$10 million or the statutory limit. The Fund is a public entity risk pool operated by the State for the benefit of the State and local governments within the State. The District pays annual premiums to a Fund; the Fund obtains independent coverage for insured events, up to \$25 million per location. This is a pooled arrangement where the participants pay experience rated annual premiums, which are designed to pay claims and build sufficient reserves so that the pool will be able to protect the participating entities with its own capital. The pool reinsures excess losses to preserve the capital base. Insurance coverage by major category of risk has remained relatively constant as compared to the prior fiscal year. Insurance settlements have not exceeded insurance coverage for the past three years.

TOOELE COUNTY SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

Unemployment compensation is handled on a cost of benefits reimbursement basis with the State of Utah. The Utah School Boards Risk Management Mutual Insurance Association covers all District employees for workers' compensation.

8. LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2013 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds payable:					
General obligation bonds payable	\$ 80,350,000	\$ -	\$ (8,775,000)	\$ 71,575,000	\$ 9,165,000
General obligation bonds premium	2,571,931	-	(403,123)	2,168,808	-
Net general obligation bonds payable	82,921,931	-	(9,178,123)	73,743,808	9,165,000
Lease revenue bonds payable:					
Lease revenue bonds payable	28,593,000	-	(1,143,000)	27,450,000	1,171,000
Lease revenue bonds discount	(253,997)	-	15,015	(238,982)	-
Net lease revenue bonds payable	28,339,003	-	(1,127,985)	27,211,018	1,171,000
Early retirement benefits payable	1,184,324	528,916	(298,491)	1,414,749	375,743
Compensated absences payable	768,903	508,814	(553,205)	724,512	579,610
Total governmental activity long-term liabilities	<u>\$ 113,214,161</u>	<u>\$ 1,037,730</u>	<u>\$ (11,157,804)</u>	<u>\$ 103,094,087</u>	<u>\$ 11,291,353</u>

General obligation bonds – The District issues general obligation bonds to provide funds for the construction of new facilities, acquisition of property, renovation and improvement of facilities, and procurement of other equipment. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Payments on the general obligation bonds are made by the *debt service fund* from property taxes.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2013, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 9,165,000	\$ 3,287,794	\$ 12,452,794
2015	9,575,000	2,874,444	12,449,444
2016	9,320,000	2,448,456	11,768,456
2017	8,815,000	2,019,156	10,834,156
2018	4,650,000	1,615,656	6,265,656
2019-2023	19,350,000	4,981,531	24,331,531
2024-2027	10,700,000	1,371,250	12,071,250
Total	<u>\$ 71,575,000</u>	<u>\$ 18,598,287</u>	<u>\$ 90,173,287</u>

TOOELE COUNTY SCHOOL DISTRICT

Notes to Basic Financial Statements

Continued

General obligation school building bonds payable at June 30, 2013, with their outstanding balance, are comprised of the following individual issues:

Series 2004 - General Obligation Refunding Bonds - original issue of \$25,965,000 with interest rates ranging from 2.00% to 5.00%	\$ 13,700,000
Series 2004B - General Obligation Bonds - original issue of \$10,000,000 with interest rates ranging from 3.00% to 5.25%	965,000
Series 2005 - General Obligation Bonds - original issue of \$18,000,000 with interest rates ranging from 3.25% to 5.00%	4,240,000
Series 2006 - General Obligation Bonds - original issue of \$21,000,000 with interest rates ranging from 4.00% to 4.50%	16,675,000
Series 2007 - General Obligation Bonds - original issue of \$21,000,000 with interest rates ranging from 4.00% to 5.00%	30,200,000
Series 2011 - General Obligation Refunding Bonds - original issue of \$6,395,000 with interest rates ranging from 2.00% to 4.00%	5,795,000
	<u>\$ 71,575,000</u>

The general obligation bonded debt of the District is limited by state law to 4% of the fair market value of the total taxable property in Tooele County. The legal debt limit at June 30, 2013 is \$195,977,117, with general obligation debt outstanding of \$73,743,808 (which is net of bond premiums, discounts, and deferred amounts on refunding), resulting in a legal debt margin of \$122,233,309.

Lease Revenue Bonds – In June 2009, the Building Authority of Tooele County School District issued \$21,545,000 million of lease revenue bonds to finance the construction of the Community Learning Center. The bonds accrue interest at rates ranging between 3% and 5% and will mature on June 1, 2029. The Building Authority has \$1,737,779 held in a reserve account available to offset the final payment. The District will make annual payments to the Building Authority from the *capital projects fund* for use of the building.

In August 2010, the Building Authority of Tooele County School District issued \$6,000,000 of Qualified School Construction Bonds to finance the reconstruction of Grantsville Elementary School. The bonds accrue interest at a net rate of 0.345% (5.625% net of a credit of 5.280%), payable semi-annually, and will mature on June 1, 2027. The bonds require the principal amount of \$6,000,000 to be paid at maturity. If the interest rate credit were to be discontinued the Building Authority would be required to pay interest at the full amount rather than the net amount. In accordance with the requirements of the bonds, the Building Authority has placed \$600,000 in a debt service reserve fund. The Building Authority has also agreed to transfer \$375,000 annually into a sinking fund. At June 30, 2013 the reserve account and sinking fund have balances of \$601,419 and \$1,125,740, respectively. The District will make annual payments to the Building Authority from the *capital projects fund* for use of the building.

In March 2012, the Building Authority of Tooele County School District issued \$2,643,000 of lease revenue refunding bonds. The bonds were issued at an effective interest rate of 1.99% and will mature on June 1, 2020. The District will make annual payments to the Building Authority from the *capital projects fund*.

TOOELE COUNTY SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

The annual requirements to amortize all lease revenue bonds outstanding as of June 30, 2013, including interest payments, are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 1,171,000	\$ 1,255,111	\$ 2,426,111
2015	1,210,000	1,214,522	2,424,522
2016	1,258,000	1,172,554	2,430,554
2017	1,296,000	1,128,826	2,424,826
2018	1,343,000	1,083,640	2,426,640
2019-2023	6,387,000	4,673,750	11,060,750
2024-2028	13,140,000	2,861,744	16,001,744
2029	1,645,000	82,249	1,727,249
Total	<u>\$ 27,450,000</u>	<u>\$ 13,472,396</u>	<u>\$ 40,922,396</u>

9. INTERFUND BALANCES

The amounts payable of \$172,330 to the *general fund* are related to working capital advances made to the *food services fund*.

10. LITIGATION AND LEGAL 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 materially affect the financial statements of the District.

All fund balances are positive at June 30, 2013. Fund expenditures for all funds are within amounts budgeted for the year.

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 is subject to audit by the District's independent auditors and other governmental auditors. Any disallowed claims resulting from such audits could become a liability of the *general fund* or other applicable fund. Based on prior experience, District administration believes such disallowance, if any, would be immaterial.

TOOELE COUNTY SCHOOL DISTRICT
Notes to Basic Financial Statements
Continued

12. RESTATEMENT

The beginning net position in the government-wide statement of net position for governmental activities has been restated to reflect the effects of implementing GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and Statement No. 65, *Items Previously Reported as Assets and Liabilities* (see Note 1) as follows:

	Government-wide Financial Statements <hr/> Governmental Activities <hr/>
Net position, as originally stated - June 30, 2012	\$ 107,590,017
Restate bond issuance costs as expense when incurred per GASB Statement Nos. 63 and 65	<hr/> (780,841) <hr/>
Net position, as restated - June 30, 2012	<hr/> <u>\$ 106,809,176</u> <hr/>

REQUIRED SUPPLEMENTARY INFORMATION

TOOELE COUNTY SCHOOL DISTRICT
Required Supplementary Information

Schedule of Funding Progress	35

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Ratio Funded (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b - a] / c)
July 1, 2012	\$ -	\$ 10,845,122	\$ 10,845,122	0.0%	\$ 471,592	2,299.68%
July 1, 2010	-	12,017,212	12,017,212	0.0%	715,106	1,680.48%
July 1, 2008	-	11,881,430	11,881,430	0.0%	761,176	1,560.93%

Effective July 1, 2008, the District implemented GASB 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Accordingly, the actuarial valuation dated July 1, 2008 is the first valuation to be reported. The District has elected to establish additional resources for a portion of the unfunded actuarial accrued liability by committing fund balance resources in the *general fund* rather than making contributions to a pension trust fund. Doing so does not qualify as "funding" as defined by the GASB.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

TOOELE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 15,000,501	\$ 15,084,052	\$ 83,551	\$ 12,875,268
Interest on investments	100,000	99,019	(981)	162,723
Tuitions and fees	134,199	319,633	185,434	221,983
Other local sources	1,165,851	1,559,915	394,064	771,122
Total local sources	16,400,551	17,062,619	662,068	14,031,096
State sources:				
Minimum school program	37,270,223	36,406,865	(863,358)	35,053,773
Special education programs	6,194,491	6,263,233	68,742	5,444,267
Career technology education programs	2,890,171	2,294,585	(595,586)	2,722,598
Class size reduction	2,454,656	2,454,656	-	2,388,637
At Risk Student Program	611,218	468,409	(142,809)	643,123
Student transportation reimbursement	1,906,209	1,906,209	-	1,764,292
Special populations block grant	210,347	-	(210,347)	-
Interventions for student success block grant	72,126	-	(72,126)	-
Reading achievement	420,614	410,899	(9,715)	427,797
Certified salary adjustment	3,792,424	3,792,424	-	3,768,560
Voted leeway	1,973,852	1,192,530	(781,322)	1,081,028
Other state programs	456,096	2,416,626	1,960,530	2,098,065
Total state sources	58,252,427	57,606,436	(645,991)	55,392,140
Federal sources:				
Special education	2,756,043	2,803,385	47,342	2,717,375
No child left behind	1,760,179	1,399,515	(360,664)	1,431,430
Career technology education grants	117,116	117,116	-	126,602
Impact aid	214,244	228,259	14,015	254,516
Other federal	1,620,738	1,268,478	(352,260)	1,313,945
Total federal sources	6,468,320	5,816,753	(651,567)	5,843,868
Total revenues	81,121,298	80,485,808	(635,490)	75,267,104
Expenditures:				
Current:				
Instruction	55,058,577	53,912,687	1,145,890	52,710,918
Support services:				
Students	3,364,001	3,233,001	131,000	3,087,259
Instructional staff	2,418,813	2,362,295	56,518	2,141,767
General administration	786,128	749,241	36,887	732,619
School administration	5,804,125	5,837,309	(33,184)	5,360,325
Central	1,146,266	1,154,003	(7,737)	1,121,953
Operation and maintenance of facilities	8,675,050	9,051,032	(375,982)	9,004,073
Student transportation	3,296,509	3,246,496	50,013	2,975,159
Non instructional	844,053	835,136	8,917	-
Total expenditures	81,393,522	80,381,200	1,012,322	77,134,073
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(272,224)	104,608	376,832	(1,866,969)
Fund balances - beginning	8,234,201	8,234,201	-	10,101,170
Fund balances - ending	\$ 7,961,977	\$ 8,338,809	\$ 376,832	\$ 8,234,201

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

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Property taxes	\$ 13,215,616	\$ 13,289,225	\$ 73,609	\$ 11,528,713
Expenditures:				
Payment of bond principal	8,775,000	8,775,000	-	7,690,000
Payment of bond interest and fees	3,673,544	3,672,480	1,064	4,121,412
Bond issuance costs	-	-	-	91,082
Total expenditures	12,448,544	12,447,480	1,064	11,902,494
Excess (deficiency) of revenues over (under) expenditures	767,072	841,745	74,673	(373,781)
Other financing sources (uses):				
Refunding bonds issued	-	-	-	6,395,000
Premium on refunding bonds issued	-	-	-	666,126
Payments to refunded bond escrow agent	-	-	-	(10,970,043)
Total other financing sources (uses)	-	-	-	(3,908,917)
Net change in fund balances	767,072	841,745	74,673	(4,282,698)
Fund balances - beginning	5,471	5,471	-	4,288,169
Fund balances - ending	\$ 772,543	\$ 847,216	\$ 74,673	\$ 5,471

TOOELE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects Fund
Year Ended June 30, 2013
With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Property taxes	\$ 3,019,380	\$ 3,036,197	\$ 16,817	\$ 128,950
Interest on investments	70,000	82,361	12,361	106,931
Other local sources	167,517	162,223	(5,294)	50,000
State sources	502,077	502,077	-	1,265,864
Interest subsidy	303,019	303,019	-	316,800
Total revenues	<u>4,061,993</u>	<u>4,085,877</u>	<u>23,884</u>	<u>1,868,545</u>
Expenditures:				
Capital outlay:				
Salaries and benefits	101,576	102,915	(1,339)	95,282
Professional services	112,830	279,466	(166,636)	108,048
Sites and improvements	667,533	221,244	446,289	348,558
Buildings	941,642	781,210	160,432	1,801,087
Supplies	879,200	824,209	54,991	434,886
Equipment	1,153,996	1,120,359	33,637	1,931,340
Debt service:				
Payment of bond principal	1,143,000	1,143,000	-	1,460,000
Payment of bond interest and fees	1,301,290	1,293,674	7,616	1,337,166
Bond issuance costs	-	-	-	45,667
Total expenditures	<u>6,301,067</u>	<u>5,766,077</u>	<u>534,990</u>	<u>7,562,034</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,239,074)</u>	<u>(1,680,200)</u>	<u>558,874</u>	<u>(5,693,489)</u>
Other financing sources (uses):				
Refunding bonds issued	-	-	-	2,643,000
Payments to refunded bond escrow agent	-	-	-	(3,336,914)
Proceeds from sale of capital assets	40,706	40,733	27	2,695
Total other financing sources (uses)	<u>40,706</u>	<u>40,733</u>	<u>27</u>	<u>(691,219)</u>
Special item:				
Insurance proceeds	<u>591,034</u>	<u>591,034</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(1,607,334)</u>	<u>(1,048,433)</u>	<u>558,901</u>	<u>(6,384,708)</u>
Fund balance - beginning	<u>11,970,967</u>	<u>11,970,967</u>	<u>-</u>	<u>18,355,675</u>
Fund balance - ending	<u>\$ 10,363,633</u>	<u>\$ 10,922,534</u>	<u>\$ 558,901</u>	<u>\$ 11,970,967</u>

TOOELE COUNTY SCHOOL DISTRICT
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2013

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Food Services	Student Activities	
Assets:			
Cash and investments	\$ -	\$ 1,736,195	\$ 1,736,195
Receivables:			
Other local	-	9,693	9,693
State	438,527	-	438,527
Federal	54,835	-	54,835
Inventories	70,052	-	70,052
Total assets	<u>\$ 563,414</u>	<u>\$ 1,745,888</u>	<u>\$ 2,309,302</u>
Liabilities:			
Accounts payable	\$ 28,827	\$ 4,664	\$ 33,491
Due to other funds	172,330	-	172,330
Unearned revenue:			
State of Utah	-	104,792	104,792
Total liabilities	<u>201,157</u>	<u>109,456</u>	<u>310,613</u>
Fund balances:			
Nonspendable:			
Inventories	70,052	-	70,052
Restricted for:			
Food services	292,205	-	292,205
Assigned to:			
Schools	-	1,636,432	1,636,432
Total fund balances	<u>362,257</u>	<u>1,636,432</u>	<u>1,998,689</u>
Total liabilities and fund balances	<u>\$ 563,414</u>	<u>\$ 1,745,888</u>	<u>\$ 2,309,302</u>

TOOELE COUNTY SCHOOL DISTRICT
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2013

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Food Services	Student Activities	
Revenues:			
Local sources:			
Tutions and fees	\$ 1,769,966	\$ 591,503	\$ 2,361,469
Other local sources	-	3,013,647	3,013,647
State sources	993,412	810,247	1,803,659
Federal sources	3,465,899	-	3,465,899
Total revenues	<u>6,229,277</u>	<u>4,415,397</u>	<u>10,644,674</u>
Expenditures:			
Food services	6,500,698	-	6,500,698
Student activities	<u>-</u>	<u>4,225,097</u>	<u>4,225,097</u>
Total expenditures	<u>6,500,698</u>	<u>4,225,097</u>	<u>10,725,795</u>
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(271,421)	190,300	(81,121)
Fund balances - beginning	<u>633,678</u>	<u>1,446,132</u>	<u>2,079,810</u>
Fund balances - ending	<u><u>\$ 362,257</u></u>	<u><u>\$ 1,636,432</u></u>	<u><u>\$ 1,998,689</u></u>

TOOELE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances

Food Services

Nonmajor Special Revenue Fund

Year Ended June 30, 2013

With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
School lunch sales	\$ 1,770,000	\$ 1,764,039	\$ (5,961)	\$ 1,801,243
Other miscellaneous	8,000	5,927	(2,073)	13,451
Total local sources	1,778,000	1,769,966	(8,034)	1,814,694
State sources:				
State school lunch	900,000	993,412	93,412	885,645
Federal sources:				
Federal school lunch	3,077,000	3,051,519	(25,481)	2,978,805
Food commodities	410,000	414,380	4,380	450,234
Total federal sources	3,487,000	3,465,899	(21,101)	3,429,039
Total revenues	6,165,000	6,229,277	64,277	6,129,378
Expenditures:				
Salaries and benefits	2,815,864	2,823,368	(7,504)	2,622,436
Food	2,817,000	2,655,145	161,855	2,407,634
Supplies and equipment	487,600	509,915	(22,315)	542,977
Other	882,300	512,270	370,030	740,864
Total expenditures	7,002,764	6,500,698	502,066	6,313,911
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(837,764)	(271,421)	566,343	(184,533)
Fund balances - beginning	633,678	633,678	-	818,211
Fund balances - ending	<u>\$ (204,086)</u>	<u>\$ 362,257</u>	<u>\$ 566,343</u>	<u>\$ 633,678</u>

TOOELE COUNTY SCHOOL DISTRICT
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Student Activities
Nonmajor Special Revenue Fund
Year Ended June 30, 2013
With Comparative Totals for 2012

	2013			2012
	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget	Actual Amounts
Revenues:				
Local sources:				
Tuitons and fees	\$ 588,783	\$ 591,503	\$ 2,720	\$ 592,048
Earnings on investments	6,765	6,605	(160)	7,862
Vending	57,305	60,805	3,500	57,016
Student activities	3,000,134	2,946,237	(53,897)	2,656,252
State sources:				
Teacher supply	122,897	122,897	-	269,539
School trust land	792,143	687,350	(104,793)	642,031
Total revenues	<u>4,568,027</u>	<u>4,415,397</u>	<u>(152,630)</u>	<u>4,224,748</u>
Expenditures:				
Current:				
Salaries	346,311	455,191	(108,880)	414,060
Benefits	62,748	73,270	(10,522)	65,468
Purchased services	661,730	721,681	(59,951)	650,905
Supplies	3,316,350	2,800,009	516,341	2,731,506
Property	163,902	134,311	29,591	202,948
Other	43,056	40,635	2,421	42,265
Total expenditures	<u>4,594,097</u>	<u>4,225,097</u>	<u>369,000</u>	<u>4,107,152</u>
Excess (deficiency) of revenues over (under) expenditures/net change in fund balances	(26,070)	190,300	216,370	117,596
Fund balances - beginning	<u>1,446,132</u>	<u>1,446,132</u>	<u>-</u>	<u>1,328,536</u>
Fund balances - ending	<u><u>\$ 1,420,062</u></u>	<u><u>\$ 1,636,432</u></u>	<u><u>\$ 216,370</u></u>	<u><u>\$ 1,446,132</u></u>

OTHER INFORMATION
(Unaudited)

TOOELE COUNTY SCHOOL DISTRICT

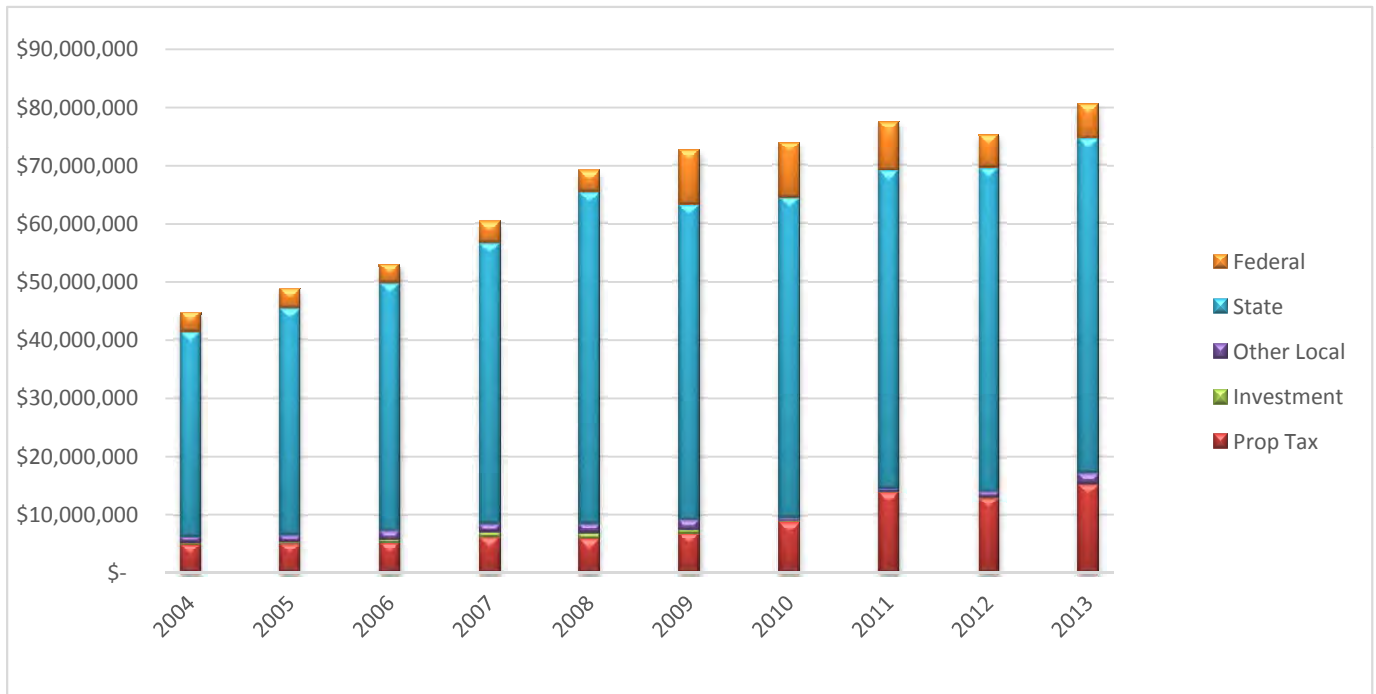
Percent of Unrestricted Fund Balance to
General Fund Expenditures
For the Years Ended June 30, 2004 through 2013

Year Ended June 30,	Unrestricted Fund Balance	Total General Fund Expenditures	Percent of Unrestricted Fund Balance to General Fund Expenditures
2004	\$ 5,518,789	\$ 45,750,309	12.06%
2005	5,623,790	49,905,665	11.27%
2006	6,109,758	54,615,811	11.19%
2007	8,360,926	60,831,088	13.74%
2008	9,437,156	70,765,968	13.34%
2009	10,056,072	74,960,427	13.42%
2010	10,031,037	75,297,864	13.32%
2011	9,935,949	77,400,941	12.84%
2012	8,129,690	77,134,073	10.54%
2013	8,179,628	80,381,200	10.18%

TOOELE COUNTY SCHOOL DISTRICT

Revenues by Source for the General Fund
For the Years Ended June 30, 2004 through 2013

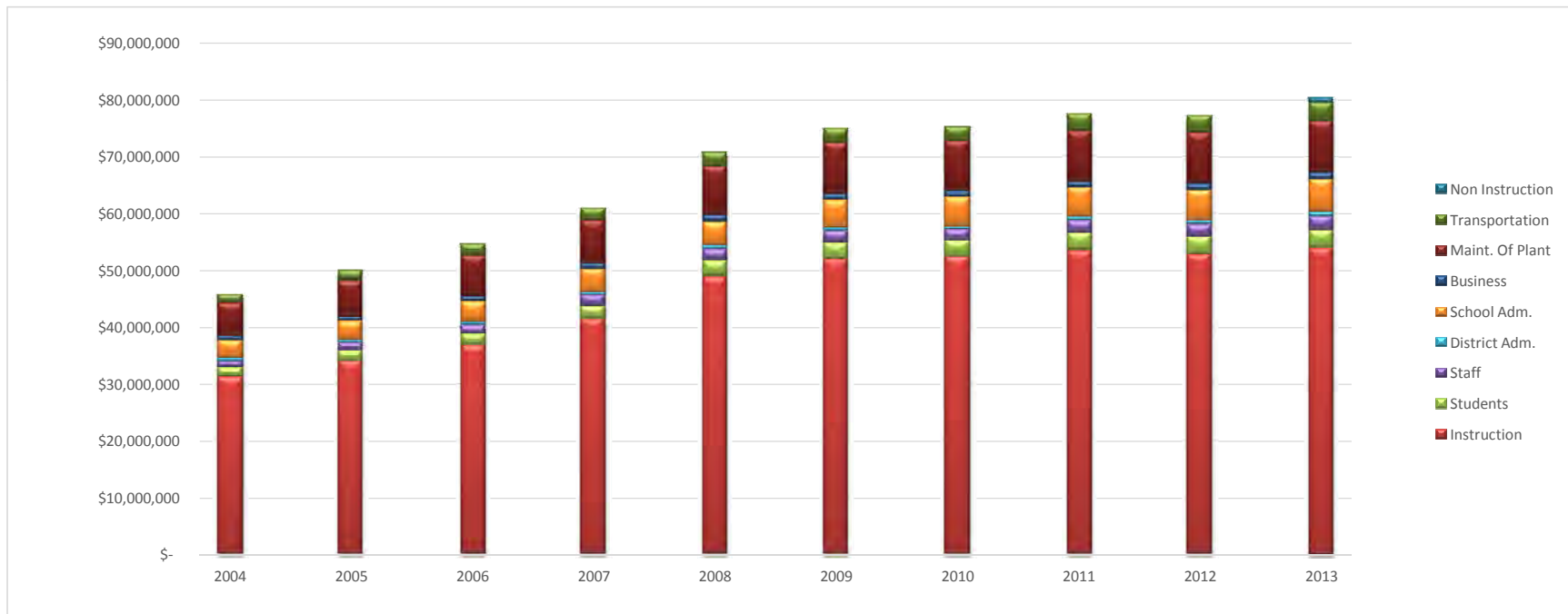
Year Ended June 30,	Property Taxes	Interest on Investments	Other Local	State Sources	Federal Sources	Total Revenues
2004	\$ 4,977,500	\$ 219,215	\$ 1,152,244	\$ 34,874,620	\$ 3,458,405	\$ 44,681,984
2005	5,025,279	346,760	1,263,360	38,683,635	3,408,155	48,727,189
2006	5,159,112	587,546	1,550,844	42,286,445	3,396,351	52,980,298
2007	6,065,062	806,387	1,483,769	48,254,645	3,709,934	60,319,797
2008	5,791,835	897,381	1,641,289	56,892,443	3,700,328	68,923,276
2009	6,699,277	632,852	1,743,897	54,112,041	9,361,076	72,549,143
2010	8,717,562	218,637	624,667	54,764,186	9,602,196	73,927,248
2011	13,747,034	181,772	639,708	54,426,444	8,405,983	77,400,941
2012	12,875,268	162,723	993,105	55,392,140	5,843,868	75,267,104
2013	15,084,052	99,019	1,879,548	57,606,436	5,816,753	80,485,808



TOOELE COUNTY SCHOOL DISTRICT

Expenditure by Function for the General Fund
For the Years Ended June 30, 2004 through 2013

Year Ended June 30,	Instruction	Students	Instructional staff	General Administration	School Administration	Central	Operation & Maintenance of Facilities	Student Transportation	Non Instructional	Total Expenditures
2004	\$ 31,162,588	\$ 1,640,236	\$ 1,141,597	\$ 613,503	\$ 3,093,109	\$ 814,935	\$ 5,769,543	\$ 1,514,798	\$ -	\$ 45,750,309
2005	33,968,516	1,822,333	1,381,448	523,126	3,261,605	808,772	6,383,298	1,756,567	-	49,905,665
2006	36,855,825	1,994,807	1,456,284	472,164	3,651,328	932,630	7,256,898	1,995,875	-	54,615,811
2007	41,307,143	2,295,660	1,859,312	533,490	4,080,265	1,022,850	7,476,341	2,256,027	-	60,831,088
2008	48,878,269	2,800,787	1,989,155	573,998	4,246,468	1,188,563	8,557,927	2,530,801	-	70,765,968
2009	51,851,153	2,806,260	2,204,689	556,478	4,844,623	1,110,594	9,020,605	2,566,025	-	74,960,427
2010	52,350,800	2,817,561	1,987,701	543,502	5,127,658	1,073,403	8,827,017	2,570,222	-	75,297,864
2011	53,325,910	3,096,278	2,165,291	589,027	5,208,595	1,082,841	8,851,228	3,081,771	-	77,400,941
2012	52,710,917	3,087,259	2,141,767	732,619	5,360,325	1,121,954	9,004,074	2,975,158	-	77,134,073
2013	53,912,687	3,233,001	2,362,295	749,241	5,837,309	1,154,003	9,051,032	3,246,496	835,136	80,381,200



TOOELE COUNTY SCHOOL DISTRICT

Property Tax Revenues by Fund

For the Years Ended June 30, 2004 through 2013

Year Ended June 30,	General Fund Revenues									Special Revenue Funds	Capital Local and Debt Service	Total Funds
	Basic	Class Size Reduction	Reading	Special Transportation	Tort Liability	Voted Local	10% of Basic	Board Local	Total General Fund	Community Recreation		
2004	\$ 3,498,144	\$ -	\$ -	\$ 252,538	\$ 81,566	\$ 1,145,252	\$ -	\$ -	\$ 4,977,500	\$ 423,787	\$11,476,487	\$ 16,877,774
2005	3,494,483	-	-	290,218	77,622	1,162,957	-	-	5,025,280	427,429	11,777,257	17,229,966
2006	3,467,503	-	-	401,744	80,634	1,209,231	-	-	5,159,112	403,430	12,352,534	17,915,076
2007	3,856,362	-	-	505,814	185,443	1,517,443	-	-	6,065,062	505,814	15,927,744	22,498,620
2008	3,327,598	-	262,961	465,510	195,737	1,540,029	-	-	5,791,835	513,351	15,241,116	21,546,302
2009	3,720,168	-	360,112	535,704	297,613	1,785,680	-	-	6,699,277	639,869	17,693,114	25,032,260
2010	4,425,173	1,235,220	321,157	558,937	311,893	1,865,182	-	-	8,717,562	824,509	17,154,112	26,696,183
2011	5,117,483	1,369,226	414,192	588,768	328,614	2,053,840	3,874,911	-	13,747,034	869,459	14,698,646	29,315,139
2012	4,883,460	1,228,092	371,498	549,571	307,023	1,842,138	3,693,486	-	12,875,268	813,611	11,657,663	25,346,542
2013	5,162,473	-	-	-	-	1,876,126	-	8,045,453	15,084,052	-	16,325,422	31,409,474

TOOELE COUNTY SCHOOL DISTRICT

Property Tax Rates (Per \$1) by Fund

For the Years Ended June 30, 2004 through 2013

Year Ended June 30,	General Fund Revenues								Total General Fund	Special Revenue Funds		Capital Local and Debt Service	Total Funds
	Basic	Class Size Reduction	Special Transportation	Tort Liability	Reading	Voted Local	10% of Basic	Board Local		Community Recreation			
2004	0.001825	0.000000	0.000131	0.000043	0.000000	0.000600	0.000000	0.000000	0.002599	0.000220		0.006077	0.008896
2005	0.001800	0.000000	0.000150	0.000040	0.000000	0.000600	0.000000	0.000000	0.002590	0.000220		0.006086	0.008896
2006	0.001720	0.000000	0.000200	0.000040	0.000000	0.000600	0.000000	0.000000	0.002560	0.000200		0.006136	0.008896
2007	0.001515	0.000000	0.000200	0.000075	0.000000	0.000600	0.000000	0.000000	0.002390	0.000200		0.006306	0.008896
2008	0.001311	0.000000	0.000182	0.000075	0.000099	0.000600	0.000000	0.000000	0.002267	0.000200		0.005944	0.008411
2009	0.001250	0.000000	0.000180	0.000100	0.000121	0.000600	0.000000	0.000000	0.002251	0.000215		0.005945	0.008411
2010	0.001433	0.000400	0.000181	0.000101	0.000104	0.000604	0.000000	0.000000	0.002823	0.000267		0.005555	0.008645
2011	0.001495	0.000400	0.000172	0.000096	0.000121	0.000600	0.001132	0.000000	0.004016	0.000254		0.004294	0.008564
2012	0.001591	0.000400	0.000179	0.000100	0.000121	0.000600	0.001203	0.000000	0.004194	0.000265		0.003797	0.008256
2013	0.001651	0.000000	0.000000	0.000000	0.000000	0.000600	0.000000	0.002573	0.004824	0.000000		0.005221	0.010045

TOOELE COUNTY SCHOOL DISTRICT

Property Tax Levies and Collections
For the Years Ended June 30, 2004 through 2013

Year Ended June 30,	Tax Rate (Per \$1)	Taxable Value *	Net Taxes Levied	Current Collections	Percent of Current Collections	Delinquent Collections	Total Property Tax Collections	Percent of Total Assessment	Fee in Lieu of Taxes	Total Collections
2004	0.008896	\$ 1,758,500,553	\$15,643,621	\$13,166,897	84.17%	\$ 1,331,179	\$ 14,498,076	92.68%	\$ 2,379,698	\$ 16,877,774
2005	0.008896	1,874,546,289	16,675,964	13,876,739	83.21%	1,017,789	14,894,528	89.32%	2,335,437	17,229,965
2006	0.008896	2,203,753,610	19,604,592	14,698,400	74.97%	701,584	15,399,984	78.55%	2,515,092	17,915,076
2007	0.008896	2,558,750,567	22,762,645	18,645,935	81.91%	1,075,406	19,721,341	86.64%	2,777,279	22,498,620
2008	0.008411	2,913,171,010	24,502,681	18,401,087	75.10%	74,133	18,475,220	75.40%	3,071,082	21,546,302
2009	0.008411	2,977,645,344	25,044,975	21,105,319	84.27%	918,490	22,023,809	87.94%	3,008,451	25,032,260
2010	0.008645	3,295,188,469	28,486,904	23,053,188	80.93%	874,973	23,928,161	84.00%	2,768,022	26,696,183
2011	0.008564	3,597,548,388	30,809,404	25,057,946	81.33%	1,600,810	26,658,756	86.53%	2,656,383	29,315,139
2012	0.008256	3,397,928,868	28,053,301	21,458,272	76.49%	1,174,775	22,633,047	80.68%	2,713,495	25,346,542
2013	0.010045	3,564,993,856	35,810,363	26,119,515	72.94%	1,502,122	27,621,637	77.13%	3,787,837	31,409,474

* Source: Utah State Tax Commission Final TC-233B Report including Real, Personal, and Centrally Assessed Property

TOOELE COUNTY SCHOOL DISTRICT

Ten Largest Taxpayers in
Tooele County School District
December 31, 2012

<u>Taxpayer</u>	<u>Business</u>	<u>2012 Taxable Value</u>	<u>Percent of the District's 2012 Taxable Value</u>
ATI Titanium	Metal Refining	\$ 308,893,943	8.66%
Intrepid Potash-Wendover LLC	Mineral mining	150,111,715	4.21%
Pacificorp	Electric utility	116,984,650	3.28%
Union Pacific Railroad Company	Transportation utility	93,155,911	2.61%
Magnesium Corp of America	Magnesium Refining	77,984,755	2.19%
Energy Solutions LLC	Waste Management	65,911,758	1.85%
Wal-Mart Stores East LP	Distribution Center	37,400,000	1.05%
ARC RBSLCUT001 LLC	Distribution Center	36,962,197	1.04%
Clean Harbors Aragonite LLC	Hazardous Waste Disposal	33,881,012	0.95%
Depot Associates LLC	Industrial Depot	31,999,998	0.90%
Totals		<u>\$ 953,285,939</u>	<u>26.74%</u>
Taxable value of Tooele County School District at December 31, 2012		<u><u>\$ 3,564,993,856</u></u>	

Source: Tooele County Treasurer

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.

TOOELE COUNTY SCHOOL DISTRICT

Computation of Legal Debt Margin
For the Year Ended June 30, 2013

2012 "Fair Market Value"	\$ 4,733,833,054
2012 Valuation from Uniform Fees (1)	<u>165,594,867</u>
Estimated "Fair Market Value for Debt Incurring Capacity"	<u><u>\$ 4,899,427,921</u></u>
 "Fair Market Value for Debt Incurring Capacity" x 4% (the "Debt Limit")	 \$ 195,977,117
 Less: Current Outstanding General Obligation Debt	 <u>(73,743,808)</u>
 Legal Debt Margin / Additional Debt Incurring Capacity	 <u><u>\$ 122,233,309</u></u>

(1) For debt incurring capacity only, in computing the fair market value of taxable property in the District, the value of all motor vehicles and state-assessed commercial vehicles (which value is determined by dividing the uniform fee revenue by 1.5%) will be included as a part of the fair market value of the taxable property in the District.

TOOELE COUNTY SCHOOL DISTRICT

Ratio of Annual Debt Service to Total

General Fund Expenditures

For the Years Ended June 30, 2004 through 2013

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest and Fees</u>	<u>Total Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio of Debt Service to General Fund Expenditures</u>
2004	\$ 4,875,000	\$ 2,898,772	\$ 7,773,772	\$ 45,750,309	16.99%
2005	5,650,000	2,676,882	8,326,882	49,905,665	16.69%
2006	5,650,000	3,319,082	8,969,082	54,615,811	16.42%
2007	6,285,000	3,669,056	9,954,056	60,947,473	16.33%
2008	6,775,000	4,886,439	11,661,439	70,765,968	16.48%
2009	7,010,000	5,107,595	12,117,595	74,960,427	16.17%
2010	7,520,000	4,834,676	12,354,676	75,297,864	16.41%
2011	7,710,000	4,532,176	12,242,176	77,400,941	15.82%
2012	7,690,000	4,121,412	11,811,412	77,134,073	15.31%
2013	8,775,000	3,672,480	12,447,480	80,381,200	15.49%

TOOELE COUNTY SCHOOL DISTRICT

Summary of Weighted Pupil Units (WPU)
For the Years Ended June 30, 2004 through 2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Pupils in Grades K-12	9,804.657	10,261.972	10,933.803	11,632.473	12,038.432	12,436.268	12,368.854	12,448.561	12,754.754	13,034.616
Necessary Existent Small Schools	403.798	391.079	388.112	387.985	406.957	408.934	413.970	406.018	435.531	488.978
Professional Staff	850.140	905.509	939.719	949.616	958.295	1,001.926	997.060	1,028.366	1,107.984	1,166.829
Administrative Staff	25.000	25.000	25.000	25.000	25.000	25.000	0.000	0.000	0.000	0.000
Foreign Exchange Students	0.000	0.000	0.000	0.000	0.000	1.000	2.000	5.000	8.000	9.000
Special Education	1,316.185	1,608.954	1,694.995	1,899.943	2,041.268	2,150.847	2,232.126	2,256.591	2,303.649	2,310.335
Applied Technology Education	496.339	578.125	616.424	672.258	739.688	819.094	757.759	866.857	916.496	902.732
Class Size Reduction	684.362	717.002	754.297	773.355	825.732	863.005	856.168	832.580	848.238	863.707
	<u>13,580.481</u>	<u>14,487.641</u>	<u>15,352.350</u>	<u>16,340.630</u>	<u>17,035.372</u>	<u>17,706.074</u>	<u>17,627.937</u>	<u>17,843.973</u>	<u>18,374.652</u>	<u>18,776.197</u>
Value Per Each WPU	<u>\$2,150</u>	<u>\$2,182</u>	<u>\$2,280</u>	<u>\$2,417</u>	<u>\$2,514</u>	<u>\$2,577</u>	<u>\$2,577</u>	<u>\$2,577</u>	<u>\$2,816</u>	<u>\$2,842</u>
Total Basic Program	\$25,811,758	\$31,612,036	\$35,000,803	\$39,495,305	\$42,826,930	\$44,562,958	\$45,427,198	\$45,983,918	\$51,153,455	\$52,778,330
Local Levy Proceeds	<u>(3,386,278)</u>	<u>(3,347,148)</u>	<u>(3,620,134)</u>	<u>(3,763,966)</u>	<u>(3,398,540)</u>	<u>(3,720,167)</u>	<u>(4,492,912)</u>	<u>(4,951,943)</u>	<u>(5,125,885)</u>	<u>(5,252,469)</u>
State Guarantee	<u>\$22,425,480</u>	<u>\$28,264,888</u>	<u>\$31,380,669</u>	<u>\$35,731,339</u>	<u>\$39,428,390</u>	<u>\$40,842,791</u>	<u>\$40,934,286</u>	<u>\$41,031,975</u>	<u>\$46,027,570</u>	<u>\$47,525,861</u>

TOOELE COUNTY SCHOOL DISTRICT

Comparison of Per Pupil Expenditures in the General Fund
For the Years Ended June 30, 2004 through 2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund:										
Instruction	\$ 2,976	\$ 3,077	\$ 3,148	\$ 3,949	\$ 3,814	\$ 4,046	\$ 4,001	\$ 3,999	\$ 3,883	\$ 3,880
Support Services:										
Students	157	165	170	226	219	219	215	232	227	233
Instructional staff	109	125	124	161	155	172	152	162	158	170
General administration	59	47	40	46	45	43	42	44	54	54
School administration	295	295	312	343	331	381	392	391	395	420
Central	77	73	80	96	92	87	82	81	83	83
Operation and maintenance of facilities	551	578	621	691	669	704	675	664	663	651
Student transportation	145	159	180	182	197	200	196	231	219	234
Total Support Services	1,393	1,442	1,527	1,745	1,708	1,806	1,754	1,805	1,799	1,845
Non Instructional	-	-	-	-	-	-	-	-	-	60
Totals	<u>\$ 4,369</u>	<u>\$ 4,519</u>	<u>\$ 4,675</u>	<u>\$ 5,694</u>	<u>\$ 5,522</u>	<u>\$ 5,852</u>	<u>\$ 5,755</u>	<u>\$ 5,804</u>	<u>\$ 5,682</u>	<u>\$ 5,785</u>
Final Enrollment	<u>10,472</u>	<u>11,041</u>	<u>11,708</u>	<u>12,377</u>	<u>12,816</u>	<u>13,211</u>	<u>13,086</u>	<u>13,336</u>	<u>13,575</u>	<u>13,896</u>

TOOELE COUNTY SCHOOL DISTRICT

Student Enrollment by School
For the Years Ended June 30, 2004 through 2013

Elementary																
School Year	Copper Canyon	Dugway	East	Grants-ville	Harris	Ibapah	Rose Springs	Settlement Canyon	Stansbury Park	Middle Canyon	Northlake	Vernon	Overlake	Anna Smith	West	Willow
2004		152	678	609	551	20			874	661	664	27	652	222	722	435
2005	422	162	656	615	523	16			937	636	640	29	508	207	724	447
2006	449	151	670	703	543	13	590		555	680	648	27	568	212	733	503
2007	607	133	651	728	534	13	710		580	648	694	30	615	229	726	543
2008	615	128	685	765	524	18	803		608	635	640	27	656	222	739	591
2009	629	119	527	817	511	19	889	654	616	652	513	35	667	216	453	594
2010	583	116	499	-	484	15	740	666	763	554	558	44	600	216	452	960
2011	599	108	505	-	479	16	773	680	784	544	541	37	571	242	427	990
2012	618	113	477	786	457	19	840	646	767	500	546	37	564	265	399	679
2013	654	111	506	779	429	22	842	625	842	502	537	35	600	270	398	677

Junior High				High						
School Year	Clarke N. Johnsen	Grants-ville	Tooele	Dugway	Grants-ville	Tooele	Wendover	Blue Peak	Stansbury	Total
2004		485	935	129	855	1,527	166	108		10,472
2005		505	1,050	126	898	1,708	182	50		11,041
2006		558	1,078	111	953	1,733	170	60		11,708
2007	568	630	534	120	1,046	1,820	160	58		12,377
2008	579	689	542	119	1,091	1,907	189	44		12,816
2009	612	684	570	105	1,169	1,942	168	50		13,211
2010	815	724	639	99	667	1,409	173	56	1,254	13,086
2011	838	761	671	99	678	1,314	181	90	1,408	13,336
2012	792	368	798	77	729	1,374	185	95	1,444	13,575
2013	842	380	839	80	758	1,390	190	86	1,502	13,896

Information taken from the End of Fourth Term Counts

APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Re: \$13,195,000
Board of Education of
Tooele County School District, Utah
General Obligation Refunding Bonds
(Utah School Bond Guaranty Program), Series 2014

We hereby certify that we have examined certified copy of the proceedings of the Board of Education of Tooele County School District, Utah (the “*Board*”) passed preliminary to the issuance by the Board of its General Obligation Refunding Bonds (Utah School Bond Guaranty Program), Series 2014 (the “*Bonds*”), in the amount of \$13,195,000, dated as of the date hereof, being in fully-registered form, in denominations of \$5,000 and any whole multiple thereof, due on June 1 of each of the years, in the amounts and bearing interest as follows:

JUNE 1 OF THE YEAR	AMOUNT MATURING	INTEREST RATE PER ANNUM
2015	\$ 50,000	2.00%
2016	1,355,000	4.00
2017	2,205,000	4.00
2018	2,280,000	3.00
2019	2,350,000	2.00
2020	2,420,000	4.00
2021	2,535,000	4.00

We are of the opinion that such proceedings show lawful authority for the issuance of the Bonds under the laws of the State of Utah now in force.

We further certify that we have examined the form of bond prescribed in the proceedings authorizing the issuance of the Bonds and find the same in due form of law. In our opinion, the Bonds, to the amount named, are valid and legally binding upon the Board, and all taxable property in Tooele County School District, Utah, is subject to the levy of taxes to pay the same without limitation as to rate or amount. It is to be understood that the rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable and that enforcement of the rights of the owners of the Bonds may also be subject to the exercise of judicial discretion in appropriate cases.

The guaranty of timely payment of the Bonds provided by the Utah School Bond Guaranty Act is a valid and binding obligation of the State of Utah.

The Bonds are being issued under the authority of the Utah Refunding Bond Act and other applicable provisions of law for the purpose of paying the cost of refunding a portion of the Board’s now outstanding General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2005, dated May 10, 2005 and the Board’s General Obligation School Building Bonds (Utah School Bond Guaranty Program), Series 2006, dated September 13, 2006 (collectively, the “*Refunded Bonds*”) and of paying costs and expenses incidental thereto. Accordingly, a portion of the proceeds of sale of the

Bonds has been applied to the purchase of certain obligations of the United States of America, which obligations have been deposited in trust in an escrow account (the "*Escrow Account*") with Zions First National Bank, Salt Lake City, Utah, in such manner that the collection of the principal thereof and the interest thereon, together with certain other escrowed moneys of the Board, is to be applied to the payment of the redemption price of and interest on the Refunded Bonds as such redemption price and interest become due thereon on each interest payment date and on the redemption date. We have relied upon an accountant's report of Grant Thornton LLP, Minneapolis, Minnesota, as to the accuracy of (1) the mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the obligations of the United States of America, together with the other escrowed moneys, placed in the Escrow Account to pay when due, pursuant to call for redemption, the redemption price of and interest on the Refunded Bonds and (2) the mathematical computation of the yield on the Bonds and the yield on the obligations so purchased with the proceeds of sale of the Bonds.

It is our opinion that, subject to the Board's compliance with certain covenants, under present law, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended (the "*Code*"), but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such Board covenants could cause interest on the Bonds to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Bonds. Ownership of the Bonds may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

It is further our opinion that under the existing laws of the State of Utah, as presently enacted and construed, interest on the Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. No opinion is expressed with respect to any other taxes imposed by the State of Utah or any political subdivision thereof. Ownership of the Bonds may result in other state and local tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Bonds.

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

In rendering this opinion, we have relied upon certifications of the Board with respect to certain material facts within the Board's knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX C

PROPOSED FORM OF

CONTINUING DISCLOSURE UNDERTAKING FOR THE PURPOSE OF PROVIDING CONTINUING DISCLOSURE INFORMATION UNDER PARAGRAPH (B)(5) OF RULE 15C2-12

[TO BE DATED CLOSING DATE]

THIS CONTINUING DISCLOSURE UNDERTAKING (the “*Agreement*”) is executed and delivered by the Board of Education of Tooele County School District, Utah (the “*Issuer*”) in connection with the issuance of \$13,195,000 General Obligation Refunding Bonds (Utah School Bond Guaranty Program), Series 2014 (the “*Bonds*”). The Bonds are being issued pursuant to a Resolution of the Issuer adopted on February 11, 2014 (collectively, the “*Resolution*”).

In consideration of the issuance of the Bonds by the Issuer and the purchase of such Bonds by the beneficial owners thereof, the Issuer covenants and agrees as follows:

Section 1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the Issuer as of the date set forth above, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The Issuer represents that it and the State (pursuant to the Utah School Bond Guaranty Act, Chapter 28, Title 53A, Utah Code Annotated, 1953, as amended) will be the only obligated persons with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

Section 2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Annual Financial Information means the financial information and operating data described in *Exhibit I*.

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the Issuer prepared pursuant to the standards and as described in *Exhibit I*.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and such agent’s successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

MSRB means the Municipal Securities Rulemaking Board.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Reportable Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Utah.

Undertaking means the obligations of the Issuer pursuant to Sections 4 and 5.

Section 3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Bonds maturing in each of the following years are as follows:

JUNE 1 OF THE YEAR	CUSIP NUMBER	JUNE 1 OF THE YEAR	CUSIP NUMBER
2015	890346 LB3	2019	890346 KY4
2016	890346 KV0	2020	890346 KZ1
2017	890346 KW8	2021	890346 LA5
2018	890346 KX6		

The Final Official Statement relating to the Bonds is dated April 16, 2014 (the “*Final Official Statement*”). The Issuer will include the CUSIP Number in all disclosure described in Sections 4 and 5 of this Agreement.

Section 4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Issuer will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA)

shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

Section 5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Indenture.

Section 6. CONSEQUENCES OF FAILURE OF THE ISSUER TO PROVIDE INFORMATION. The Issuer shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the Issuer to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

Section 7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the Issuer by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined either by parties unaffiliated with the Issuer or any other obligated person (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Issuer shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

Section 8. TERMINATION OF UNDERTAKING. The Undertaking of the Issuer shall be terminated hereunder if the Issuer shall no longer have any legal liability for any obligation on or relating

to repayment of the Bonds under the Resolution. The Issuer shall give notice to EMMA in a timely manner if this Section is applicable.

Section 9. DISSEMINATION AGENT. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 10. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Material Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Material Event. If the Issuer is changed, the Issuer shall disseminate such information to EMMA.

Section 11. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

Section 12. RECORDKEEPING. The Issuer shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 13. ASSIGNMENT. The Issuer shall not transfer its obligations under the Resolution unless the transferee agrees to assume all obligations of the Issuer under this Agreement or to execute an Undertaking under the Rule.

Section 14. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

DATED as of the day and year first above written.

BOARD OF EDUCATION OF
TOOELE COUNTY SCHOOL DISTRICT, UTAH

By _____
President

Address: 92 S. Lodestone Way
Tooele, Utah 84074

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“Annual Financial Information” means financial information and operating data of the type contained in the Official Statement under the following captions:

CAPTION

DEBT STRUCTURE OF TOOELE COUNTY SCHOOL DISTRICT, UTAH FINANCIAL INFORMATION REGARDING TOOELE COUNTY SCHOOL DISTRICT, UTAH

- Financial Summaries
- Historical Tax Rates of the District
- Comparative Total Property Tax Rates Within the County
- Taxable, Fair Market and Market Value of Property Within the District
- Historical Summaries of Taxable Values of Property
- Tax Collection Record
- Some of the Largest Taxpayers

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The Issuer shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be submitted to EMMA by 185 days after the last day of the Issuer’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared pursuant to generally accepted accounting principles applicable to governmental units in general and Utah school districts in particular. Audited Financial Statements will be submitted to EMMA within 30 days after availability to Issuer.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the Issuer will disseminate a notice of such change as required by Section 4.

EXHIBIT II

EVENTS WITH RESPECT TO THE BONDS FOR WHICH REPORTABLE EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer*
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

APPENDIX D

BOOK-ENTRY SYSTEM

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of "AA+". The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at <http://www.dtcc.com>.

Purchases of 2014 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2014 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2014 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 2014 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 2014 Bonds, except in the event that use of the book-entry system for the 2014 Bonds is discontinued.

To facilitate subsequent transfers, all 2014 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 2014 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2014 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2014 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 2014 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2014 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2014 Bond documents. For example, Beneficial Owners of 2014 Bonds may wish to ascertain that the nominee holding the 2014 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.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2014 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2014 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Distributions and dividend payments on the 2014 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Board or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of distributions and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the 2014 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, 2014 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, 2014 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board believes to be reliable, but the Board takes no responsibility for the accuracy thereof.

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